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**VOTE 5**  
International Relations  
and Cooperation

**ESTIMATES  
OF NATIONAL  
EXPENDITURE** **2011**



**national treasury**

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



# **Estimates of National Expenditure**

## **2011**

**National Treasury**

**Republic of South Africa**

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The *Estimates of National Expenditure 2011* e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. More comprehensive coverage of goods and services, donor funding, transfers and subsidies, public entities and lower level institutional information, is provided in this publication where applicable.

The *Estimates of National Expenditure 2011* e-publications are available on [www.treasury.gov.za](http://www.treasury.gov.za)

# Foreword

When this publication was introduced in 2001, we stated that “The Estimates of National Expenditure represents a significant step forward in national budget transparency.” Since then, the national budget process has undergone continued reform. The Budget preparation for 2011 saw a shift from budgeting by department to budgeting by function of government, thus enabling a more strategic focus on a smaller number of key outcomes. Using the functional approach, there is better transparency and coordination in budgeting due to participation by stakeholders responsible for delivery across all spheres of government, including the various agencies. Ongoing efforts to reform non-financial performance information have led to a systematic improvement in the veracity of this information. These reforms will lead to greater accountability and control.

Budgets are the link between the outcomes targeted by government and the services that are ultimately delivered. Government’s adoption of the outcomes approach in 2009 started the process of closer cooperation and improved coordination across government departments and agencies towards the attainment of 12 clearly stated outcomes that are of considerable importance to the country’s development. This approach started with the re-organisation of national government departments and was further re-enforced by signed agreements concluded between the president and ministers of national departments.

Budgets proposed for each of the votes in this publication give consideration to the initiatives focused on the 12 outcomes. One of the outcomes warranting a special mention is that of job creation. 2011 has been declared the year of job creation. A key aim of the new growth path is to achieve job creation on a significant scale through economic transformation and inclusive growth.

There is a focus on the reprioritisation of existing budgets, in addition to the allocation of new money made available by the main Budget framework. This publication indicates details per vote of savings amounting to R30.6 billion over the period ahead. This year, specific detail has been included on: the outcomes which institutions contribute towards and the output and other performance measures supporting them; personnel budgets, employee numbers and spending trends; and the purpose and key activities of each sub-programme within a vote. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, public entities, lower level expenditure information and information on donor funding.

The independent Open Budget Index assessment of budget transparency began in 2006. It is conducted every two years to measure the availability and comprehensiveness of key budget documents. In 2010, South Africa achieved first place among all the 94 countries surveyed across the world, scoring 92 per cent. South Africa’s score on the index rose from 86 per cent in 2006 (when 59 countries were surveyed), and 87 per cent in 2008 (when 85 countries surveyed).

The detailed expenditure estimates of departments set out in this publication are the result of an arduous executive and administrative process. Executive approval of additional spending allocations and savings takes place under the political guidance of the ministers’ committee on the Budget and follows a wide ranging intergovernmental consultative process led by a committee of senior officials in central government departments.

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, which worked tirelessly to produce a document of which we are rightly proud.



**Lesetja Kganyago**  
**Director-General: National Treasury**



# Introduction

South Africa has once again achieved international recognition for meeting budget transparency and accountability standards. The International Budget Partnership ranks South Africa first among 94 countries in the 2010 Open Budget Survey. The quality and usability of budget documents such as the Estimates of National Expenditure have made a significant contribution to this achievement. Moreover, the Money Bills Amendment Procedure and Related Matters Act (2009) has increased Parliament's oversight over the Budget proposal as it sets out the procedure in terms of which the proposal must be considered for possible amendment. The parliamentary procedure involves canvassing the opinion of civil society groups and lends itself to more participatory budgeting. The increased transparency of budgets and the increased scrutiny make it possible for South African public servants to be held more accountable for their management of resources and performance over the period ahead.

The 2011 Estimates of National Expenditure is a comprehensive publication that provides details of the spending plans of all national departments and agencies for the next three financial years (2011/12 to 2013/14), expenditure outcomes for the past three years (2007/08 to 2009/10), and revised estimates for the current year (2010/11). Information is also provided on legislation, policies, outcomes and performance targets over the seven-year period. Any changes in these areas are explained in relation to trends in planned expenditure. The Estimates of National Expenditure e-publications per vote give more extensive coverage of transfers and subsidies, public entities, goods and services, donor funding and lower level institutional information than does the abridged version of the Estimates of National Expenditure. This more detailed information for each vote is available at [www.treasury.gov.za](http://www.treasury.gov.za).

In keeping with the ongoing budget reform improvements to the way that public finances are managed and reported, changes have also been made in the 2011 Estimates of National Expenditure. Information on the outcomes that departments and government agencies contribute to and the related outputs included in delivery agreements is briefly discussed in the strategic overview section. Departments will also provide more information on the key functions of each subprogramme on a vote, particularly regarding its transfers and subsidies, personnel complement, volume of work carried out and the composition of spending. A new section on personnel information has been introduced under the expenditure trends section, including a table that provides information on posts funded on budget, vacancies and the number of posts in the department by salary level, as well as by programme and unit cost.

## Budgeting for outcomes

Over the past decade, strong growth in public spending has not always been matched with a concomitant improvement in service delivery. If government's development and economic objectives stipulated in the new growth path are to be met, it is stated in the new growth path framework that public service delivery must improve significantly. Better public services require a culture of efficiency, effectiveness and stewardship of public resources, obliging government to become more responsive to the needs of citizens.

This objective is supported by various reform initiatives which have been and continue to be undertaken. At the outset, in 2009 the national macro organisation of the state project effected the reorganisation of national government departments to enhance their efficiency and improve on service delivery. Following on from this, the outcomes approach was adopted and 12 outcome targets were agreed upon for government, and signed ministerial performance agreements and interdepartmental and interagency delivery agreements followed. The outcomes approach provides a platform for achieving greater efficiency in the public service as it is aimed at addressing the weaknesses identified in coordination and cooperation across government. The five major budget priorities over the medium term expenditure framework period are expressed in terms of the 12 government outcomes. Budget decisions are informed by an agreed set of outputs and activities to the extent that they are organised around the 12 government outcomes and elaborated upon in delivery agreements.

Government has taken a different approach in reviewing its spending baseline to realign expenditure with the government outcomes and to make existing resources work with greater efficiency. Government's consumption expenditure (including wages as well as goods and services) has to be managed more efficiently to obtain greater value for money. Over recent years, there have been significant increases in overall personnel costs,

although expenditure on frontline personnel has not increased markedly. Government is targeting the reduction of large administrative budgets in favour of increasing frontline personnel and infrastructure investment, to channel more resources towards the actual delivery of key services.

In developing the 2011 medium term expenditure framework there was a shift towards budgeting by function rather than by department. The functional approach focuses on the purpose (the function) for which funds are to be used, and groups together national, provincial and local government, and government agencies, in terms of the function of government they perform. In this way a consolidated functional expenditure amount can be calculated, and monies transferred from one sphere of government to another can be more easily offset against each other. In support of the reprioritisation of funds in line with outcomes, more effective comparison of allocations with service delivery trends, and assessment of spending proposals, including the trade-offs between different options, are carried out in a given function. This approach provides more transparency and better coordination in the budgeting process. The table below shows the functional classification and, for each function, the national department(s) involved and the outcomes each function supports.

#### Functional classification of national departments and related outcomes

Functional Classification	Department(s)	Outcome(s)
Economic affairs	Government Communication and Information System [9], Public Enterprises [11], Agriculture, Forestry and Fisheries [26], Economic Development [28], Energy [29], Environmental Affairs [30], Mineral Resources [32], Rural Development and Land Reform [33], Science and Technology [34], Tourism [35], Trade and Industry [36], Transport [37]	<p><b>Outcome 4:</b> Decent employment through inclusive economic growth</p> <p><b>Outcome 5:</b> A skilled and capable workforce to support an inclusive growth path</p> <p><b>Outcome 6:</b> An efficient, competitive and responsive economic infrastructure network</p> <p><b>Outcome 7:</b> Vibrant, equitable and sustainable rural communities with food security for all</p> <p><b>Outcome 10:</b> Environmental assets and natural resources that are well protected and continually enhanced</p>
Housing and community amenities	Human Settlements [31], Water Affairs [38]	<p><b>Outcome 4:</b> Decent employment through inclusive economic growth</p> <p><b>Outcome 7:</b> Vibrant, equitable and sustainable rural communities with food security for all</p> <p><b>Outcome 8:</b> Sustainable human settlements and improved quality of household life</p> <p><b>Outcome 9:</b> A responsive, accountable, effective and efficient local government system</p>
Education	Basic Education [15], Higher Education and Training [17]	<p><b>Outcome 1:</b> Improved quality of basic education</p> <p><b>Outcome 5:</b> A skilled and capable workforce to support an inclusive growth path</p>
Health	Health [16]	<b>Outcome 2:</b> A long and healthy life for all South Africans
Social protection	Women, Children and People with Disabilities [8], Labour [18], Social Development [19]	
Recreation, culture and sport	Arts and Culture [14], Sport and Recreation South Africa [20]	<b>Outcome 12:</b> An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship
Public order and safety	Correctional Services [21], Independent Complaints Directorate [23], Justice and Constitutional Development [24], Police [25]	<p><b>Outcome 3:</b> All people in South Africa are and feel safe</p> <p><b>Outcome 11:</b> Create a better South Africa and contribute to a better and safer Africa and World</p> <p><b>Outcome 12:</b> An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship</p>
Defence	Defence and Military Veterans [22]	<p><b>Outcome 3:</b> All people in South Africa are and feel safe</p> <p><b>Outcome 11:</b> Create a better South Africa and contribute to a better and safer Africa and World</p>
General public service	Presidency [1], Parliament [2], Cooperative Governance and Traditional Affairs [3], Home Affairs [4], International Relations and Cooperation [5], Performance Monitoring and Evaluation [6], Public Works [7], National Treasury [10], Public Service and Administration [12], Statistics South Africa [13], Communications [27]	<p><b>Outcome 9:</b> A responsive, accountable, effective and efficient local government system</p> <p><b>Outcome 11:</b> Create a better South Africa and contribute to a better and safer Africa and World</p> <p><b>Outcome 12:</b> An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship</p>

The functional groups that have been used are derived from the Classification of the Functions of Government published by the United Nations, but are modified for the South African budgeting context. All decisions on savings and spending in relation to each function were reached as part of a broad consultative process between different stakeholders in the sector, including the medium term expenditure committee of senior officials in central government departments which leads this process, the provincial technical and executive forums, the ministers' committee on the budget, Cabinet and Parliament. These decisions comprise the Budget proposal tabled on Budget day for Parliament's consideration.

## Savings and reprioritisation of budgets

While the global economy has been showing signs of recovery, international opinion on the economy is still cautious, on the grounds of perceived uncertainties. In addition to the macroeconomic situation, in line with achieving government's outcomes targets the composition of government expenditure needs to change to ensure that there is value for money. To sustain public expenditure in South African in the long run, a moderation in spending growth over the period ahead is necessary. This necessitates a rigorous review of budget baseline expenditure and an assessment of the:

- capacity of departments and public entities to spend and manage resources appropriately
- strength of the link between expenditure and the outcomes approach as well as with government departmental mandates
- expenditure trade-offs between the different budget options proposed
- non-performing/ underperforming projects/ programmes and entities
- sourcing of funds through savings and reprioritisation initiatives
- alternative revenue raising capacity, cost recovery efforts and donor funding availability.

This year's budget preparation focused extensively on finding savings within the departmental and agency budget baselines linked to a given functional grouping. Departments were able to decrease spending on non-core goods and services, restrict expenditure on low priority programmes, reschedule expenditure, effect savings on foreign exchange rate projections, reduce transfers to certain public entities, improve financial management and reduce expenditure on administration. Savings identified per function over the medium term in this exercise are presented in the table below.

### Savings realised per function over the medium term

R thousand	2011/12	2012/13	2013/14	Total
Economic affairs	1 387 674	1 645 222	1 232 355	4 265 251
Housing and community amenities	1 970 233	2 618 510	2 314 474	6 903 217
Education	24 157	24 418	25 590	74 165
Health	44 000	44 000	544 000	632 000
Social protection	1 273 468	1 021 306	519 124	2 813 898
Recreation, culture and sport	28 222	25 571	56 858	110 652
Public order and safety	293 940	1 768 802	1 860 911	3 923 653
Defence	404 824	458 919	434 034	1 297 777
General public service	933 163	1 187 437	875 382	2 995 982
<b>Total</b>	<b>6 359 682</b>	<b>8 794 185</b>	<b>7 862 728</b>	<b>23 016 595</b>

Savings realised over the three years on national votes amounted to R23 billion, of which R6.4 billion is in 2011/12, R8.8 billion in 2012/13 and R7.9 billion in 2013/14. Of these savings, R21.6 billion is reprioritised within functional budget baselines towards meeting existing outcomes commitments. The remainder of R1.4 billion is added to the policy reserve for reallocation. The major savings and reprioritisation areas identified over the medium term are presented in the table below.

## Major areas of savings and reprioritisation

Function	Savings identified	Savings redirected
Economic affairs	Non-core goods and services (R2 billion) Underperforming programmes (R1.3 billion)	Road maintenance (R950 million) Expansion of public transport infrastructure and system grant (R580 million) Rural development and land reform (R1.3 billion)
Housing and community amenities	Underperforming programmes (R600 million) Non-core goods and services (R478 million) Rescheduling of expenditure (R759 million) Expanded public works programme: Infrastructure (R688 million)	Completion of De Hoop Dam and a portion of bulk distribution system (R1 billion) Regional bulk infrastructure (R600 million) Expanded public works programme Social sector (R825 million)
Social protection	Non-essential items such as catering and consultation fees (R927 million)	Old age grants - means threshold increased (R280 million) Efficient and effective grant payment model (R535 million)
Public order and safety	Non-essential items (R555 million)	Anti-retroviral drugs for prisoners and additional police personnel (R465 million)
Defence	Non-core goods and services (R1.3 billion)	New remuneration dispensation (R1.3 billion)

In addition to the initial exercise, a further reduction of 0.3 per cent on the budgets of provincial and national departments was also effected; this yielded an additional R6 billion in savings.

## Policy reserve

In line with the change to functional budgeting, the additional allocation made available through the national Budget framework was divided per function and a policy reserve was also retained. In the 2011 Budget process the policy reserve was created to fund key government priorities over the next three years. Including the initial identified savings of R1.4 billion that was not reprioritised and the R6 billion identified later, a policy reserve amounting to R33 billion was created. The table below shows how the policy reserve was allocated.

### Allocation of the policy reserve

R thousand	2011/12	2012/13	2013/14	Total
<b>For various functions</b>				
Job creation and youth employment	2 000 000	3 000 000	4 000 000	9 000 000
<b>Economic affairs</b>				
Economic regulatory capacity	50 000	50 000	50 000	150 000
Green economy: allocated	200 000	-	-	200 000
: unallocated	-	300 000	500 000	800 000
Broadband information and communication technology: universal access	100 000	150 000	200 000	450 000
Rural development and farmer support	150 000	350 000	600 000	1 100 000
Public transport	200 000	400 000	600 000	1 200 000
Agro-Processing Competitiveness Fund	34 000	108 000	108 000	250 000
Khula Direct	55 000	-	-	55 000
<b>Housing and community amenities</b>				
Human settlement upgrading	200 000	400 000	600 000	1 200 000
Water infrastructure and quality	50 000	150 000	200 000	400 000
<b>Education</b>				
School infrastructure	700 000	1 500 000	2 300 000	4 500 000
Further education and training colleges expansion and National Students Financial Aid Scheme	1 949 990	2 714 188	3 075 595	7 739 773
<b>Health</b>				
Public health services	600 000	1 400 000	2 000 000	4 000 000
<b>Public order and safety</b>				
Police capacity and border control	100 000	400 000	900 000	1 400 000
<b>Defence</b>				
Border control	100 000	200 000	300 000	600 000
<b>Total</b>	<b>6 488 990</b>	<b>11 122 188</b>	<b>15 433 595</b>	<b>33 044 773</b>

The largest allocation from the policy reserve amounts to R9 billion and targets job creation and youth employment, which is allocated on the National Treasury vote. It will be allocated to line departments that provide proposals for projects that meet the objectives of the fund. Of the R1 billion allocation for the green economy, R800 million is currently unallocated to any specific vote but will be announced in the 2011 Budget

as available for appropriation over the medium term. Other major allocations in the policy reserve include R7.7 billion for further education and training colleges and the National Student Financial Aid Scheme, R4.5 billion for school infrastructure and R4 billion for public health services.

## **Additional allocations**

Including policy reserve funding, a total addition of R94.1 billion is allocated to government institutions in terms of the revised national Budget framework to fund government's key priorities over the next three years. Of the R94.1 billion, national departments receive R48.8 billion (51.9 per cent): R9.9 billion in 2011/12, R14.7 billion in 2012/13 and R24.2 billion in 2012/13. Provinces and municipalities receive the remainder: R40.2 billion (42.7 percent) to provinces and R5.1 billion (5.4 percent) to municipalities over the medium term. Conditional grants to provinces and municipalities are reflected on both national budgets and the budgets of provinces or municipalities, and are included in the discussion below.

A summary of additional allocations in line with government's policy priorities is provided below by national vote. It is important to note that the discussion on increases in the budget excludes all direct charges against the National Revenue Fund and the amounts of the local and provincial equitable share. Details are only provided for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The amounts per vote in the discussion below correspond with those in table 2. They represent the gross additional allocations, before the baseline savings and reprioritisation have been effected. The total amounts may therefore be bigger than the overall net change in the budget of a specific vote. In the discussion below, these gross amounts will be referred to as the allocations received for the coming three year medium term expenditure framework period. In certain instances, the savings on a particular vote exceed the gross total allocation to that vote and the overall net change in the budget of that vote is actually negative.

## **Economic affairs**

Taking into account the policy and practical budgeting considerations within this government function in the South African context, this function has been disaggregated broadly into four areas that are each discussed in turn.

### **Transport**

For the **Department of Transport** for the medium term expenditure framework period, R2.7 billion is provided for the public transport infrastructure and systems conditional grant to municipalities to develop integrated public transport networks. The South African National Roads Agency is allocated R2.7 billion for the maintenance of roads and R1.4 billion is allocated to the Passenger Rail Agency South Africa to upgrade and replace Metrorail's signalling infrastructure.

### **Energy and environmental protection**

Over the medium term, the **Department of Environmental Affairs** receives an additional R191 million to implement measures that will address wildlife trafficking, air quality, waste and coastline management, and oil spill disasters. For climate change mitigation and the establishment of a green fund for South Africa, R1 billion is provided. This will be announced in the 2011 Budget as an amount largely not appropriated to any specific vote, except for the R200 million in funding that is allocated to host the 2011 United Nations Conference on Climate Change in 2011/12.

### **Industrial development**

An allocation to the **Economic Development Department** of R250 million is for the Competition Commission to group its work on anti-competitive practices in four priority sectors and to form a specialised cartel investigation unit.

### **Agriculture, forestry, fisheries and land affairs**

An amount of R1.1 billion is the gross allocation to the **Department of Rural Development and Land Reform** for the comprehensive rural development programme.

The **Department of Agriculture, Forestry and Fisheries** receives R500 million for the comprehensive agriculture support programme grant and the land care programme grant.

Also, a gross allocation of R450 million is made available to the **Department of Communications** for broadband services information and communication technologies infrastructure, and universal access in underdeveloped or rural areas in the country.

#### Housing and community amenities

This function's budget is dominated by transfer payments. Over the MTEF period, an additional R2.1 billion is allocated to the **Department of Human Settlements** for informal settlements upgrading through the new urban settlements development grant. The Social Housing Regulatory Authority receives R972 million to increase the delivery of affordable rental housing.

The **Department of Water Affairs** is allocated a gross addition of R3.7 billion, of which R1 billion is for the completion of the De Hoop Dam and the provision of some bulk infrastructure pipelines, R952 million is for regional bulk infrastructure, R520 million for the completion of the Nandoni pipeline and R450 million for emergency drought relief in the Nelson Mandela Bay municipality.

#### Education

This function receives the biggest gross total allocation of R33.9 billion. The **Department of Basic Education** receives R8.2 billion, most of which is for transfers to provinces. The funds are mostly for school buildings for the eradication of inappropriate infrastructure structures and to ensure that more schools have water, sanitation and electricity. For bursaries for mathematics and science teachers, R596 million is allocated.

The **Department of Higher Education and Training** receives R3.6 billion for the National Student Financial Aid Scheme for funding higher education students, R300 million for establishing universities in Mpumalanga and Northern Cape, R3.9 billion for a state bursary scheme that will increase poor learners' access to further education and training colleges, and R1.4 billion to further education and training colleges to increase the number of students they enrol.

#### Health

The gross total allocation to the health function over the medium term is R18.5 billion. Most of this funding is allocated by means of the provincial equitable share. An amount of R1.4 billion is allocated to the national **Department of Health** towards increasing HIV counselling and circumcisions. To improve health facilities and medical equipment in preparation for national health insurance, the department receives a further R1.6 billion.

#### Social protection

The **Department of Social Development** is allocated R870 million for the South African Social Security Agency to implement a new grants application process that will reduce beneficiary waiting times and fraud.

#### Recreation, culture and sport

The **Department of Sport and Recreation South Africa** receives a gross allocation of R136 million to provide increased support to national sporting federations to enhance sports development and transformation, particularly in the participation of previously disadvantaged communities.

For the development of the local film industry R135 million is allocated to the National Film and Video Foundation under the **Department of Arts and Culture's** vote and R37 million is also allocated to capacitate the National Library of South Africa.

#### Public order and safety

Additional funding of R2.1 billion is made available to this function for the **Department of Police's** vote for the recruitment of additional policing personnel in the areas of visible policing, detective services and crime intelligence services. The number of police personnel will increase to 202 260 in 2013/14.

The **Department of Justice and Constitutional Development** receives additional funding of R490 million for the construction of two new high courts in Nelspruit and Polokwane, which will bring the total number of high courts to 16.

The **Department of Correctional Services** is allocated R460 million over the medium term for the upgrading of information technology that will enhance the functioning of the criminal justice system.

## Defence

In this function, an amount of R600 million is allocated to the **Department of Defence** to deploy soldiers to the country's borders and upgrade and improve border facilities and equipment.

## General public service

An amount of R500 million is added to the budget of **Statistics South Africa** for the 2011 Census, towards the costs of 120 000 field workers and to ensure greater coverage of the population than in the 2001 Census.

The **Department of Public Works** receives an additional R2.2 billion for municipal and accommodation charges payable.

To deal with the post recovery and reconstruction effects of the flooding disaster, R600 million has been allocated under the **National Treasury** vote. The National Treasury also receives R1.5 billion to fund increases in amounts payable to the Political Office Bearers' Pension Fund, as well as increases in costs related to post-retirement benefits and injury-on-duty benefits.

For the new conditional grants to deal with immediate disaster effects, R1.8 billion is allocated over the medium term under the **Cooperative Governance and Traditional Affairs**' vote. Of this, R675 million is for the provinces and R1.2 billion is allocated to municipalities.

## Overview of expenditure

The main Budget, including state debt costs, provides for total expenditure of R888.9 billion in 2011/12, R968.1 billion in 2012/13 and R1.1 trillion in 2013/14, reflecting a nominal growth rate of approximately 9.1 per cent on average over the medium term expenditure framework period. Non-interest expenditure comprises on average 89.3 per cent of total main Budget expenditure, growing at an average annual rate of 7.6 per cent over the period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R4.1 billion in 2011/12, R11.4 billion in 2012/13 and R23.4 billion in 2013/14.

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



## Summary tables

Table 1: Main budget framework 2007/08 to 2013/14

Table 2: Additional allocation to national votes 2011/12 to 2013/14

Table 3: Expenditure by national vote 2007/08 to 2013/14

Table 4: Expenditure by economic classification 2007/08 to 2013/14

Table 5: Amounts to be appropriated from the National Revenue Fund for 2011/12

Table 6a: Conditional grants to provinces 2007/08 to 2013/14

Table 6b: Conditional grants to municipalities 2007/08 to 2013/14

Table 7: Training expenditure per vote 2007/08 to 2013/14

Table 8: Infrastructure expenditure per vote 2007/08 to 2013/14

Table 9: Personnel expenditure per vote 2007/08 to 2013/14

Table 10: Departmental receipts per vote 2007/08 to 2013/14

**Table 1 Main budget framework 2007/08 to 2013/14**

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Revenue (National Revenue Fund)</b>							
Tax revenue (gross)	572 814.6	625 100.2	598 705.4	672 200.0	741 620.0	827 310.0	927 960.0
Departmental and other receipts, and repayments	12 693.0	12 616.0	8 889.0	12 254.0	10 000.9	11 540.0	12 351.1
Less: Southern Africa Customs Union payments	-24 712.6	-28 920.6	-27 915.4	-14 991.3	-21 763.2	-32 431.8	-35 997.4
Other adjustment <sup>1</sup>	-	-	-	-2 900.0	-	-	-
<b>Total revenue</b>	<b>560 795.1</b>	<b>608 795.5</b>	<b>579 679.0</b>	<b>666 562.7</b>	<b>729 857.6</b>	<b>806 418.2</b>	<b>904 313.7</b>
<i>Percentage of GDP</i>	<i>27.0%</i>	<i>26.3%</i>	<i>23.7%</i>	<i>25.0%</i>	<i>25.0%</i>	<i>25.2%</i>	<i>25.6%</i>
<b>Expenditure</b>							
State debt cost	52 877.1	54 393.7	57 129.2	66 570.4	76 578.7	90 807.7	104 036.2
<i>Percentage of GDP</i>	<i>2.5%</i>	<i>2.4%</i>	<i>2.3%</i>	<i>2.5%</i>	<i>2.6%</i>	<i>2.8%</i>	<i>2.9%</i>
Current payments <sup>2</sup>	88 512.0	103 376.4	117 130.0	135 313.3	147 760.3	156 210.6	166 884.0
Transfers and subsidies	391 929.9	458 702.2	532 182.3	578 332.9	648 496.9	695 554.1	740 738.6
Payments for capital assets <sup>2</sup>	7 018.5	8 508.4	9 202.2	8 817.0	11 206.9	13 823.7	17 464.5
Payments for financial assets	1 105.9	10 972.6	31 553.0	20 889.7	750.1	0.1	0.1
Unallocated	-	-	-	-	40.0	330.0	530.0
Contingency reserve	-	-	-	-	4 090.4	11 405.4	23 375.2
<b>Total expenditure</b>	<b>541 443.4</b>	<b>635 953.3</b>	<b>747 196.8</b>	<b>809 923.3</b>	<b>888 923.3</b>	<b>968 131.7</b>	<b>1 053 028.6</b>
<i>Percentage of GDP</i>	<i>26.0%</i>	<i>27.5%</i>	<i>30.6%</i>	<i>30.4%</i>	<i>30.5%</i>	<i>30.2%</i>	<i>29.8%</i>
<b>Budget deficit<sup>3</sup></b>	<b>19 351.6</b>	<b>-27 157.8</b>	<b>-167 517.7</b>	<b>-143 360.6</b>	<b>-159 065.7</b>	<b>-161 713.5</b>	<b>-148 714.9</b>
<i>Percentage of GDP</i>	<i>0.9%</i>	<i>-1.2%</i>	<i>-6.9%</i>	<i>-5.4%</i>	<i>-5.5%</i>	<i>-5.1%</i>	<i>-4.2%</i>
<b>GDP</b>	<b>2 078 822.0</b>	<b>2 312 965.0</b>	<b>2 442 593.0</b>	<b>2 666 893.9</b>	<b>2 914 861.7</b>	<b>3 201 299.3</b>	<b>3 536 001.5</b>

1. Payment to SACU partners in respect of a previous error in calculation of the 1969 agreement.

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

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

**Table 2 Additional allocation to national votes 2011/12 to 2013/14<sup>1</sup>**

R million	Medium-term expenditure estimates			Total
	2011/12	2012/13	2013/14	
<b>Central Government Administration</b>	<b>1 948.2</b>	<b>2 277.4</b>	<b>2 923.5</b>	<b>7 149.1</b>
1 The Presidency	90.5	131.3	126.4	348.3
2 Parliament	30.4	31.3	32.4	94.1
3 Cooperative Governance and Traditional Affairs	964.1	873.0	1 250.8	3 087.9
4 Home Affairs	176.9	444.8	600.2	1 221.9
5 International Relations and Cooperation	145.2	162.2	170.1	477.4
6 Performance Monitoring and Evaluation	37.4	97.5	114.5	249.3
7 Public Works	493.7	522.3	609.1	1 625.1
8 Women, Children and People with Disabilities	10.0	15.0	20.0	45.0
<b>Financial and Administrative Services</b>	<b>4 067.9</b>	<b>4 190.0</b>	<b>5 261.1</b>	<b>13 519.0</b>
9 Government Communication and Information System	10.1	10.6	9.9	30.6
10 National Treasury	3 442.3	4 048.0	5 097.8	12 588.1
11 Public Enterprises	44.8	4.6	4.6	53.9
12 Public Service and Administration	34.9	44.2	55.0	134.0
13 Statistics South Africa	535.8	82.7	93.8	712.3
<b>Social Services</b>	<b>4 043.4</b>	<b>7 691.7</b>	<b>14 993.2</b>	<b>26 728.2</b>
14 Arts and Culture	66.9	83.1	105.7	255.8
15 Basic Education	826.4	2 574.4	5 649.7	9 050.4
16 Health	442.0	692.0	2 236.0	3 370.0
17 Higher Education and Training	2 215.3	3 560.3	4 403.6	10 179.2
18 Labour	131.7	170.3	187.3	489.3
19 Social Development	312.1	543.3	2 322.5	3 177.9
20 Sport and Recreation South Africa	49.0	68.3	88.4	205.7
<b>Justice, Crime Prevention and Security</b>	<b>3 740.6</b>	<b>5 760.1</b>	<b>7 583.9</b>	<b>17 084.7</b>
21 Correctional Services	579.9	1 046.7	1 147.8	2 774.3
22 Defence and Military Veterans	1 180.2	1 552.8	1 863.6	4 596.6
23 Independent Complaints Directorate	7.9	9.1	10.1	27.1
24 Justice and Constitutional Development	477.0	1 098.6	1 196.9	2 772.4
25 Police	1 495.7	2 052.9	3 365.5	6 914.2
<b>Economic Services and Infrastructure</b>	<b>6 550.4</b>	<b>8 755.2</b>	<b>10 874.5</b>	<b>26 180.1</b>
26 Agriculture, Forestry and Fisheries	194.1	405.7	512.4	1 112.2
27 Communications	105.7	155.9	206.1	467.7
28 Economic Development	101.6	156.0	166.1	423.7
29 Energy	307.9	29.2	32.6	369.7
30 Environmental Affairs	297.9	146.0	186.4	630.3
31 Human Settlements	657.5	1 215.8	1 757.2	3 630.6
32 Mineral Resources	43.2	53.6	34.1	130.9
33 Rural Development and Land Reform	610.4	838.5	1 113.9	2 562.8
34 Science and Technology	14.6	139.9	404.1	558.6
35 Tourism	52.5	42.4	44.9	139.8
36 Trade and Industry	527.6	621.7	646.3	1 795.6
37 Transport	2 180.8	3 689.9	4 786.2	10 656.9
38 Water Affairs	1 456.6	1 260.4	984.2	3 701.2
<b>Total</b>	<b>20 350.6</b>	<b>28 674.3</b>	<b>41 636.1</b>	<b>90 661.1</b>

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

**Table 3 Expenditure by national vote 2007/08 to 2013/14**

R million	Audited outcome			Adjusted appropriation	
	2007/08	2008/09	2009/10	2010/11	
<b>Central Government Administration</b>					
1	The Presidency	649.4	308.8	659.1	766.9
2	Parliament	849.8	1 071.5	1 009.0	1 201.6
3	Cooperative Governance and Traditional Affairs	28 359.9	33 386.0	33 661.6	41 748.5
4	Home Affairs	3 241.7	4 666.6	5 195.4	5 834.4
5	International Relations and Cooperation	4 069.7	5 472.3	5 417.4	4 715.8
6	Performance Monitoring and Evaluation	2.0	3.6	10.4	40.5
7	Public Works	3 402.3	4 197.0	5 533.6	7 364.8
8	Women, Children and People with Disabilities	52.5	61.9	77.5	106.2
<b>Financial and Administrative Services</b>					
9	Government Communication and Information System	380.9	427.5	495.4	550.2
10	National Treasury	12 569.3	23 762.8	53 240.6	38 704.9
11	Public Enterprises	4 604.0	3 265.1	3 983.3	555.5
12	Public Service and Administration	609.6	630.6	670.8	658.7
13	Statistics South Africa	1 054.3	1 323.1	1 555.8	2 101.4
<b>Social Services</b>					
14	Arts and Culture	1 585.8	2 114.5	2 224.9	2 441.2
15	Basic Education	4 799.5	6 384.0	7 854.3	10 924.3
16	Health	13 578.6	16 424.5	19 168.6	23 132.5
17	Higher Education and Training	15 999.1	18 767.8	20 684.4	23 776.2
18	Labour	1 431.5	1 507.2	1 698.7	1 835.8
19	Social Development	67 191.4	76 096.7	85 318.2	95 941.1
20	Sport and Recreation South Africa	5 048.0	4 871.4	2 866.4	1 255.5
<b>Justice, Crime Prevention and Security</b>					
21	Correctional Services	11 122.4	12 822.6	13 687.3	15 427.5
22	Defence and Military Veterans	25 180.1	27 801.3	31 324.2	30 442.6
23	Independent Complaints Directorate	80.9	99.3	106.2	131.4
24	Justice and Constitutional Development	7 194.0	8 244.4	9 653.5	10 787.3
25	Police	36 525.9	41 635.2	47 662.5	53 529.7
<b>Economic Services and Infrastructure</b>					
26	Agriculture, Forestry and Fisheries	3 957.2	3 564.9	3 961.8	4 003.9
27	Communications	1 911.8	2 328.6	2 301.9	2 138.0
28	Economic Development	245.1	220.4	314.6	449.8
29	Energy	2 229.8	2 961.7	3 690.9	5 648.7
30	Environmental Affairs	1 564.5	1 789.9	2 124.3	2 438.5
31	Human Settlements	10 503.0	13 269.5	16 407.4	19 305.9
32	Mineral Resources	717.5	768.3	853.8	995.8
33	Rural Development and Land Reform	5 896.6	6 669.8	5 863.8	7 293.4
34	Science and Technology	3 127.3	3 703.5	4 183.9	4 128.0
35	Tourism	1 056.0	1 202.2	1 145.6	1 183.8
36	Trade and Industry	5 050.2	4 836.7	5 923.3	6 194.2
37	Transport	19 155.9	28 161.7	28 664.0	30 380.8
38	Water Affairs	4 802.9	5 797.8	7 188.6	8 203.2
<b>Total appropriation by vote</b>		<b>309 800.8</b>	<b>370 620.6</b>	<b>436 383.5</b>	<b>466 338.6</b>
Plus:					
<b>Direct charges against the National Revenue Fund</b>					
	President and Deputy President salary (The Presidency)	2.3	4.0	3.8	4.6
	Members remuneration (Parliament)	240.7	304.2	398.8	392.7
	State debt costs (National Treasury)	52 877.1	54 393.7	57 129.2	67 606.9
	Provincial equitable share (National Treasury)	171 053.7	201 795.6	236 890.8	265 139.4
	General fuel levy sharing with metros (National Treasury)	-	-	6 800.1	7 542.4
	Skills levy and Setas (Higher Education and Training)	6 284.3	7 234.1	7 815.6	8 424.2
	Judges and magistrates salaries (Justice and Constitutional Development)	1 184.5	1 601.1	1 774.9	1 929.9
<b>Total direct charges against the National Revenue Fund</b>		<b>231 642.6</b>	<b>265 332.8</b>	<b>310 813.2</b>	<b>351 040.0</b>
	Unallocated	-	-	-	-
	Contingency reserve	-	-	-	-
	Projected underspending	-	-	-	-1 700.0
<b>Total</b>		<b>541 443.4</b>	<b>635 953.3</b>	<b>747 196.8</b>	<b>815 678.6</b>

Table 3 Expenditure by national vote 2007/08 to 2013/14

Revised estimate	Medium-term expenditure estimates			R million
	2010/11	2011/12	2012/13	
				<b>Central Government Administration</b>
766.9	815.0	887.5	924.2	The Presidency
1 201.6	1 265.3	1 315.9	1 387.6	Parliament
41 748.5	47 933.6	53 842.8	57 120.8	Cooperative Governance and Traditional Affairs
5 834.4	5 464.1	5 249.7	5 864.3	Home Affairs
4 715.8	4 796.8	5 154.9	5 569.3	International Relations and Cooperation
40.5	75.8	141.0	160.4	Performance Monitoring and Evaluation
7 138.7	7 819.3	8 061.2	8 900.1	Public Works
106.2	117.9	129.5	140.8	Women, Children and People with Disabilities
				<b>Financial and Administrative Services</b>
550.2	496.4	524.4	552.0	Government Communication and Information System
38 375.4	22 598.2	23 469.1	25 578.9	National Treasury
555.5	230.2	199.7	210.4	Public Enterprises
656.7	690.1	726.2	774.5	Public Service and Administration
1 741.7	3 240.9	1 698.3	1 717.7	Statistics South Africa
				<b>Social Services</b>
2 339.7	2 468.6	2 625.1	2 784.7	Arts and Culture
9 093.0	13 868.1	16 557.9	20 409.6	Basic Education
22 218.7	25 731.6	27 610.8	30 136.7	Health
23 757.2	28 228.6	31 318.5	33 688.2	Higher Education and Training
1 793.2	1 981.5	2 098.5	2 221.7	Labour
94 841.0	104 732.7	113 524.0	122 075.5	Social Development
1 249.6	802.7	852.3	915.5	Sport and Recreation South Africa
				<b>Justice, Crime Prevention and Security</b>
15 232.5	16 559.2	17 805.0	18 827.8	Correctional Services
30 442.6	34 605.0	37 371.2	39 702.2	Defence and Military Veterans
131.4	151.6	161.0	170.4	Independent Complaints Directorate
10 742.3	11 413.5	12 674.3	13 409.3	Justice and Constitutional Development
53 529.7	58 061.5	62 077.6	66 696.7	Police
				<b>Economic Services and Infrastructure</b>
4 003.9	4 719.7	5 312.0	5 503.2	Agriculture, Forestry and Fisheries
2 138.0	1 889.1	1 721.7	1 851.7	Communications
384.5	594.5	674.7	713.3	Economic Development
5 648.7	6 089.9	5 575.3	4 304.8	Energy
2 359.8	2 846.1	2 399.3	2 643.0	Environmental Affairs
19 305.9	22 578.5	24 875.1	26 674.7	Human Settlements
995.8	1 036.2	1 107.5	1 178.7	Mineral Resources
7 293.4	8 124.2	8 674.1	9 381.1	Rural Development and Land Reform
4 128.0	4 404.6	4 887.4	5 510.1	Science and Technology
1 183.8	1 242.9	1 273.9	1 345.3	Tourism
6 075.5	6 786.9	7 366.9	7 572.4	Trade and Industry
29 989.4	35 084.0	38 204.4	41 198.9	Transport
7 609.7	9 936.2	10 231.5	10 883.5	Water Affairs
<b>459 919.7</b>	<b>499 480.9</b>	<b>538 380.2</b>	<b>578 700.1</b>	<b>Total appropriation by vote</b>
				Plus:
				<b>Direct charges against the National Revenue Fund</b>
4.6	4.8	5.1	5.3	President and Deputy President salary (The Presidency)
392.7	409.6	430.1	453.8	Members remuneration (Parliament)
66 570.4	76 578.7	90 807.7	104 036.2	State debt costs (National Treasury)
265 139.4	288 492.8	305 725.4	323 604.4	Provincial equitable share (National Treasury)
7 542.4	8 573.1	9 039.7	9 613.4	General fuel levy sharing with metros (National Treasury)
8 424.2	9 148.7	9 606.1	10 134.5	Skills levy and Setas (Higher Education and Training)
1 929.9	2 104.2	2 401.9	2 575.7	Judges and magistrates salaries (Justice and Constitutional Development)
<b>350 003.5</b>	<b>385 312.0</b>	<b>418 016.1</b>	<b>450 423.3</b>	<b>Total direct charges against the National Revenue Fund</b>
-	40.0	330.0	530.0	Unallocated
-	4 090.4	11 405.4	23 375.2	Contingency reserve
-	-	-	-	Projected underspending
<b>809 923.3</b>	<b>888 923.3</b>	<b>968 131.7</b>	<b>1 053 028.6</b>	<b>Total</b>

Table 4 Expenditure by economic classification 2007/08 to 2013/14

R million	Audited outcome			Adjusted appropriation
	2007/08	2008/09	2009/10	2010/11
<b>Current payments</b>				
<b>Compensation of employees</b>	<b>56 221.9</b>	<b>64 819.2</b>	<b>75 276.3</b>	<b>88 740.8</b>
Salaries and wages	46 758.3	53 869.3	62 806.6	74 671.9
Social contributions	9 463.6	10 949.9	12 469.7	14 068.9
<b>Goods and services</b>	<b>32 272.1</b>	<b>38 522.2</b>	<b>41 695.1</b>	<b>47 989.9</b>
<b>Interest and rent on land</b>	<b>52 895.1</b>	<b>54 428.7</b>	<b>57 287.8</b>	<b>67 615.5</b>
Interest (Incl. interest on finance leases)	52 893.9	54 428.5	57 280.1	67 614.7
Rent on land	1.2	0.2	7.7	0.8
<b>Total current payments</b>	<b>141 389.1</b>	<b>157 770.1</b>	<b>174 259.2</b>	<b>204 346.3</b>
<b>Transfers and subsidies to:</b>				
<b>Provinces and municipalities</b>	<b>243 233.6</b>	<b>289 395.9</b>	<b>344 774.7</b>	<b>387 557.9</b>
<b>Provinces</b>	<b>204 668.3</b>	<b>243 851.9</b>	<b>293 163.8</b>	<b>326 000.2</b>
Provincial revenue funds	204 668.3	243 851.9	293 163.8	326 000.2
<b>Municipalities</b>	<b>38 565.4</b>	<b>45 544.0</b>	<b>51 610.8</b>	<b>61 557.8</b>
Municipal bank accounts	38 565.4	45 544.0	51 610.8	61 557.8
<b>Departmental agencies and accounts</b>	<b>44 609.0</b>	<b>53 708.8</b>	<b>57 458.8</b>	<b>56 035.9</b>
Social security funds	8.5	2 508.7	9.7	11.6
Departmental agencies (non-business entities)	44 600.5	51 200.1	57 449.1	56 024.3
<b>Universities and technikons</b>	<b>12 004.1</b>	<b>13 897.7</b>	<b>15 443.5</b>	<b>17 576.1</b>
<b>Foreign governments and international organisations</b>	<b>935.6</b>	<b>1 010.6</b>	<b>1 366.4</b>	<b>1 357.1</b>
<b>Public corporations and private enterprises</b>	<b>19 485.7</b>	<b>20 188.1</b>	<b>21 704.6</b>	<b>20 492.5</b>
<b>Public corporations</b>	<b>14 887.2</b>	<b>14 723.0</b>	<b>19 325.2</b>	<b>18 180.6</b>
Subsidies on products or production	6 293.0	8 060.3	8 477.2	9 836.7
Other transfers to public corporations	8 594.1	6 662.6	10 848.0	8 343.9
<b>Private enterprises</b>	<b>4 598.5</b>	<b>5 465.1</b>	<b>2 379.4</b>	<b>2 311.9</b>
Subsidies on products or production	4 111.4	5 193.5	2 009.5	1 848.5
Other transfers to private enterprises	487.1	271.7	369.9	463.4
<b>Non-profit institutions</b>	<b>1 006.7</b>	<b>1 222.2</b>	<b>1 220.3</b>	<b>1 470.9</b>
<b>Households</b>	<b>70 655.2</b>	<b>79 279.0</b>	<b>90 214.0</b>	<b>98 316.7</b>
Social benefits	65 169.0	73 588.0	84 842.8	92 538.4
Other transfers to households	5 486.3	5 690.9	5 371.2	5 778.3
<b>Total transfers and subsidies</b>	<b>391 929.9</b>	<b>458 702.2</b>	<b>532 182.3</b>	<b>582 807.0</b>
<b>Payments for capital assets</b>				
<b>Buildings and other fixed structures</b>	<b>3 631.3</b>	<b>5 331.6</b>	<b>5 712.2</b>	<b>5 975.7</b>
Buildings	3 356.9	4 860.4	4 598.8	4 757.1
Other fixed structures	274.4	471.2	1 113.4	1 218.5
<b>Machinery and equipment</b>	<b>3 161.5</b>	<b>2 926.7</b>	<b>3 127.6</b>	<b>3 298.6</b>
Transport equipment	1 538.2	1 510.2	1 524.2	1 769.1
Other machinery and equipment	1 623.4	1 416.5	1 603.4	1 529.5
Heritage assets	-	0.1	0.2	-
Specialised military assets	-	-	83.1	19.0
Biological assets	10.6	2.7	2.1	2.0
Land and subsoil assets	27.4	49.0	83.9	0.1
Software and other intangible assets	187.7	198.3	193.2	40.8
<b>Total payments for capital assets</b>	<b>7 018.5</b>	<b>8 508.4</b>	<b>9 202.2</b>	<b>9 336.2</b>
<b>Payments for financial assets</b>	<b>1 105.9</b>	<b>10 972.6</b>	<b>31 553.0</b>	<b>20 889.2</b>
<b>Total</b>	<b>541 443.4</b>	<b>635 953.3</b>	<b>747 196.8</b>	<b>817 378.6</b>
Unallocated	-	-	-	-
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-1 700.0
<b>Total</b>	<b>541 443.4</b>	<b>635 953.3</b>	<b>747 196.8</b>	<b>815 678.6</b>

Table 4 Expenditure by economic classification 2007/08 to 2013/14

Revised estimate	Medium-term expenditure estimates			R million
	2010/11	2011/12	2012/13	
88 324.0	94 788.4	100 350.8	107 316.5	<b>Current payments</b>
74 278.1	79 661.6	84 435.8	90 409.3	<b>Compensation of employees</b>
14 046.0	15 126.9	15 914.9	16 907.2	Salaries and wages
46 980.3	52 944.2	55 829.0	59 536.1	Social contributions
66 579.3	76 606.4	90 838.6	104 067.6	<b>Goods and services</b>
66 578.5	76 605.4	90 837.4	104 066.4	<b>Interest and rent on land</b>
0.8	1.1	1.2	1.2	Interest (Incl. interest on finance leases)
				Rent on land
<b>201 883.7</b>	<b>224 339.0</b>	<b>247 018.3</b>	<b>270 920.2</b>	<b>Total current payments</b>
<b>384 334.3</b>	<b>428 131.5</b>	<b>457 512.2</b>	<b>486 602.9</b>	<b>Transfers and subsidies to:</b>
<b>323 080.3</b>	<b>357 928.6</b>	<b>380 449.6</b>	<b>404 251.4</b>	Provinces and municipalities
323 080.3	357 928.6	380 449.6	404 251.4	<b>Provinces</b>
61 254.0	70 202.9	77 062.5	82 351.5	Provincial revenue funds
61 254.0	70 202.9	77 062.5	82 351.5	<b>Municipalities</b>
55 866.1	68 241.9	73 170.5	78 537.2	Municipal bank accounts
11.6	12.4	13.0	13.7	<b>Departmental agencies and accounts</b>
55 854.6	68 229.5	73 157.5	78 523.5	Social security funds
17 571.1	19 365.4	20 766.7	21 953.2	Departmental agencies (non-business entities)
1 358.2	1 463.4	1 723.6	1 830.5	<b>Universities and technikons</b>
20 459.5	23 642.9	25 011.7	25 561.1	<b>Foreign governments and international organisations</b>
18 180.6	20 434.1	21 742.4	22 063.1	<b>Public corporations and private enterprises</b>
9 836.7	9 879.4	9 997.1	8 896.9	<b>Public corporations</b>
8 343.9	10 554.7	11 745.4	13 166.3	Subsidies on products or production
2 278.9	3 208.8	3 269.3	3 498.0	Other transfers to public corporations
1 813.5	2 718.2	2 663.9	2 856.4	<b>Private enterprises</b>
465.4	490.6	605.4	641.6	Subsidies on products or production
1 461.7	1 500.4	1 874.8	2 099.0	Other transfers to private enterprises
97 282.0	106 151.3	115 494.5	124 154.6	<b>Non-profit institutions</b>
91 514.5	101 279.1	110 239.7	118 596.5	<b>Households</b>
5 767.5	4 872.3	5 254.9	5 558.1	Social benefits
				Other transfers to households
<b>578 332.9</b>	<b>648 496.9</b>	<b>695 554.1</b>	<b>740 738.6</b>	<b>Total transfers and subsidies</b>
<b>5 615.9</b>	<b>7 845.0</b>	<b>10 560.6</b>	<b>14 057.6</b>	<b>Payments for capital assets</b>
4 479.1	5 486.6	7 813.1	11 078.5	<b>Buildings and other fixed structures</b>
1 136.8	2 358.3	2 747.6	2 979.1	Buildings
3 144.0	3 302.7	3 202.5	3 344.4	Other fixed structures
1 699.1	1 922.9	1 645.0	1 697.5	<b>Machinery and equipment</b>
1 444.9	1 379.8	1 557.5	1 646.9	Transport equipment
0.0	-	-	-	Other machinery and equipment
19.0	20.7	21.3	22.4	<b>Heritage assets</b>
2.0	0.2	0.3	0.3	Specialised military assets
0.1	-	-	-	<b>Biological assets</b>
35.9	38.3	39.1	39.9	Land and subsoil assets
				Software and other intangible assets
<b>8 817.0</b>	<b>11 206.9</b>	<b>13 823.7</b>	<b>17 464.5</b>	<b>Total payments for capital assets</b>
<b>20 889.7</b>	<b>750.1</b>	<b>0.1</b>	<b>0.1</b>	<b>Payments for financial assets</b>
<b>809 923.3</b>	<b>884 792.9</b>	<b>956 396.3</b>	<b>1 029 123.4</b>	<b>Total</b>
-	40.0	330.0	530.0	Unallocated
-	4 090.4	11 405.4	23 375.2	Contingency reserve
-	-	-	-	Projected underspending
<b>809 923.3</b>	<b>888 923.3</b>	<b>968 131.7</b>	<b>1 053 028.6</b>	<b>Total</b>

**Table 5 Amounts to be appropriated from the National Revenue Fund for 2011/12**

R million		Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease
		2010/11	2011/12					
<b>Central Government Administration</b>								
1	The Presidency	706.8	417.5	387.8	14.5	-	819.8	113.0
2	Parliament	1 571.9	1 383.1	287.9	3.9	-	1 674.9	103.0
3	Cooperative Governance and Traditional Affairs	41 096.9	691.3	47 222.4	19.8	0.1	47 933.6	6 836.7
4	Home Affairs	5 719.6	4 437.4	1 000.1	26.7	-	5 464.1	-255.5
5	International Relations and Cooperation	4 824.4	3 703.1	809.9	283.7	-	4 796.8	-27.7
6	Performance Monitoring and Evaluation	20.4	72.8	-	3.0	-	75.8	55.4
7	Public Works	6 446.3	2 265.4	4 010.3	1 543.6	-	7 819.3	1 372.9
8	Women, Children and People with Disabilities	97.8	60.5	55.2	2.3	-	117.9	20.2
<b>Financial and Administrative Services</b>								
9	Government Communication and Information System	546.2	334.8	159.2	2.4	-	496.4	-49.8
10	National Treasury	378 589.1	78 015.4	317 463.8	13.7	750.0	396 242.8	17 653.7
11	Public Enterprises	350.6	188.1	40.8	1.4	-	230.2	-120.4
12	Public Service and Administration	651.5	396.5	290.9	2.7	-	690.1	38.6
13	Statistics South Africa	1 973.4	3 188.8	10.5	41.7	-	3 240.9	1 267.5
<b>Social Services</b>								
14	Arts and Culture	2 406.7	392.9	2 069.3	6.4	-	2 468.6	61.9
15	Basic Education	10 918.5	2 136.9	11 025.3	706.0	-	13 868.1	2 949.7
16	Health	22 967.9	1 209.3	24 489.3	32.9	-	25 731.6	2 763.6
17	Higher Education and Training	32 144.9	455.8	36 913.4	8.1	-	37 377.3	5 232.4
18	Labour	1 783.9	1 349.9	599.4	32.1	-	1 981.5	197.6
19	Social Development	95 929.1	543.7	104 177.1	11.9	-	104 732.7	8 803.6
20	Sport and Recreation South Africa	1 245.6	222.5	574.1	6.0	-	802.7	-442.9
<b>Justice, Crime Prevention and Security</b>								
21	Correctional Services	15 129.0	15 342.1	31.3	1 185.8	-	16 559.2	1 430.2
22	Defence and Military Veterans	30 715.3	27 278.4	6 978.0	348.6	-	34 605.0	3 889.6
23	Independent Complaints Directorate	129.3	147.6	0.1	4.0	-	151.6	22.3
24	Justice and Constitutional Development	12 180.4	10 933.7	1 791.1	792.9	-	13 517.7	1 337.3
25	Police	52 556.4	54 596.4	464.6	3 000.5	-	58 061.5	5 505.1
<b>Economic Services and Infrastructure</b>								
26	Agriculture, Forestry and Fisheries	3 708.0	2 039.4	2 567.8	112.5	-	4 719.7	1 011.8
27	Communications	2 114.0	585.2	1 299.6	4.3	-	1 889.1	-224.9
28	Economic Development	418.6	123.2	464.8	6.5	-	594.5	175.9
29	Energy	5 535.4	297.2	5 784.9	7.8	-	6 089.9	554.5
30	Environmental Affairs	2 557.8	1 119.1	1 219.0	508.0	-	2 846.1	288.3
31	Human Settlements	19 215.6	642.2	21 700.6	235.7	-	22 578.5	3 362.9
32	Mineral Resources	1 030.0	587.6	438.4	10.1	-	1 036.2	6.2
33	Rural Development and Land Reform	6 769.6	2 524.1	5 564.7	35.4	-	8 124.2	1 354.7
34	Science and Technology	4 615.5	369.7	4 031.6	3.3	-	4 404.6	-210.9
35	Tourism	1 151.8	268.2	968.0	6.7	-	1 242.9	91.0
36	Trade and Industry	6 150.1	1 172.4	5 600.4	14.1	-	6 786.9	636.8
37	Transport	30 178.0	841.8	34 238.0	4.1	-	35 084.0	4 906.0
38	Water Affairs	7 996.6	4 005.2	3 767.2	2 163.9	-	9 936.2	1 939.6
<b>Total</b>		<b>812 142.9</b>	<b>224 339.0</b>	<b>648 496.9</b>	<b>11 206.9</b>	<b>750.1</b>	<b>884 792.9</b>	<b>72 650.0</b>

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

**Table 6a Conditional grants to provinces 2007/08 to 2013/14<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14	
<b>Central Government Administration</b>									
3	Cooperative Governance and Traditional Affairs	–	29.7	–	214.4	214.4	305.0	180.0	190.0
7	Public Works	836.6	889.3	1 466.0	2 252.9	2 181.3	2 270.9	2 504.8	2 778.5
<b>Financial and Administrative Services</b>									
10	National Treasury	–	–	4 200.0	–	–	–	–	–
<b>Social Services</b>									
14	Arts and Culture	163.2	344.6	440.6	512.7	512.7	543.4	570.8	602.2
15	Basic Education	4 012.9	5 215.6	6 460.1	8 683.6	7 107.4	10 546.4	11 330.6	11 953.7
16	Health	12 368.6	14 988.7	17 523.8	21 363.7	20 483.0	23 947.7	25 746.5	28 175.2
17	Higher Education and Training	2 435.3	3 005.8	3 155.3	3 804.0	3 804.0	4 326.0	4 705.1	5 262.4
20	Sport and Recreation South Africa	194.0	293.7	402.3	426.4	426.4	452.0	474.6	500.7
<b>Economic Services and Infrastructure</b>									
26	Agriculture, Forestry and Fisheries	761.7	898.0	973.7	1 166.9	1 166.9	1 487.1	1 683.9	1 866.9
31	Human Settlements	6 988.5	8 727.6	10 819.3	13 032.1	13 032.1	14 941.5	15 599.4	16 457.4
37	Transport	5 853.7	7 663.3	10 832.1	9 404.1	9 012.8	10 615.9	11 928.5	12 860.0
<b>Total</b>		<b>33 614.6</b>	<b>42 056.3</b>	<b>56 273.0</b>	<b>60 860.7</b>	<b>57 940.8</b>	<b>69 435.8</b>	<b>74 724.2</b>	<b>80 647.0</b>

1. Detail provided in the Division of Revenue Act (2011).

**Table 6b Conditional grants to municipalities 2007/08 to 2013/14<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14	
<b>Central Government Administration</b>									
3	Cooperative Governance and Traditional Affairs	7 167.2	7 186.4	8 988.3	9 726.7	9 726.7	12 132.9	14 474.2	15 272.1
7	Public Works	–	–	100.5	623.0	551.4	679.6	665.7	779.5
<b>Financial and Administrative Services</b>									
10	National Treasury	716.5	361.5	808.1	1 394.6	1 186.6	1 184.6	1 279.3	1 326.1
<b>Social Services</b>									
20	Sport and Recreation South Africa	4 605.0	4 295.0	2 168.7	512.6	512.6	–	–	–
<b>Economic Services and Infrastructure</b>									
29	Energy	462.5	589.1	1 074.6	1 240.1	1 240.1	1 376.6	1 151.4	1 214.8
31	Human Settlements	2 948.3	3 572.4	4 418.2	5 157.6	5 157.6	6 267.0	7 409.5	8 126.8
37	Transport	1 174.0	2 928.7	2 431.0	3 709.9	3 709.9	4 838.8	5 037.2	5 602.9
38	Water Affairs	732.9	994.6	902.4	990.5	966.3	1 010.8	399.0	420.9
<b>Total</b>		<b>17 806.4</b>	<b>19 927.6</b>	<b>20 891.8</b>	<b>23 354.9</b>	<b>23 051.2</b>	<b>27 490.3</b>	<b>30 416.4</b>	<b>32 743.1</b>

1. Detail provided in the Division of Revenue Act (2011).

**Table 7 Training expenditure per vote 2007/08 to 2013/14**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Central Government Administration</b>							
1 The Presidency	2.3	1.4	1.9	2.1	2.4	2.5	2.8
2 Parliament	10.6	11.9	10.1	10.4	14.2	15.0	16.8
3 Cooperative Governance and Traditional Affairs	2.3	1.7	1.8	2.4	5.0	5.2	5.5
4 Home Affairs	32.4	34.0	26.4	48.5	37.2	37.5	39.6
5 International Relations and Cooperation	13.1	8.1	12.4	19.6	16.6	17.8	20.0
7 Public Works	15.2	15.2	22.0	27.5	24.8	24.8	26.1
8 Women, Children and People with Disabilities	-	-	-	0.2	0.3	0.4	0.5
<b>Financial and Administrative Services</b>							
9 Government Communication and Information System	4.7	4.2	4.4	4.9	4.8	5.0	5.3
10 National Treasury	16.1	16.9	10.0	20.0	10.8	11.6	12.2
11 Public Enterprises	1.3	2.3	2.2	3.3	2.9	3.1	3.4
12 Public Service and Administration	2.2	3.7	2.6	3.4	3.2	3.4	3.7
13 Statistics South Africa	11.9	14.0	21.2	38.5	21.4	22.5	23.7
<b>Social Services</b>							
14 Arts and Culture	3.1	4.5	2.1	2.3	1.6	1.7	1.8
15 Basic Education	2.8	6.5	1.7	2.8	1.9	2.0	2.1
16 Health	9.5	1.8	4.5	5.5	4.0	4.5	4.9
17 Higher Education and Training	2.5	2.9	1.9	2.4	1.3	1.3	1.3
18 Labour	6.5	8.9	8.3	8.9	11.8	12.0	12.7
19 Social Development	1.7	1.8	2.3	2.5	2.7	2.9	3.0
20 Sport and Recreation South Africa	0.9	0.9	1.1	1.2	1.6	1.6	1.5
<b>Justice, Crime Prevention and Security</b>							
21 Correctional Services	125.6	76.0	89.5	64.0	100.5	105.6	111.0
22 Defence and Military Veterans	87.4	117.7	113.6	145.6	131.9	133.0	141.2
23 Independent Complaints Directorate	0.6	0.4	0.7	1.2	1.2	1.3	1.4
24 Justice and Constitutional Development	18.3	37.5	86.4	78.9	83.6	89.4	94.0
25 Police	966.0	1 124.0	1 253.4	1 386.6	1 449.0	1 514.2	1 590.0
<b>Economic Services and Infrastructure</b>							
26 Agriculture, Forestry and Fisheries	20.3	24.2	16.4	20.0	13.1	14.9	25.5
27 Communications	3.7	6.0	9.0	5.9	6.7	7.3	7.7
28 Economic Development	-	-	-	0.1	0.8	0.9	1.0
29 Energy	0.7	1.6	2.1	2.1	2.7	2.9	3.3
30 Environmental Affairs	2.1	2.2	2.3	2.5	4.1	4.2	4.3
31 Human Settlements	1.2	2.9	2.3	14.1	4.0	4.3	4.5
32 Mineral Resources	1.7	3.8	9.1	3.5	3.9	4.1	4.4
33 Rural Development and Land Reform	9.0	9.4	11.9	12.6	13.3	13.9	-
34 Science and Technology	1.7	2.0	3.2	5.1	5.4	5.6	5.9
35 Tourism	1.4	1.5	1.0	1.0	1.0	1.1	1.1
36 Trade and Industry	1.0	2.5	9.3	11.0	13.4	14.1	14.9
37 Transport	3.2	1.8	3.9	4.0	2.9	3.1	3.5
38 Water Affairs	38.9	40.8	50.6	56.7	62.4	68.6	75.5
<b>Total</b>	<b>1 421.9</b>	<b>1 595.3</b>	<b>1 801.5</b>	<b>2 021.3</b>	<b>2 069.6</b>	<b>2 164.4</b>	<b>2 277.3</b>

**Table 8 Infrastructure expenditure per vote 2007/08 to 2013/14<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Central Government Administration</b>							
3	6 967.2	6 969.0	8 727.5	9 514.7	11 500.2	13 983.1	14 752.2
4	122.9	136.0	102.0	131.1	209.8	215.8	248.0
5	649.9	926.7	165.3	267.9	250.9	318.2	319.2
7	488.0	988.4	1 253.6	1 376.0	1 443.9	1 474.7	1 724.7
<b>Financial and Administrative Services</b>							
10	41.2	373.5	578.1	1 155.0	853.6	880.0	855.0
<b>Social Services</b>							
14	281.2	448.6	449.7	447.8	455.6	483.0	509.5
15	2 636.0	3 101.5	3 884.7	4 832.3	6 398.3	8 408.2	11 617.3
16	5 507.8	3 361.4	3 720.5	5 403.0	5 838.1	6 156.9	5 989.0
18	64.4	37.6	26.9	28.5	44.2	10.5	7.6
20	4 605.0	4 295.0	2 168.7	512.6	-	-	-
<b>Justice, Crime Prevention and Security</b>							
21	1 005.3	948.5	833.6	950.9	968.3	1 016.8	1 072.7
22	8.1	621.3	665.0	732.7	1 058.4	1 085.7	1 118.0
24	361.1	479.5	590.1	631.4	759.4	1 105.0	1 161.7
25	732.5	991.2	1 070.1	1 118.2	1 235.3	1 544.6	1 629.5
<b>Economic Services and Infrastructure</b>							
26	105.3	110.3	131.7	181.7	260.1	239.3	141.0
27	646.0	750.0	920.0	540.9	404.0	317.0	376.1
29	1 435.6	1 739.9	2 400.3	4 239.9	4 334.4	4 533.5	3 200.3
30	603.7	405.4	477.5	637.7	647.8	149.7	187.5
31	9 936.8	12 300.0	15 087.4	18 155.9	21 440.0	23 488.4	25 101.5
33	5.6	6.3	2.8	6.9	21.2	11.3	4.2
34	272.0	408.0	699.3	236.9	254.2	473.1	595.2
36	911.0	967.5	1 407.3	1 224.4	827.4	839.6	629.9
37	10 889.1	13 915.3	16 955.1	19 747.4	23 128.1	25 592.1	27 901.4
38	930.4	1 904.1	2 212.8	2 764.0	4 123.8	4 455.1	5 064.6
<b>Total</b>	<b>49 206.1</b>	<b>56 185.0</b>	<b>64 530.2</b>	<b>74 837.7</b>	<b>86 457.1</b>	<b>96 781.5</b>	<b>104 206.1</b>

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

**Table 9 Personnel expenditure per vote 2007/08 to 2013/14**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14	
<b>Central Government and Administration</b>									
1	The Presidency	117.1	141.7	181.9	209.5	209.5	237.4	251.4	275.6
2	Parliament	517.3	651.0	784.6	868.1	868.1	936.1	990.2	1 046.8
3	Cooperative Governance and Traditional Affairs	128.1	153.8	165.7	232.1	232.1	232.9	245.9	258.1
4	Home Affairs	1 087.0	1 296.0	1 637.1	1 971.1	1 971.1	2 206.6	2 317.5	2 443.5
5	International Relations and Cooperation	1 293.2	1 683.4	1 833.3	1 858.6	1 858.6	1 704.5	1 811.9	2 034.5
6	Performance Monitoring and Evaluation	1.6	2.6	3.4	22.5	22.5	50.9	84.0	102.7
7	Public Works	721.5	801.0	976.1	1 200.9	1 200.9	1 242.1	1 241.2	1 305.1
8	Women, Children and People with Disabilities	4.8	5.9	9.8	24.1	24.1	34.6	39.9	46.3
<b>Financial and Administrative Services</b>									
9	Government Communication and Information System	116.2	114.0	138.7	150.7	150.7	165.4	173.4	183.2
10	National Treasury	272.7	321.0	402.1	552.6	511.2	605.9	637.7	672.2
11	Public Enterprises	56.0	70.4	75.2	90.3	90.3	96.5	101.0	106.2
12	Public Service and Administration	115.8	129.1	156.8	183.6	183.6	208.8	229.5	250.5
13	Statistics South Africa	472.0	700.7	879.2	978.7	931.6	1 531.0	1 165.0	1 185.0
<b>Social Services</b>									
14	Arts and Culture	107.2	126.8	146.3	152.9	152.9	164.8	174.3	183.7
15	Basic Education	150.4	186.3	225.2	271.1	271.1	325.6	349.3	371.7
16	Health	258.6	292.5	333.0	385.0	385.0	424.0	465.0	492.0
17	Higher Education and Training	146.2	174.8	201.8	251.6	249.6	301.5	334.1	359.7
18	Labour	497.9	491.3	576.5	744.8	701.9	786.3	865.8	915.2
19	Social Development	133.6	184.1	220.1	254.9	254.9	267.8	285.1	300.4
20	Sport and Recreation South Africa	43.4	54.5	61.3	75.8	74.3	79.9	84.0	88.4
<b>Justice, Crime Prevention and Security</b>									
21	Correctional Services	6 799.2	8 077.8	9 065.5	10 247.5	10 247.5	10 964.9	11 522.8	12 191.7
22	Defence and Military Veterans	9 735.9	10 620.0	12 705.6	16 219.0	16 219.0	16 770.7	17 700.5	18 787.8
23	Independent Complaints Directorate	45.7	58.0	65.1	75.8	75.8	86.6	91.8	97.2
24	Justice and Constitutional Development	4 250.9	5 326.2	6 028.1	7 262.9	7 224.1	7 631.2	8 382.2	8 850.6
25	Police	25 610.6	29 147.4	33 771.5	38 416.1	38 416.1	41 070.3	43 643.2	47 181.7
<b>Economic Services and Infrastructure</b>									
26	Agriculture, Forestry and Fisheries	811.1	931.3	1 082.2	1 199.6	1 199.6	1 273.0	1 395.3	1 474.5
27	Communications	97.7	108.0	129.6	164.6	164.6	171.7	179.3	188.0
28	Economic Development	–	–	7.9	57.7	33.7	79.2	91.8	96.5
29	Energy	85.5	103.0	133.3	147.9	147.9	181.7	192.4	218.3
30	Environmental Affairs	182.5	197.7	254.0	333.1	333.1	405.2	426.6	451.1
31	Human Settlements	103.5	134.2	166.9	289.0	289.0	319.0	331.9	346.8
32	Mineral Resources	210.1	231.0	275.1	343.7	343.7	377.6	401.0	421.8
33	Rural Development and Land Reform	476.4	614.2	760.9	1 196.8	1 196.8	1 395.7	1 523.3	1 608.9
34	Science and Technology	102.1	141.6	167.5	223.7	223.7	225.3	237.6	259.6
35	Tourism	130.8	106.4	89.6	101.1	101.1	141.9	158.4	169.4
36	Trade and Industry	327.5	383.1	437.7	569.8	533.3	602.2	644.2	676.4
37	Transport	131.3	182.6	228.1	266.2	266.2	294.4	309.9	326.5
38	Water Affairs	880.5	875.6	899.8	1 147.3	964.8	1 195.4	1 272.4	1 348.8
<b>Total</b>		<b>56 221.9</b>	<b>64 819.2</b>	<b>75 276.3</b>	<b>88 740.8</b>	<b>88 324.0</b>	<b>94 788.4</b>	<b>100 350.8</b>	<b>107 316.5</b>

**Table 10 Departmental receipts per vote 2007/08 to 2013/14<sup>1</sup>**

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates			
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14	
<b>Central Government Administration</b>									
1	The Presidency	0.3	0.2	0.6	0.5	0.5	0.3	0.3	0.3
2	Parliament	43.4	45.9	38.5	15.5	15.5	11.9	11.5	11.2
3	Cooperative Governance and Traditional Affairs	0.7	0.8	0.5	0.6	0.6	0.6	0.6	0.6
4	Home Affairs	421.1	355.7	442.2	455.3	455.3	482.6	506.7	557.4
5	International Relations and Cooperation	65.1	43.6	23.2	22.0	31.2	22.9	24.0	25.3
6.	Performance Monitoring and Evaluation	-	-	-	-	-	-	-	-
7	Public Works	95.8	28.5	39.6	30.9	30.9	38.7	40.6	42.6
8	Women, Children and People with Disabilities	-	-	-	-	-	-	-	-
<b>Financial and Administrative Services</b>									
9	Government Communication and Information System	3.1	3.3	2.9	3.0	2.7	2.5	2.6	2.6
10	National Treasury	5 095.8	5 270.4	2 543.6	3 204.2	2 842.2	1 233.2	2 391.4	2 746.0
11	Public Enterprises	0.1	0.8	1.2	1.2	1.2	0.1	0.1	0.1
12	Public Service and Administration	2.7	1.0	2.2	0.7	0.7	0.7	0.8	0.8
13	Statistics South Africa	17.7	2.8	8.5	2.2	2.2	2.4	2.5	2.7
<b>Social Services</b>									
14	Arts and Culture	0.4	3.6	1.1	0.8	0.8	0.8	0.9	1.1
15	Basic Education	1.9	1.5	0.7	1.2	1.5	1.0	1.1	1.2
16	Health	41.2	31.2	45.2	31.5	31.5	32.8	32.9	36.2
17	Higher Education and Training	6.9	6.7	6.7	7.9	7.9	7.9	8.0	8.0
18	Labour	8.4	28.9	12.9	16.1	16.1	22.4	24.3	25.5
19	Social Development	237.0	16.5	30.6	218.3	0.2	10.1	10.1	10.1
20	Sport and Recreation South Africa	0.0	0.3	0.2	0.3	0.3	0.4	0.4	0.4
<b>Justice, Crime Prevention and Security</b>									
21	Correctional Services	136.3	80.5	108.5	143.4	120.4	126.1	132.3	139.2
22	Defence and Military Veterans	551.9	629.4	699.9	902.5	902.5	803.5	843.7	885.9
23	Independent Complaints Directorate	0.4	0.1	0.2	0.2	0.1	0.1	0.2	0.2
24	Justice and Constitutional Development	317.0	356.8	382.9	377.6	377.6	399.8	422.5	443.7
25	Police	345.1	376.5	347.6	272.9	280.3	263.9	258.7	257.1
<b>Economic Services and Infrastructure</b>									
26	Agriculture, Forestry and Fisheries	121.1	254.0	250.5	119.3	119.3	121.5	118.2	123.6
27	Communications	3 007.4	3 520.1	1 344.8	1 398.7	898.9	913.4	928.0	943.4
28	Economic Development	229.3	244.4	456.0	230.0	366.3	243.8	250.0	263.8
29	Energy	1.2	3.3	4.4	3.7	3.7	3.9	4.1	4.2
30	Environmental Affairs	4.7	8.5	2.1	4.1	4.1	2.8	2.8	2.8
31	Human Settlements	0.7	2.4	0.7	1.2	1.2	0.5	0.6	0.6
32	Mineral Resources	267.1	261.3	212.7	99.0	99.0	27.6	28.0	28.3
33	Rural Development and Land Reform	176.4	64.2	44.0	41.7	41.7	69.0	64.5	68.3
34	Science and Technology	0.2	0.3	1.6	0.4	0.7	0.1	0.1	0.1
35	Tourism	-	-	0.7	1.5	1.5	-	-	-
36	Trade and Industry	94.2	64.9	52.6	108.3	90.3	115.0	120.3	121.5
37	Transport	362.5	215.8	106.1	266.7	266.7	137.4	144.3	151.5
38	Water Affairs	0.1	26.6	76.3	42.1	42.1	22.9	24.3	25.9
<b>Total departmental receipts as per Estimates of National Expenditure</b>									
11 657.1    11 950.7    7 291.9    8 025.3    7 057.5    5 122.8    6 401.5    6 932.4									
<i>Less:</i> Parliament (retained departmental receipts)									
43.4    45.9    38.5    15.5    15.5    11.9    11.5    11.2									
<i>Plus:</i> Direct receipts into the National Revenue Fund (National Treasury) <sup>2</sup>									
1 020.9    -    1 000.0    -    600.0    -    -    -									
<i>Plus:</i> South African Revenue Service departmental receipts collection									
58.0    711.4    635.1    4 255.0    4 612.0    4 890.0    5 150.0    5 430.0									
<b>Total departmental receipts as per Budget Review</b>									
12 692.6    12 616.2    8 888.5    12 264.8    12 254.0    10 000.9    11 540.0    12 351.1									

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.
2. Direct receipts into the National Revenue Fund in this instance refer to Levy accounts/exchange control forfeits collected by the South African Reserve Bank.



# Information contained in each chapter

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

The main divisions of the Appropriation Bill are divided into votes. A vote generally specifies the total amount appropriated per department, but more than one department may be contained within a single vote. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the Appropriation Bill, Parliament authorises expenditure.

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

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

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions. In the functional budgeting approach linked to the outcomes approach which has been adopted, these groupings are disaggregated further.

More detailed information for each vote is available on [www.treasury.gov.za](http://www.treasury.gov.za). More comprehensive coverage of vote specific information, particularly about goods and services, transfers, donor funding, public entities and lower level institutional information is provided.

The chapter for each vote contains the following information:

## Budget summary

This table shows the budgeted expenditure for the vote for the three-year MTEF period.

R million	2011/12					2012/13	2013/14
	Total to be Appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Programme name							
Programme name							
Programme name							
<b>Subtotal</b>							
<b>Direct charge against the National Revenue Fund</b>							
Item							
Item							
<b>Total expenditure estimates</b>							
Executive authority	Minister						
Accounting officer	Director-General / Chief Operating Officer						
Website address							

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

The **2011/12 total to be appropriated** shows the expenditure allocation per programme and the aggregated amount for 2011/12 and corresponds with the information in the 2011 Appropriation Bill.

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

**Current payments** are payments made by a department for its operational requirements.

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

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

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

Estimates for the two outer years of the expenditure framework, **2012/13** and **2013/14**, are also shown. These estimates are not included in the 2011 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2012 Budget.

**Direct charges against the National Revenue Fund** are amounts spent in terms of statutes and do not require parliamentary approval and thus are not contained in the Appropriation Bill. They are not budgeted for under any programme on a particular vote and include, for example, state debt costs.

**Total expenditure estimates** are the sum of the expenditure on programmes and direct charges, classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

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

## Aim

*The aim of the vote captures the department's mandate, strategic objectives or administrative functions, and corresponds with the aim stated in the Appropriation Bill.*

## Programme purposes

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

## Strategic overview: 2007/08 – 2013/14

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments, legislative changes, a discussion on how the department will contribute towards the achievement of outcomes that are attributed to it and the related outputs listed in the service delivery agreements, as well as a table of selected quantitative and trendable performance indicators.

## Savings and cost effectiveness measures

In this section, departments discuss details of the reprioritisation of budgets and savings and cost reduction measures to be effected over the MTEF period.

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

## Selected performance indicators

Indicator	Programme	Past			Current	Projections		
		2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance. It should, however, contain key performance indicators that form part of the service delivery agreements.

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

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

## Expenditure estimates

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

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
R million								
1. Programme name								
2. Programme name								
3. Programme name								
<b>Subtotal</b>								
<b>Direct charge against the National Revenue Fund</b>								
Item								
Item								
<b>Total</b>								
Change to 2010 Budget estimate								

### Economic classification

<b>Current payments</b>			
Economic classification item			
Economic classification item			
<b>Transfers and subsidies</b>			
Economic classification item			
Economic classification item			
<b>Payments for capital assets</b>			
Economic classification item			
Economic classification item			
<b>Payments for financial assets</b>			
<b>Total</b>			

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

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years.

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

**Adjusted appropriation** includes any changes made to the appropriation voted in the main 2010 Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments were included in the Adjustments Appropriation Bill, which Parliament approved before expenditure could take place, and the details were published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2010/11 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2010/11 adjusted appropriation; it is merely a more recent estimate of what the department is likely to spend in this financial year.

The **medium-term expenditure estimates** are shown for 2011/12, 2012/13 and 2013/14. The spending figures for 2011/12 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main Appropriation Bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2012/13 and 2013/14 are indicative allocations, and will form the basis for planning the 2012 Budget.

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

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

## Expenditure trends

The main expenditure trends and vote programme structure changes from 2007/08 to 2013/14 are described. Trends are generally represented over the MTEF period between 2010/11 and 2013/14, or over the entire period between 2007/08 and 2013/14.

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

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

### Personnel information

A brief summary of the personnel posts per programme by salary level is given.

### Infrastructure spending

Expenditure on existing, new and mega infrastructure is discussed.

## Departmental receipts

Departmental anticipated (non-tax) receipts for the MTEF period are described in relation to receipts for 2010/11.

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
Departmental receipts								
Economic classification item								
Economic classification item								
<b>Total</b>								

## Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes and activities of the subprogrammes that form that programme. Key functions, activities and transfers are highlighted by subprogramme. The work carried out by the subprogramme is explained in relation to the personnel responsible, the spending allocation of the funding, and outputs achieved.

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

## Objectives and measures

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

For example: Improve the provision of specified services and products to eligible citizens and residents (strategic intent/objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2010/11 to 5 days in 2013/14 (progress measure).

## Expenditure estimates (per programme)

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

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R million							
Subprogramme name							
Subprogramme name							
Subprogramme name							
<b>Total</b>							
Change to 2010 Budget estimate							
<b>Economic classification</b>							
<b>Current payments</b>							
Economic classification item							
Economic classification item							
<b>Transfers and subsidies</b>							
Economic classification item							
Economic classification item							
<b>Payments for capital assets</b>							
Economic classification item							
Economic classification item							
<b>Payments for financial assets</b>							
<b>Total</b>							

## **Expenditure trends (per programme)**

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

## **Public entities and other agencies**

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

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

- key legislative mandates in terms of which the entity was established and within which it operates as well as the outcomes and related outputs as stated in service delivery agreements
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key achievements during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and, if applicable, an analysis of some of the more important items on the entity's balance sheet that relate to the key activities being carried out
- reprioritisation, savings and cost effectiveness measures implemented
- personnel expenditure by salary level
- a list of other entities for which more detail appears on [www.treasury.gov.za](http://www.treasury.gov.za) appears at the end of each chapter together with a short description of what the entity does and its total budget.

## **Additional tables**

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

### **Summary of expenditure trends and estimates per programme and economic classification**

This table shows the budgeted expenditure and the revised estimate for 2010/11 as well as the audited outcome for 2009/10.

### **Details of approved establishment and personnel numbers per salary level**

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

Information is provided on the **number of personnel posts filled/planned for on funded establishment** in the department at different salary levels **per programme** as at 30 September 2010.

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

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

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

### **Summary of expenditure on training**

Information is provided on the funds spent on training as a proportion of compensation of employees, and the number of people trained by the department.

### **Summary of conditional grants to provinces and municipalities**

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

## Summary of departmental public private partnerships projects

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

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

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

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

**Unitary charge or fee** refers to the total payment made to the private party for the provision of the various services.

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

**Project monitoring cost** is associated with the ongoing evaluation and monitoring of public private partnerships in operation.

## Summary of donor funding

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

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

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

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

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

## Summary of expenditure on infrastructure

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

**Departmental infrastructure** refers to direct spending by a department on infrastructure assets which the department will own.

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

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

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

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



# **International Relations and Cooperation**

**National Treasury  
Republic of South Africa**



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# Vote 5

## International Relations and Cooperation

### Budget summary

R thousand	2011/12				2012/13	2013/14
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 245 451	995 041	–	250 410	1 377 656	1 435 096
International Relations	2 529 826	2 496 497	–	33 329	2 704 484	3 003 662
Public Diplomacy and Protocol Services	211 548	211 548	–	–	228 515	240 036
International Transfers	809 943	–	809 943	–	844 240	890 524
<b>Total expenditure estimates</b>	<b>4 796 768</b>	<b>3 703 086</b>	<b>809 943</b>	<b>283 739</b>	<b>5 154 895</b>	<b>5 569 318</b>
Executive authority	Minister of International Relations and Cooperation					
Accounting officer	Director General of International Relations and Cooperation					
Website address	www.dirco.gov.za					

### Aim

*Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Develop overall policy and manage the department.

#### Programme 2: International Relations and Cooperation

**Purpose:** Promote relations with foreign countries. Participate in international organisations and institutions, in line with South Africa's national values and foreign policy objectives.

#### Programme 3: Public Diplomacy and Protocol Services

**Purpose:** Communicate South Africa's role and position in international relations in the domestic and international arenas. Provide protocol services.

#### Programme 4: International Transfers

**Purpose:** Fund membership fees and transfers to international organisations.

### Strategic overview: 2007/08 – 2013/14

The mandate of the Department of International Relations and Cooperation is to formulate, coordinate, implement and manage South Africa's foreign policy objectives by monitoring developments in the international environment, communicating government's policy positions, developing and advising government on policy options, creating mechanisms and avenues for achieving predetermined objectives, promoting South Africa's sovereignty and territorial integrity, assisting South African citizens abroad, and assisting partner departments in managing complex international dynamics.

The main goal over the medium term is to ensure that South Africa's foreign relations contribute to an

environment that is conducive to sustainable economic growth and development, and serve as a basis for addressing government's identified urgent priorities as stated in the medium term strategic framework.

In terms of the 12 national outcomes, the department contributes to creating a better South Africa and contributing to a better and safer Africa and a better world (outcome 11). The department gives effect to this outcome through the following outputs: an enhanced Africa Agenda and sustainable development; reformed global governance, peace and security; the enhanced integration of the Southern African Development Community (SADC) region; and enhanced trade and investment between South Africa and its trade partners.

### Key strategic priorities

#### *Continuing the African Agenda*

The main thrust of South Africa's foreign policy is the pursuit of the country's national interests and priorities, particularly in relation to the African Agenda. South Africa's engagements in Africa are thus focused on promoting development through the disbursement of development funding, contributing to the resolution of conflicts through helping to operationalise the African Peace and Security Architecture (which includes the African standby force and the early warning centre), and building an environment in which socioeconomic development occurs. The political and economic integration of Africa will continue to drive the African Agenda and will be promoted in all South Africa's interaction with the rest of the world.

#### *Strengthening political and economic integration of the SADC*

As an integral part of the SADC region, South Africa will continue to support the promotion of peace, security, stability and prosperity in the region by participating in the SADC electoral advisory council, and by playing a leading role in the SADC electoral observer missions. South Africa will also continue to promote increased regional integration of the SADC through the review of the regional strategic indicative plan and will work to reconfigure the SADC roadmap to guide the regional integration process.

#### *Strengthening South-South relations*

Ongoing efforts to strengthen South-South relations have resulted in high level international engagements in recent years. These are critical for promoting solidarity and strengthening interdependence among developing countries in addressing common socioeconomic challenges, such as poverty, education, health, population growth, and issues relating to women and children.

South Africa will continue to participate in forums such as the India-Brazil-South Africa Dialogue Forum, the New Asian-African Strategic Partnership, the Indian Ocean Rim Association for Regional Cooperation and the Forum on China-Africa Cooperation, and groupings such as the G77 and the Non-Aligned Movement.

#### *Strengthening North-South relations*

While continuing with its participation in strategic formations of the north, such as the Organisation for Economic Cooperation and Development, the department will focus on trade agreements with North America, the North American free trade area and the European Union (EU), and will participate in new forums promoting North-South cooperation, such as the EU-Africa and EU-Latin America partnerships, the Tokyo International Conference on African Development, and the Africa-Turkey and Korea-Africa forums. Another matter that will require attention is South Africa's ongoing participation in the commonwealth youth programme, which has seen its funding model changing from voluntary pledges to assessed contributions. This implies greater participation by South Africa in the programmes and issues that affect youth internationally.

#### *Participation in the global system of governance*

Through its participation in international forums, notably the United Nations (UN) and its agencies, South Africa works actively towards global, political and socioeconomic stability and security within the multilateral system, promotes human rights and international dialogues and disarmament, non-proliferation and arms control, and climate change, and also participate in the G8 summits and meetings. South Africa will also serve as a non-permanent member of the UN Security Council during 2011 and 2012.

*Strengthening political and economic relations*

Strengthening South Africa's bilateral relations, with particular focus on African countries, is a key strategic objective for the country over the MTEF period. The focus will be on strengthening economic cooperation to promote South Africa's trade, investment and tourism potential and opportunities. The department is coordinating efforts across the national, provincial and local spheres of government, including other stakeholders, to compile terms of reference for coordinating its international work, and developing a strategy for marketing and branding South Africa abroad.

**Savings and cost effectiveness measures**

Over the MTEF period, the department expects to realise savings of R1.1 billion from foreign exchange rate gains.

Efficiency savings of R15.3 million in 2011/2012, R16.2 million in 2012/13 and R25.3 million for 2013/14 have been identified in: catering, entertainment and travel through enhanced control measures to rationalise domestic and international travel; administrative support services by improving the department's ICT through the completion of the voice over internet protocol infrastructure; and mobile phone use through a review of administrative policies, including suspending services to mobile phones once a certain expenditure limit is reached. As savings have been identified in areas where spending was not cost effective, the reduced funding is not expected to have a negative impact on service delivery.

Savings of R105 million in 2011/12, R105.2 million in 2012/13 and R106.6 million 2013/14 were identified within the African Renaissance and International Cooperation Fund from slower than budgeted spending in projects related to post-conflict reconstruction and development in African countries. These savings were reprioritised to the department to fund costs related to South Africa's participation in the United Nations Security Council as a non-permanent member, as well as to increase the funding for departmental operations.

**Selected performance indicators**

Table 5.1 International Relations and Cooperation

Indicator	Programme	Past			Current 2010/11	Projections		
		2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
Total number of diplomatic missions abroad:	International Relations and Cooperation	121	123	124	124	124	124	124
Africa		45	46	46	47	47	47	47
Asia and Middle East		31	33	32	32	32	32	32
Americas and Caribbean		18	18	18	18	18	18	18
Europe		27	27	28	28	28	28	28
Number of bilateral agreements signed with foreign countries per year	International Relations and Cooperation	54	59	65	73	55	61	57
Number of countries assisted with post-conflict reconstruction and development per year	International Relations and Cooperation	12	12	5	4	3	4	3
Number of countries assisted with democratic election processes per year	International Relations and Cooperation	2	4	4	2	3	4	5
Number of incoming and outgoing visits facilitated per year	Public Diplomacy and Protocol Services	216	333	350	250	320	310	330
Number of people facilitated through the VIP lounges at international airports (OR Tambo and Cape Town) per year	Public Diplomacy and Protocol Services	24 141	25 178	26 780	26 500	23 100	23 150	22 500
Number of international conferences hosted by South Africa per year	Public Diplomacy and Protocol Services	5	5	4	2	2	2	2
Number of foreign representatives in South Africa per year	Public Diplomacy and Protocol Services	285	285	286	309	309	309	309

## Expenditure estimates

Table 5.2 International Relations and Cooperation

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
R thousand								
Administration	1 181 310	1 638 436	1 180 181	1 278 584	1 278 584	1 245 451	1 377 656	1 435 096
International Relations	2 122 820	2 652 843	2 869 244	2 375 086	2 375 086	2 529 826	2 704 484	3 003 662
Public Diplomacy and Protocol Services	141 547	152 622	252 855	233 923	233 923	211 548	228 515	240 036
International Transfers	624 056	1 028 363	1 115 161	828 225	828 225	809 943	844 240	890 524
<b>Total</b>	<b>4 069 733</b>	<b>5 472 264</b>	<b>5 417 441</b>	<b>4 715 818</b>	<b>4 715 818</b>	<b>4 796 768</b>	<b>5 154 895</b>	<b>5 569 318</b>
Change to 2010 Budget estimate				(108 608)	(108 608)	(290 241)	(238 120)	(112 063)
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 674 462</b>	<b>3 318 315</b>	<b>3 747 975</b>	<b>3 553 437</b>	<b>3 553 437</b>	<b>3 703 086</b>	<b>3 953 569</b>	<b>4 317 613</b>
Compensation of employees	1 293 159	1 683 400	1 833 270	1 858 575	1 858 575	1 704 464	1 811 903	2 034 474
Goods and services	1 381 029	1 634 108	1 875 890	1 694 862	1 694 862	1 998 622	2 141 666	2 283 139
<i>of which:</i>								
<i>Administrative fees</i>	7 394	17 012	14 762	12 191	12 191	11 539	12 832	15 940
<i>Advertising</i>	9 394	9 369	17 762	10 916	10 916	14 561	14 871	14 546
<i>Assets less than the capitalisation threshold</i>	4 112	8 573	12 389	7 187	7 187	8 190	9 205	8 656
<i>Audit cost: External</i>	5 957	6 656	4 246	8 266	8 266	14 665	15 223	16 100
<i>Bursaries: Employees</i>	502	700	890	931	931	293	346	359
<i>Catering: Departmental activities</i>	79 626	122 602	20 200	29 134	29 134	30 864	31 996	33 744
<i>Communication</i>	46 359	52 565	57 172	219 357	219 357	88 279	89 807	85 560
<i>Computer services</i>	90 756	97 826	96 727	31 630	31 630	124 539	121 004	123 615
<i>Consultants and professional services: Business and advisory services</i>	6 822	6 462	6 532	29 917	29 917	17 271	19 026	18 894
<i>Consultants and professional services: Infrastructure and planning</i>	195	6 905	2 564	8 171	8 171	-	-	-
<i>Consultants and professional services: Laboratory services</i>	-	963	-	-	-	-	-	-
<i>Consultants and professional services: Legal costs</i>	10 967	10 681	6 823	8	8	-	-	-
<i>Contractors</i>	33 993	43 881	36 837	25 470	25 470	50 638	53 465	63 580
<i>Agency and support / outsourced services</i>	5 459	3 861	3 878	-	-	7 996	8 436	8 857
<i>Entertainment</i>	25 195	28 833	27 047	30 521	30 521	29 309	32 179	33 948
<i>Inventory: Food and food supplies</i>	1 362	1 197	1 128	896	896	1 139	1 262	1 325
<i>Inventory: Fuel, oil and gas</i>	100	12 149	9 816	18 120	18 120	17 777	18 847	19 885
<i>Inventory: Materials and supplies</i>	644	3 720	3 117	13 431	13 431	4 057	4 459	4 258
<i>Inventory: Medical supplies</i>	940	154	857	8	8	278	294	309
<i>Inventory: Medicine</i>	-	-	-	-	-	41	43	45
<i>Inventory: Other consumables</i>	7 790	6 619	8 948	7 499	7 499	9 012	9 598	10 085
<i>Inventory: Stationery and printing</i>	43 628	35 977	23 363	43 662	43 662	37 779	38 573	42 493
<i>Lease payments</i>	527 044	555 028	867 634	589 653	589 653	882 403	921 901	1 008 637
<i>Property payments</i>	103 464	156 450	225 896	171 928	171 928	238 219	239 308	258 731
<i>Transport provided: Departmental activity</i>	-	-	-	20 537	20 537	-	-	-
<i>Travel and subsistence</i>	230 773	257 198	254 317	218 601	218 601	225 630	267 320	264 114
<i>Training and development</i>	2 978	7 200	6 268	25 807	25 807	12 123	12 767	13 099
<i>Operating expenditure</i>	79 558	120 899	98 864	99 099	99 099	92 078	123 958	135 179
<i>Venues and facilities</i>	56 017	60 628	67 853	71 922	71 922	79 942	94 946	101 180
<i>Interest and rent on land</i>	274	807	38 815	-	-	-	-	-

Table 5.2 International Relations and Cooperation (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
<b>Transfers and subsidies</b>	<b>666 865</b>	<b>1 077 608</b>	<b>1 171 883</b>	<b>872 253</b>	<b>872 253</b>	<b>809 943</b>	<b>844 240</b>	<b>890 524</b>
Provinces and municipalities	23 257	16 303	23 595	25 000	25 000	-	-	-
Departmental agencies and accounts	300 000	698 925	631 371	401 072	401 072	450 370	465 244	495 213
Foreign governments and international organisations	324 056	329 438	483 790	427 153	427 153	359 573	378 996	395 311
Public corporations and private enterprises	13 398	16 576	16 363	-	-	-	-	-
Non-profit institutions	-	1 081	-	2 199	2 199	-	-	-
Households	6 154	15 285	16 764	16 829	16 829	-	-	-
<b>Payments for capital assets</b>	<b>728 145</b>	<b>1 043 200</b>	<b>340 396</b>	<b>290 128</b>	<b>290 128</b>	<b>283 739</b>	<b>357 086</b>	<b>361 181</b>
Buildings and other fixed structures	649 878	926 728	165 294	267 854	267 854	250 923	318 198	319 200
Machinery and equipment	61 149	81 491	90 741	22 274	22 274	32 816	38 888	41 981
Land and sub-soil assets	16 271	34 981	83 854	-	-	-	-	-
Software and other intangible assets	847	-	507	-	-	-	-	-
<b>Payments for financial assets</b>	<b>261</b>	<b>33 141</b>	<b>157 187</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 069 733</b>	<b>5 472 264</b>	<b>5 417 441</b>	<b>4 715 818</b>	<b>4 715 818</b>	<b>4 796 768</b>	<b>5 154 895</b>	<b>5 569 318</b>

## Expenditure trends

The spending focus over the MTEF period will be on: strengthening economic and political relations; participating in global governance forums, including serving as a non-permanent member of the United Nations Security Council, and supporting the development of the African continent and the regional integration of the SADC.

Expenditure grew from R4.1 billion in 2007/08 to R4.7 billion in 2010/11, at an average annual rate of 5 per cent. This growth was mainly due to: increased membership contributions to the African Union (AU) and the United Nations. In addition, allocations for the transfer to the African Renaissance and International Cooperation Fund were increased over the period to fund for post-conflict reconstruction and development initiatives in Burundi and the Democratic Republic of the Congo, and for economic reconstruction programmes in Zimbabwe.

Expenditure is expected to increase to R5.6 billion over the MTEF period, at an average annual rate of 5.7 per cent. This growth is mainly the result of an increase in recapitalisation for the African Renaissance and International Cooperation Fund, as well as increased membership contributions for international organisations, such as the SADC and the UN.

The department receives an additional R477.4 million over the MTEF period, which includes R106.4 million to pay unitary fees for the head office campus, R218.1 million for inflation related adjustments in compensation of employees, and R152.9 million for international organisations membership contributions to the AU, SADC and the UN. R58 million has been allocated over the MTEF period to be used for ICT consultancy services in support of the department's global ICT infrastructure.

The ratio of administrative costs to line function programme costs is 1: 3.

### Infrastructure spending

The spending focus over the MTEF period will be on the renovation of the chancery in Washington DC and the official residences in Tokyo, as well as the construction of the chancery and official residence in New Delhi, which is estimated to cost R205 million. Infrastructure spending decreased from R649.9 million in 2007/08 to R267.9 million in 2010/11, at an average annual rate of 25.6 per cent. Over the MTEF period, the department will use the available funds to complete construction and acquisition projects already under way. R884.7 million is available for capital projects over the MTEF period. Capital projects completed in 2010/11 include diplomatic villages in Maseru and Abuja, and the renovation of the chancery in Athens and South Africa House in London.

## Personnel information

Including cadets and the learnership programme, the department has a total approved establishment of 5 211 posts, of which 2 240 are staff recruited from the countries in which the department's diplomatic missions are located.

There are 499 vacancies, of which 423 are on levels 1-10 and 76 on levels 11-16. The department plans to fill vacant posts in 2011/12. The department has initiated processes to review the structure, with a view to implementing the outcomes over the MTEF period.

## Departmental receipts

Departmental receipts are generated from: interest earned from mission bank accounts; refunds received through tax payments at missions related to previous financial years; foreign exchange rate gains; and the sale of capital items, such as redundant furniture and fixtures. Departmental receipts decreased from R65.1 million in 2007/08 to R22.0 million in 2010/11, mainly due to reduced VAT refunds from missions related directly to a reduction in operational spending abroad and the strengthened foreign exchange environment. Over the MTEF period, revenue is expected to increase from R22 million in 2010/11 to R25.3 million in 2013/14, mainly from transactions in financial assets and liabilities.

Table 5.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2007/08	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
<b>Departmental receipts</b>	<b>65 056</b>	<b>43 607</b>	<b>23 170</b>	<b>21 994</b>	<b>31 191</b>	<b>22 884</b>	<b>24 006</b>	<b>25 259</b>
Sales of goods and services produced by department	2 332	521	562	527	653	436	457	480
Sales of scrap, waste, arms and other used current goods	539	34 580	431	-	-	112	117	123
Interest, dividends and rent on land	2 116	5 565	894	3 074	7 310	4 445	4 667	4 900
Sales of capital assets	4 958	2 242	2 540	2 770	2 045	3 596	3 756	3 997
Transactions in financial assets and liabilities	55 111	699	18 743	15 623	21 183	14 295	15 009	15 759
<b>Total</b>	<b>65 056</b>	<b>43 607</b>	<b>23 170</b>	<b>21 994</b>	<b>31 191</b>	<b>22 884</b>	<b>24 006</b>	<b>25 259</b>

## Programme 1: Administration

### Expenditure estimates

Table 5.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R thousand							
Ministry <sup>1</sup>	2 384	4 268	3 463	4 808	5 072	5 326	5 619
Management	62 098	68 814	71 309	85 104	74 561	86 574	92 500
Corporate Services	418 899	545 318	578 984	624 720	605 794	626 277	659 432
Diplomatic Academy	-	-	52 273	73 471	64 439	75 799	78 078
Foreign and Domestic Properties Management	649 878	959 312	338 391	261 756	249 793	316 985	317 919
Office Accommodation	48 051	60 724	135 761	228 725	245 792	266 695	281 548
<b>Total</b>	<b>1 181 310</b>	<b>1 638 436</b>	<b>1 180 181</b>	<b>1 278 584</b>	<b>1 245 451</b>	<b>1 377 656</b>	<b>1 435 096</b>
Change to 2010 Budget estimate				258 573	165 259	235 892	238 785

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

Table 5.4 Administration (continued)

R thousand	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	appropriation 2010/11	2011/12	2012/13	2013/14
<b>Economic classification</b>							
<b>Current payments</b>	<b>514 692</b>	<b>642 012</b>	<b>757 402</b>	<b>1 009 715</b>	<b>995 041</b>	<b>1 059 999</b>	<b>1 116 467</b>
Compensation of employees	168 481	197 921	237 223	291 150	302 395	319 115	332 272
Goods and services	345 937	443 284	481 364	718 565	692 646	740 884	784 195
<i>of which:</i>							
<i>Administrative fees</i>	3 114	8 004	6 863	4 455	2 719	2 875	6 440
<i>Advertising</i>	1 885	3 625	3 730	563	4 691	4 984	5 238
<i>Assets less than the capitalisation threshold</i>	219	2 889	4 744	–	24	25	26
<i>Audit cost: External</i>	5 957	6 656	4 246	8 266	14 665	15 223	16 100
<i>Bursaries: Employees</i>	502	700	890	931	293	346	359
<i>Catering: Departmental activities</i>	209	2 296	921	3 206	1 779	1 980	2 083
<i>Communication</i>	19 756	24 425	30 304	181 508	63 757	63 412	63 815
<i>Computer services</i>	88 383	92 037	90 319	25 464	118 662	115 095	117 366
<i>Consultants and professional services: Business and advisory services</i>	3 357	3 180	4 463	22 363	9 893	11 160	11 756
<i>Consultants and professional services: Infrastructure and planning</i>	–	940	519	–	–	–	–
<i>Consultants and professional services: Legal costs</i>	149	624	308	–	–	–	–
<i>Contractors</i>	16 780	20 603	19 882	–	29 641	31 271	40 165
<i>Agency and support / outsourced services</i>	2 001	2 016	1 760	–	7 996	8 436	8 857
<i>Entertainment</i>	660	1 420	1 939	3 000	1 170	1 338	1 412
<i>Inventory: Food and food supplies</i>	73	92	74	–	–	66	69
<i>Inventory: Fuel, oil and gas</i>	11	13	15	1 869	536	623	658
<i>Inventory: Materials and supplies</i>	75	168	16	–	45	57	60
<i>Inventory: Medical supplies</i>	195	113	184	8	275	290	305
<i>Inventory: Other consumables</i>	377	1 504	1 965	2 120	2 140	2 325	2 444
<i>Inventory: Stationery and printing</i>	2 574	14 436	4 116	8 120	5 513	6 061	6 378
<i>Lease payments</i>	83 425	102 061	98 360	264 942	267 720	285 878	301 709
<i>Property payments</i>	14 679	17 905	88 044	69 743	70 269	72 589	74 236
<i>Transport provided: Departmental activity</i>	–	–	–	12 808	–	–	–
<i>Travel and subsistence</i>	57 394	69 025	62 889	28 964	29 418	31 816	33 448
<i>Training and development</i>	1 789	5 776	4 861	17 203	3 204	3 719	3 923
<i>Operating expenditure</i>	37 852	58 123	46 813	59 788	56 379	79 373	85 283
<i>Venues and facilities</i>	4 521	4 653	3 139	3 244	1 857	1 942	2 065
Interest and rent on land	274	807	38 815	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>1 081</b>	<b>–</b>	<b>2 199</b>	<b>–</b>	<b>–</b>	<b>–</b>
Non-profit institutions	–	1 081	–	2 199	–	–	–
<b>Payments for capital assets</b>	<b>666 846</b>	<b>994 293</b>	<b>283 247</b>	<b>266 670</b>	<b>250 410</b>	<b>317 657</b>	<b>318 629</b>
Buildings and other fixed structures	649 878	926 728	165 294	261 756	250 410	317 657	318 629
Machinery and equipment	–	32 584	33 592	4 914	–	–	–
Land and sub-soil assets	16 271	34 981	83 854	–	–	–	–
Software and other intangible assets	697	–	507	–	–	–	–
<b>Payments for financial assets</b>	<b>(228)</b>	<b>1 050</b>	<b>139 532</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 181 310</b>	<b>1 638 436</b>	<b>1 180 181</b>	<b>1 278 584</b>	<b>1 245 451</b>	<b>1 377 656</b>	<b>1 435 096</b>
<b>Details of transfers and subsidies</b>							
<b>Non-profit institutions</b>							
Current	–	1 081	–	–	–	–	–
Non-profit institutions	–	1 081	–	–	–	–	–

## Expenditure trends

Expenditure increased from R1.2 billion in 2007/08 to R1.3 billion in 2010/11, at an average annual rate of 2.7 per cent. The growth is attributable to the conclusion of the agreement for the construction of the head office office campus, OR Tambo building. Expenditure on improving the department's ICT infrastructure has increased spending on goods and services from R345.9 million to R718.6 million between 2007/08 and 2010/11, and payments for capital assets by R327.5 million in 2008/09. Most of the increase in spending on goods and services related to lease and property payments.

Expenditure over the MTEF period is expected to grow to R1.4 billion, at an average annual rate of 3.9 per cent. This growth is due to the increased payment of unitary fees for the head office and expenditure on improving the department's ICT infrastructure. Expenditure on consultants increases from R9.9 million in 2011/12 to R11.8 million in 2013/14. Consultants are mainly used to conduct feasibility studies for infrastructure projects.

## Programme 2: International Relations and Cooperation

- *Bilateral Relations Management* is the management component at head office that provides strategic policy direction in the implementation of South Africa's foreign policy objectives through the support to South African diplomatic missions abroad. This component represents 10 per cent of the total budget of the programme and the staff complement consists of 640 approved posts.
- *Diplomatic Representation* implements foreign policy and oversees the activities of all South African missions worldwide. The subprogramme has a staff complement of 720 and more than half of the budget is used for compensation of employees.

## Objectives and measures

- Strengthen the AU and its structures by:
  - providing financial and technical support for operationalising the African Court of Justice and AU financial institutions by 2012/13.
  - providing ongoing financial support for the operations of the Pan African Parliament in terms of country host agreement.
- Contribute to the political and economic integration of African regions by supporting the implementation, by January 2012, of the outcomes of the tripartite summit (the Common Market for Eastern and Southern Africa, the East African Community and SADC) on establishing a free trade area between the summit countries.
- Improve governance and capacity in the SADC secretariat by implementing the secretariat's job evaluation plan and assisting with the recruitment process over the next 3 years.
- Contribute towards the New Partnership for Africa's Development's (NEPAD) process for socioeconomic development in Africa by participating in the African Peer Review Mechanism and submitting the African Peer Review Mechanism country report when required.
- Strengthen bilateral, trilateral and multilateral interest in and relations within the India-Brazil-South Africa Dialogue Forum through continuous active participation in forum structures.
- Strengthen political solidarity, economic cooperation and socio-cultural relations with Asian countries by participating in New Asian-African Strategic Partnership structures over the MTEF period.
- Strengthen North-South economic and political relations and cooperation to advance the African Agenda by participating in the G8 and the Tokyo international conference on Africa development over the next 3 years.

## Expenditure estimates

Table 5.5 International Relations

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R thousand							
Bilateral Relations Management	348 091	400 424	471 937	289 798	306 082	298 213	315 593
Diplomatic Representation	1 774 729	2 252 419	2 397 307	2 085 288	2 223 744	2 406 271	2 688 069
<b>Total</b>	<b>2 122 820</b>	<b>2 652 843</b>	<b>2 869 244</b>	<b>2 375 086</b>	<b>2 529 826</b>	<b>2 704 484</b>	<b>3 003 662</b>
Change to 2010 Budget estimate				(411 737)	(319 495)	(337 812)	(205 960)
<b>Economic classification</b>							
<b>Current payments</b>	<b>2 040 907</b>	<b>2 541 613</b>	<b>2 790 175</b>	<b>2 335 299</b>	<b>2 496 497</b>	<b>2 665 055</b>	<b>2 961 110</b>
Compensation of employees	1 073 248	1 424 219	1 523 314	1 452 275	1 286 670	1 372 054	1 572 978
Goods and services	967 659	1 117 394	1 266 861	883 024	1 209 827	1 293 001	1 388 132
<i>of which:</i>							
<i>Administrative fees</i>	4 266	9 000	7 875	7 736	8 718	9 731	9 211
<i>Advertising</i>	7 247	5 538	6 413	10 353	8 457	8 421	7 829
<i>Assets less than the capitalisation threshold</i>	3 190	5 082	7 435	7 187	8 166	9 180	8 630
<i>Catering: Departmental activities</i>	76 911	119 218	13 853	25 928	28 923	28 967	30 560
<i>Communication</i>	22 083	25 089	22 917	36 360	22 900	24 449	19 505
<i>Computer services</i>	2 215	5 355	6 055	5 645	5 633	5 642	5 952
<i>Consultants and professional services: Business and advisory services</i>	3 078	2 842	2 036	5 113	4 929	5 936	5 208
<i>Consultants and professional services: Infrastructure and planning</i>	195	5 965	2 045	8 171	-	-	-
<i>Consultants and professional services: Laboratory services</i>	-	963	-	-	-	-	-
<i>Consultants and professional services: Legal costs</i>	10 818	10 057	6 515	8	-	-	-
<i>Contractors</i>	15 914	17 161	15 610	25 470	20 873	22 063	23 277
<i>Agency and support / outsourced services</i>	3 458	1 845	2 118	-	-	-	-
<i>Entertainment</i>	23 224	25 706	19 936	27 521	28 031	30 686	32 373
<i>Inventory: Food and food supplies</i>	-	13	18	-	-	-	-
<i>Inventory: Fuel, oil and gas</i>	-	12 114	9 760	16 251	17 241	18 224	19 227
<i>Inventory: Materials and supplies</i>	494	3 526	3 100	13 431	4 012	4 402	4 198
<i>Inventory: Medical supplies</i>	741	35	662	-	-	-	-
<i>Inventory: Other consumables</i>	6 326	4 449	6 056	5 379	5 083	5 396	5 669
<i>Inventory: Stationery and printing</i>	39 377	19 606	16 768	30 586	30 084	30 138	33 548
<i>Lease payments</i>	435 042	448 807	765 184	321 858	612 447	633 675	704 463
<i>Property payments</i>	88 785	138 504	137 852	102 185	140 000	138 733	156 931
<i>Travel and subsistence</i>	141 255	147 023	135 874	132 618	154 354	184 580	177 959
<i>Training and development</i>	1 189	1 421	1 407	8 604	8 919	9 048	9 176
<i>Operating expenditure</i>	33 365	55 496	35 871	36 238	34 366	42 732	47 545
<i>Venues and facilities</i>	48 486	52 579	41 501	56 382	66 691	80 998	86 871
<b>Transfers and subsidies</b>	<b>22 042</b>	<b>31 861</b>	<b>33 127</b>	<b>16 829</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	2 490	-	-	-	-	-	-
Public corporations and private enterprises	13 398	16 576	16 363	-	-	-	-
Households	6 154	15 285	16 764	16 829	-	-	-
<b>Payments for capital assets</b>	<b>59 382</b>	<b>47 278</b>	<b>28 285</b>	<b>22 958</b>	<b>33 329</b>	<b>39 429</b>	<b>42 552</b>
Buildings and other fixed structures	-	-	-	6 098	513	541	571
Machinery and equipment	59 232	47 278	28 285	16 860	32 816	38 888	41 981
Software and other intangible assets	150	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>489</b>	<b>32 091</b>	<b>17 657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 122 820</b>	<b>2 652 843</b>	<b>2 869 244</b>	<b>2 375 086</b>	<b>2 529 826</b>	<b>2 704 484</b>	<b>3 003 662</b>

Table 5.5 International Relations (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Details of transfers and subsidies</b>							
Public corporations and private enterprises							
Public corporations							
Other transfers to public corporations							
Current	13 398	16 576	16 363	-	-	-	-
Public corporations and private enterprises	13 398	16 576	16 363	-	-	-	-
Provinces and municipalities							
Provinces							
Provincial agencies and funds							
Current	2 490	-	-	-	-	-	-
Regional Service Council levies	2 490	-	-	-	-	-	-
Households							
Households social benefits							
Current	6 154	15 285	16 764	13 115	-	-	-
Employee social benefits	6 154	15 285	16 764	13 115	-	-	-

### Expenditure trends

Over the MTEF period, the department will focus on facilitating South Africa's participation as a non-permanent member of the United Nations Security Council in 2011 and 2012. The programme will also continue to support the activities of missions and the implementation of foreign policy.

Expenditure grew at an average annual rate of 3.8 per cent, from R2.1 billion in 2007/08 to R2.4 billion in 2010/11. This growth was mainly due to the number of operational foreign missions, which increased from 121 in 2007/08 to 124 in 2010/11. The growth was also attributable to the strengthening of the capacity of missions that had previously operated on a smaller scale, as well as general inflationary increases in the costs of goods and services. The strengthening of capacity of missions also explains the growth in current payments between 2007/08 and 2010/11, at an average annual rate of 4.6 per cent.

Expenditure is expected to increase over the MTEF period, at an average annual rate of 8.1 per cent, from R2.4 billion in 2010/11 to R3 billion in 2013/14. This increase is mainly due to cost of living and inflation related adjustments on obligatory expenses, such as foreign allowances and rent for foreign accommodation. As expenditure in this programme is significantly affected by exchange fluctuations, the strengthening of the Rand is expected to offset increases in expenditure incurred in foreign currencies.

The ratio of administrative costs to line function costs is 1:3.

### Programme 3: Public Diplomacy and Protocol Services

- *Public Diplomacy* provides communication and marketing services to the department in the execution of South Africa's international relations and cooperation, through an integrated, proactive and target-driven public diplomacy and public participation strategy. In its execution, the department liaises with the media, engages with national stakeholders, and promotes South Africa's policies and programmes both nationally and internationally. The subprogramme has a staff complement of 448.
- *Protocol* deals with protocol administration, protocol ceremonial services, state visits, diplomatic liaison, and intergovernmental or provincial protocol services renders support to the president, deputy president and ministers. The subprogramme has a staff complement of 343. The subprogramme organises international conferences and ensures the availability of guesthouses for visitors. Funding is used to cover costs relating to managing the state protocol guesthouses and VIP lounges at the three international airports, the facilitation of incoming and outgoing state visits, and training on protocol matters. In 2010, the subprogramme facilitated the procurement of the presidential suite at Soccer City for the opening and closing ceremonies of the

2010 FIFA World Cup at a cost of R10 million and a further R2 million was spent on accommodation for the invited heads of state and government. The department will facilitate the logistical arrangements of the invited heads of state and government, and imminent persons attending the 17<sup>th</sup> conference of the parties to the United Nations Framework on Climate Change in Durban in December 2011.

## Objectives and measures

- Provide logistical, media and communication support to the ministry through daily updates to missions abroad and through international and local media briefings, conferences and interviews within 10 days of an event.
- Facilitate incoming and outgoing visits by providing protocol and diplomacy services in terms of service delivery standards adopted for the hosting of international conferences and summits, including the NEPAD heads of state implementation committee and the annual AU foreign ministers meeting.

## Expenditure estimates

Table 5.6 Public Diplomacy and Protocol

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R thousand							
Public Diplomacy	23 515	36 758	35 272	54 918	52 812	54 600	57 780
Protocol	118 032	115 864	217 583	179 005	158 736	173 915	182 256
<b>Total</b>	<b>141 547</b>	<b>152 622</b>	<b>252 855</b>	<b>233 923</b>	<b>211 548</b>	<b>228 515</b>	<b>240 036</b>
Change to 2010 Budget estimate				1 056	(18 837)	(14 870)	(16 736)
<b>Economic classification</b>							
<b>Current payments</b>	<b>118 863</b>	<b>134 690</b>	<b>200 398</b>	<b>208 423</b>	<b>211 548</b>	<b>228 515</b>	<b>240 036</b>
Compensation of employees	51 430	61 260	72 733	115 150	115 399	120 734	129 224
Goods and services	67 433	73 430	127 665	93 273	96 149	107 781	110 812
<i>of which:</i>							
<i>Administrative fees</i>	14	8	24	–	102	226	289
<i>Advertising</i>	262	206	7 619	–	1 413	1 466	1 479
<i>Assets less than the capitalisation threshold</i>	703	602	210	–	–	–	–
<i>Catering: Departmental activities</i>	2 506	1 088	5 426	–	162	1 049	1 101
<i>Communication</i>	4 520	3 051	3 951	1 489	1 622	1 946	2 240
<i>Computer services</i>	158	434	353	521	244	267	297
<i>Consultants and professional services: Business and advisory services</i>	387	440	33	2 441	2 449	1 930	1 930
<i>Contractors</i>	1 299	6 117	1 345	–	124	131	138
<i>Entertainment</i>	1 311	1 707	5 172	–	108	155	163
<i>Inventory: Food and food supplies</i>	1 289	1 092	1 036	896	1 139	1 196	1 256
<i>Inventory: Fuel, oil and gas</i>	89	22	41	–	–	–	–
<i>Inventory: Materials and supplies</i>	75	26	1	–	–	–	–
<i>Inventory: Medical supplies</i>	4	6	11	–	3	4	4
<i>Inventory: Medicine</i>	–	–	–	–	41	43	45
<i>Inventory: Other consumables</i>	1 087	666	927	–	1 789	1 877	1 972
<i>Inventory: Stationery and printing</i>	1 677	1 935	2 479	4 956	2 182	2 374	2 567
<i>Lease payments</i>	8 577	4 160	4 090	2 853	2 236	2 348	2 465
<i>Property payments</i>	–	41	–	–	27 950	27 986	27 564
<i>Transport provided: Departmental activity</i>	–	–	–	7 729	–	–	–
<i>Travel and subsistence</i>	32 124	41 150	55 554	57 019	41 858	50 924	52 707
<i>Training and development</i>	–	3	–	–	–	–	–
<i>Operating expenditure</i>	8 341	7 280	16 180	3 073	1 333	1 853	2 351
<i>Venues and facilities</i>	3 010	3 396	23 213	12 296	11 394	12 006	12 244
<b>Transfers and subsidies</b>	<b>20 767</b>	<b>16 303</b>	<b>23 595</b>	<b>25 000</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	20 767	16 303	23 595	25 000	–	–	–
<b>Payments for capital assets</b>	<b>1 917</b>	<b>1 629</b>	<b>28 864</b>	<b>500</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	1 917	1 629	28 864	500	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>(2)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>141 547</b>	<b>152 622</b>	<b>252 855</b>	<b>233 923</b>	<b>211 548</b>	<b>228 515</b>	<b>240 036</b>

Table 5.6 Public Diplomacy and Protocol (continued)

R thousand	Audited outcome			Adjusted appropriation 2010/11	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial agencies and funds							
Current	20 767	16 303	23 595	22 315	-	-	-
Regional Service Council levies	20 767	16 303	23 595	22 315	-	-	-

## Expenditure trends

The spending focus over the MTEF period will be on providing protocol support services during outgoing and incoming state visits and for the high level international visits of the president, deputy president and the minister.

Expenditure grew at an average annual rate of 18.2 per cent, from R141.5 million in 2007/08 to R233.9 million in 2010/11. This was due to a significant increase in the number of incoming and outgoing state visits during this period, which contributed to a higher demand for protocol services. Travel and subsistence expenditure was R55.6 million in 2009/10, as the department provided protocol advice and support to other government departments, non-governmental organisations, the private sector and the 2010 FIFA World Cup local organising committee. The department has also been building capacity to respond to the increased demand for protocol and diplomatic services. As a result, expenditure on compensation of employees grew at an average annual rate of 30.8 per cent from R51.4 million in 2007/08 to R115.2 million 2010/11, driven mainly by a personnel headcount increase from 245 to 288 during the same period.

Expenditure is expected to grow from R233.9 million in 2010/11 to R240.0 million in 2013/14, at an average annual rate of 0.9 per cent over the MTEF period. This growth is mainly in spending on compensation of employees and is due to inflation related adjustments to salaries. Expenditure on consultants is expected to decrease from R2.4 million in 2010/11 to R1.9 million in 2013/14. The department uses consultants mainly for the translation of marketing material and communication between foreign missions. The ratio of administrative costs to line function costs is 1:3, which is attributable to high staff turnover of the household aids and protocol officials.

## Programme 4: International Transfers

- *International Organisations* provides for South Africa's contribution with regard to membership of international organisations such as the UN, AU and SADC. It also provides for transfers to the African Renaissance and International Cooperation Fund.

Table 5.7 International Transfers

Subprogramme	Audited outcome			Adjusted appropriation 2010/11	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
R thousand							
International Organisations	624 056	1 028 363	1 115 161	828 225	809 943	844 240	890 524
<b>Total</b>	<b>624 056</b>	<b>1 028 363</b>	<b>1 115 161</b>	<b>828 225</b>	<b>809 943</b>	<b>844 240</b>	<b>890 524</b>
Change to 2010 Budget estimate				43 500	(117 168)	(121 330)	(128 152)
Economic classification							
Transfers and subsidies	624 056	1 028 363	1 115 161	828 225	809 943	844 240	890 524
Departmental agencies and accounts	300 000	698 925	631 371	401 072	450 370	465 244	495 213
Foreign governments and international organisations	324 056	329 438	483 790	427 153	359 573	378 996	395 311
<b>Total</b>	<b>624 056</b>	<b>1 028 363</b>	<b>1 115 161</b>	<b>828 225</b>	<b>809 943</b>	<b>844 240</b>	<b>890 524</b>

Table 5.7 International Transfers (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Details of transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
Current	300 000	698 925	631 371	401 072	450 370	465 244	495 213
African Renaissance and International Co-operation Fund	300 000	698 925	631 371	401 072	450 370	465 244	495 213
<b>Foreign governments and international organisations</b>							
Current	324 056	329 438	483 790	427 153	359 573	378 996	395 311
African Union	110 434	118 459	218 980	159 041	128 860	137 360	144 500
G77 Countries	99	105	114	115	115	115	115
India, Brazil, South Africa Trust Fund	10 064	7 378	7 679	8 065	7 580	8 080	8 500
New Partnership for Africa's Development	30 000	31 620	26 968	22 466	7 500	7 500	7 500
African Peer Review Mechanism	–	–	–	12 097	2 500	2 500	2 500
Organisation for Economic Cooperation and Development	295	216	398	236	236	236	236
Other international organisations	208	1 032	911	1 126	1 126	1 126	1 126
Gambian government: local office costs	–	211	–	230	230	230	230
United Nations Development Programme	5 500	5 200	3 946	5 600	5 600	5 600	5 600
African, Caribbean and Pacific group of states	3 192	3 650	3 706	3 948	3 948	3 948	3 948
Bureau of International Expositions	–	27	–	30	30	30	30
Commonwealth	8 113	17 745	7 521	9 399	9 399	9 399	9 399
Southern African Development Community	29 605	30 789	43 240	42 802	40 515	43 188	45 433
United Nations	86 127	79 381	124 176	123 394	117 490	125 240	131 750
United Nations Human Rights Council	–	316	–	346	346	346	346
International cooperation and technical assistance	–	–	–	–	–	–	–
Bacterial and Toxic Weapons Convention	–	458	117	501	501	501	501
Comprehensive Test Ban Treaty	2 909	5 518	2 913	6 032	6 032	6 032	6 032
Humanitarian aid	34 046	24 072	40 806	28 160	24 000	24 000	24 000
Indian Ocean Rim Research Centre	81	133	–	145	145	145	145
Perrez-Guerrero Trust Fund	52	56	60	61	61	61	61
South Centre Capital Fund	1 045	1 107	1 155	1 210	1 210	1 210	1 210
United Nations Development Programme in Southern Africa	1 297	1 052	1 100	1 150	1 150	1 150	1 150
United Nations technical cooperation	–	105	–	115	115	115	115
United Nations Voluntary Fund for Disability	–	70	–	76	76	76	76
United Nations Children's Fund	370	211	–	230	230	230	230
United Nations Convention on the Law of Sea	619	527	–	578	578	578	578

## Expenditure trends

The spending focus over the MTEF period will be on membership fees to international organisations and the transfer to the African Renaissance and International Cooperation Fund. These transfer payments will help the department reach its medium term strategic goals of advancing the African Agenda and participating in the global system of governance among others.

Expenditure in this programme grew from R624.1 million in 2007/08 to R828.2 million in 2010/11, at an average annual rate of 9.9 per cent. This growth was mainly due to the recapitalisation of the African

Renaissance and International Cooperation Fund to increase funding for post-conflict reconstruction and development initiatives in Burundi and the Democratic Republic of the Congo, and for economic reconstruction programmes in Zimbabwe.

Over the MTEF period, expenditure is expected to increase from R828.2 million to R890.5 million, at an average annual rate of 2.4 per cent. This is mainly due to the increase in the transfer payment to the African Renaissance and International Cooperation Fund and an increase in membership fees to the UN and SADC. The marginal decline in expenditure growth over the MTEF period is attributable to payments of membership fees to international organisations, whose transactions are subject to foreign exchange rate fluctuations. Over the MTEF period, the programme receives additional allocations of R44.6 million, R52.6 million and R55.7 million for the increased membership contributions to the UN and SADC. The South African Development Partnership Agency will be initiated in 2012/13 and will incorporate the African Renaissance and International Cooperation Fund.

## **Public entities and other agencies**

### **African Renaissance and International Cooperation Fund**

#### **Strategic overview: 2007/08 – 2013/14**

The African Renaissance and International Cooperation Fund was established in terms of the African Renaissance and International Cooperation Fund Act (2000). The vision of the fund is to promote an African continent that is democratic, non-racial, non-sexist, conflict free and development oriented. The fund promotes economic cooperation between South Africa and other countries, especially in Africa, by funding a range of projects.

In promoting democracy and good governance, the fund provides financial support for elections, institutional restructuring and government reform in identified African countries. The fund also supports initiatives that enable partner countries to promote justice, human rights and respect for international law. The fund supports educational programmes, human resource development, and management training, and offers student bursaries.

Multilateralism and regional interaction are encouraged by the provision of financial support to regional and continental multilateral institutions. The fund supports local economic development by facilitating dialogue on developmental issues. It also promotes the implementation of bilateral development agreements between South Africa and partner countries. In line with its aim of contributing to the wellbeing and needs of women and children in relation to food and nutrition, health, water and sanitation, from time to time the fund identifies projects for providing humanitarian assistance and disaster relief.

Over the MTEF period, the fund will support projects that contribute towards South Africa's foreign policy priority as stated in the medium term strategic framework, particularly the consolidation of the African Agenda.

#### **Savings and cost effectiveness measures**

The fund has identified savings of R105 million in 2011/12, R105.2 million in 2012/13 and R106.6 million 2013/14 from slower than budgeted spending on projects related to post-conflict reconstruction and development in African countries. These savings were reprioritised to the department to fund costs related to South Africa's participation in United Nations Security Council as a non-permanent member, and inflation related adjustments to missions' operational cost, such as lease rental, municipality rates and taxes, and for cost of living adjustments. Additional savings and cost effectiveness measures will be mainly achieved through the scrutiny of proposals submitted to the advisory board for consideration and recommendation to the Minister of International Relations and Cooperation and the Minister of Finance.

## Selected performance indicators

Table 5.8 African Renaissance and International Cooperation Fund

Indicator	Programme /Activity/Objective	Past			Current	Projections		
		2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Number of projects approved per year	Bilateral and other projects	6	9	9	10	15	17	15
Total value of projects approved	Bilateral and other projects	R352m	R476m	R631m	R401m	R450m	R464m	R495m
Value of funds approved for promoting democracy and good governance per year	South Africa's participation in the observer missions in the continent	R96m	R4m	R394m	R141m	R110m	R86m	R91m
Value of funds approved for the prevention and resolution of conflict per year	Bilateral projects related to post-conflict, reconstruction and development, in particular Great Lakes Region.	R8m	R10m	R100m	R90m	R80m	R110m	R116m
Value of funds approved for humanitarian assistance and disaster relief per year	Funding, humanitarian and technical assistance to countries in need of disaster relief	R22m	R300m	R10m	R10m	R15m	R15m	R15m
Value of funds approved for cooperation between South Africa and other countries, in particular African countries, per year	Bilateral projects related to socioeconomic development within the Continent.	R35m	R42m	R72m	R70m	R130m	R155m	R163m
Value of funds approved for human resource development per year	Technical assistance to identified countries; and training Congolese public service officials	R176m	R20m	R25m	R80m	R55m	R49m	R55m
Value of funds approved for socioeconomic development and integration per year	Bilateral projects	R15m	R100m	R30m	R10m	R60m	R50m	R53m

## Details of programmes/activities/objectives

The main thrust of the fund is to provide: financial support and capacity building for the promotion of democracy and good governance in the identified African countries; skills development; humanitarian assistance and disaster relief; and the implementation of bilateral agreements signed in areas, such as agriculture and health services. Over the medium term, the fund will continue to provide support to any African countries that are holding elections.

## Expenditure estimates

Table 5.9 African Renaissance and International Cooperation Fund

R thousand	Audited outcome			Revised estimate 2010/11	Medium-term estimate		
	2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
DFA-GOSS-UNISA	30 000	-	-	-	-	-	-
Assistance of the government of Guinea (Conacry) rice production/food relief/technical assistance	60 000	-	-	-	-	-	-
Maloti-Drakenstein transfrontier	-	-	-	60 000	-	-	-
Zimbabwe projects	-	313 500	300 000	-	-	-	-
Other objectives	262 172	162 100	31 000	341 072	450 370	465 244	495 213
<b>Total expense</b>	<b>352 172</b>	<b>475 600</b>	<b>331 000</b>	<b>401 072</b>	<b>450 370</b>	<b>465 244</b>	<b>495 213</b>

Table 5.10 African Renaissance and International Cooperation Fund

Statement of financial performance				Revised estimate 2010/11	Medium-term estimate		
R thousand	Audited outcome		2011/12		2012/13	2013/14	
	2007/08	2008/09	2009/10				
<b>Revenue</b>							
Non-tax revenue	36 306	46 174	33 885	62 378	65 497	68 772	72 210
<i>Other non-tax revenue</i>	36 306	46 174	33 885	62 378	65 497	68 772	72 210
Transfers received	300 000	698 925	631 371	401 072	450 370	465 244	495 213
<b>Total revenue</b>	<b>336 306</b>	<b>745 099</b>	<b>665 256</b>	<b>463 450</b>	<b>515 867</b>	<b>534 016</b>	<b>567 423</b>
<b>Expenses</b>							
Transfers and subsidies	352 172	475 600	331 000	401 072	450 370	465 244	495 213
<b>Total expenses</b>	<b>352 172</b>	<b>475 600</b>	<b>331 000</b>	<b>401 072</b>	<b>450 370</b>	<b>465 244</b>	<b>495 213</b>
<b>Surplus / (Deficit)</b>	<b>(15 866)</b>	<b>269 499</b>	<b>334 256</b>	<b>62 378</b>	<b>65 497</b>	<b>68 772</b>	<b>72 210</b>
<b>Statement of financial position</b>							
Receivables and prepayments	34 386	41 282	35 875	35 875	35 875	35 875	35 875
Cash and cash equivalents	466 983	698 725	1 031 982	1 432 432	1 953 309	2 528 230	2 654 641
<b>Total assets</b>	<b>501 369</b>	<b>740 007</b>	<b>1 067 857</b>	<b>1 468 307</b>	<b>1 989 184</b>	<b>2 564 105</b>	<b>2 690 516</b>
Accumulated surplus/deficit	44 965	297 863	593 423	412 540	450 916	474 500	500 598
Trade and other payables	456 404	442 145	474 434	392 190	392 332	409 191	431 697
<b>Total equity and liabilities</b>	<b>501 369</b>	<b>740 008</b>	<b>1 067 857</b>	<b>804 730</b>	<b>843 248</b>	<b>883 691</b>	<b>932 295</b>

### Expenditure trends

The fund's medium term focus will be on projects relating to promoting peace and stability in Africa, reconstruction and development, and support for urgent humanitarian needs. This will help to promote democracy, good governance as well as the prevention and resolution of conflict.

The main source of funding for the fund is a transfer payment from the Department of International Relations and Cooperation, and interest income from bank deposits with the Corporation for Public Deposits in the South African Reserve Bank. The transfer payment to the fund increased from R300 million in 2007/08 to R401.1 million in 2010/11, at an average annual rate of 10.2 per cent. Over the same period, expenditure increased from R352.2 million to R401.1 million, at an average annual rate of 4.4 per cent. This growth is mainly due to projects related to socioeconomic development on the continent. Over the MTEF period, the transfer payment is expected to increase from R401.1 million to R495.2 million, at an average annual rate of 7.3 per cent. The increase is mainly to fund projects relating to the resolution of conflict and socioeconomic development.

### Personnel information

The fund's activities are administered and managed by the advisory committee. In its current format, the fund does not have a personnel structure and the allocation is earmarked for the funding of projects. The fund is completely supported and administered by the department.

## Additional tables

Table 5.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2009/10		2009/10	2010/11			2010/11
Administration	993 133	1 207 744	1 180 181	1 020 011	258 573	1 278 584	1 278 584
International Relations	3 128 584	3 071 972	2 869 244	2 786 823	(411 737)	2 375 086	2 375 086
Public Diplomacy and Protocol	215 288	257 616	252 855	232 867	1 056	233 923	233 923
International Transfers	1 000 024	1 015 623	1 115 161	784 725	43 500	828 225	828 225
<b>Total</b>	<b>5 337 029</b>	<b>5 552 955</b>	<b>5 417 441</b>	<b>4 824 426</b>	<b>(108 608)</b>	<b>4 715 818</b>	<b>4 715 818</b>

### Economic classification

<b>Current payments</b>	<b>3 993 354</b>	<b>4 042 680</b>	<b>3 747 975</b>	<b>3 688 595</b>	<b>(135 158)</b>	<b>3 553 437</b>	<b>3 553 437</b>
Compensation of employees	2 013 290	2 062 616	1 833 270	2 017 148	(158 573)	1 858 575	1 858 575
Goods and services	1 980 064	1 980 064	1 875 890	1 671 447	23 415	1 694 862	1 694 862
<b>Transfers and subsidies</b>	<b>1 024 395</b>	<b>1 039 995</b>	<b>1 171 883</b>	<b>820 155</b>	<b>52 098</b>	<b>872 253</b>	<b>872 253</b>
Provinces and municipalities	24 371	24 371	23 595	22 315	2 685	25 000	25 000
Departmental agencies and accounts	631 371	631 371	631 371	401 072	-	401 072	401 072
Foreign governments and international organisations	368 653	384 253	483 790	383 653	43 500	427 153	427 153
Public corporations and private enterprises	-	-	16 363	-	-	-	-
Households	-	-	16 764	13 115	3 714	16 829	16 829
<b>Payments for capital assets</b>	<b>319 280</b>	<b>470 280</b>	<b>340 396</b>	<b>315 676</b>	<b>(25 548)</b>	<b>290 128</b>	<b>290 128</b>
Buildings and other fixed structures	272 204	423 204	165 294	237 554	30 300	267 854	267 854
Machinery and equipment	47 076	47 076	90 741	78 122	(55 848)	22 274	22 274
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>157 187</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 337 029</b>	<b>5 552 955</b>	<b>5 417 441</b>	<b>4 824 426</b>	<b>(108 608)</b>	<b>4 715 818</b>	<b>4 715 818</b>

Table 5.B Detail of approved establishment and personnel numbers according to salary level <sup>1</sup>

	Personnel post status as at 30 September 2010			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year <sup>2</sup>	Medium-term estimate		
				2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
<b>Department</b>	<b>5 305</b>	<b>5 211</b>	<b>80</b>	<b>4 463</b>	<b>4 668</b>	<b>4 624</b>	<b>4 712</b>	<b>5 211</b>	<b>5 211</b>	<b>5 211</b>
Salary level 1 – 6	2 818	2 797	19	492	502	494	2 309	2 797	2 797	2 797
Salary level 7 – 10	1 757	1 702	41	3 329	3 561	3 489	1 767	1 702	1 702	1 702
Salary level 11 – 12	449	437	10	408	364	388	396	437	437	437
Salary level 13 – 16	281	275	10	234	241	253	240	275	275	275
<b>Administration</b>	<b>1 088</b>	<b>1 085</b>	<b>80</b>	<b>873</b>	<b>920</b>	<b>942</b>	<b>870</b>	<b>1 085</b>	<b>1 085</b>	<b>1 085</b>
Salary level 1 – 6	347	347	19	372	386	381	292	347	347	347
Salary level 7 – 10	560	560	41	365	389	411	440	560	560	560
Salary level 11 – 12	121	121	10	92	96	99	96	121	121	121
Salary level 13 – 16	60	57	10	44	49	51	42	57	57	57
<b>International Relations</b>	<b>3 798</b>	<b>3 768</b>	<b>-</b>	<b>3 345</b>	<b>3 498</b>	<b>3 416</b>	<b>3 554</b>	<b>3 768</b>	<b>3 768</b>	<b>3 768</b>
Salary level 1 – 6	2 381	2 381	-	65	59	57	1 959	2 381	2 381	2 381
Salary level 7 – 10	935	915	-	2 822	3 021	2 914	1 144	915	915	915
Salary level 11 – 12	282	274	-	285	238	256	266	274	274	274
Salary level 13 – 16	200	198	-	173	180	189	185	198	198	198
<b>Public Diplomacy and Protocol</b>	<b>419</b>	<b>358</b>	<b>-</b>	<b>245</b>	<b>250</b>	<b>266</b>	<b>288</b>	<b>358</b>	<b>358</b>	<b>358</b>
Salary level 1 – 6	90	69	-	55	57	56	58	69	69	69
Salary level 7 – 10	262	227	-	142	151	164	183	227	227	227
Salary level 11 – 12	46	42	-	31	30	33	34	42	42	42
Salary level 13 – 16	21	20	-	17	12	13	13	20	20	20

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

2. As at 30 September 2010.

Table 5.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Compensation of employees (R thousand)	1 293 159	1 683 400	2 062 616	1 958 553	1 664 074	1 778 140	1 997 523
Training expenditure (R thousand)	13 128	8 087	12 417	19 585	16 641	17 781	19 975
Training as percentage of compensation	1.0%	0.5%	0.6%	1.0%	1.0%	1.0%	1.0%
Total number trained in department (head count)	1 139	1 139	1 139	962			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	95	9	9	38			
<i>Learners trained (head count)</i>	42	42	42	39			
<i>Interns trained (head count)</i>	-	-	-	14			

Table 5.D Summary of departmental public private partnership (PPP) projects

Project description: public private partnership for the design, construction, operation and maintenance of a suitable and sustainable working environment for the Department of International Relations and Cooperation	Project	Budgeted expenditure	Medium-term expenditure estimate		
	annual unitary fee at time of contract		2010/11	2011/12	2012/13
R thousand					
Projects signed in terms of Treasury Regulation 16	101 254	162 701	170 000	185 850	196 257
PPP unitary charge <sup>1</sup>	101 254	162 701	170 000	185 850	196 257
<b>Total</b>	<b>101 254</b>	<b>162 701</b>	<b>170 000</b>	<b>185 850</b>	<b>196 257</b>

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

Project name	Public Private Partnership for the design, construction, operation and maintenance of a suitable and sustainable working environment for the Department
Brief description	New head office building: PPP agreement for the design, construction, operation and maintenance of a suitable and sustainable working environment
Date PPP agreement was signed	13 March 2009
Duration of PPP agreement	25 years
Escalation index for unitary fee	CPI
Variations / amendments to PPP agreement	NIL
Cost implications of variations/amendments	NIL
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	As per the Contingent Fiscal Liability Report as approved by National Treasury in August 2008

Table 5.E Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R thousand												
Foreign In cash												
Germany	Capacity and institutional building for Southern Sudan	International Relations and Cooperation	12 404	Foreign governments and international organisations	Training Southern Sudan officials in the fields of judiciary, legal affairs, and minerals and energy	-	-	12 404	-	200	-	-
Belgium	Burundi peace process	International Relations and Cooperation	2 471	Foreign governments and international organisations	Developing and constructing the Rubira Assembly Area for the disarmament and demobilisation of FNL combatants	-	-	2 471	-	-	-	-
Norway	Burundi peace process	International Relations and Cooperation	646	Foreign governments and international organisations	Providing final assistance to hold the Extraordinary Congress as the last outstanding step in the peace process	-	-	646	15 300	-	-	-
France	Burundi peace process	International Relations and Cooperation	5 867	Foreign governments and international organisations	Promoting a comprehensive ceasefire	-	4 438	-	-	-	-	-
Netherlands	Integration of armed force in the Democratic Republic of the Congo	International Relations and Cooperation	22 198	Foreign governments and international organisations	Building capacity for a comprehensive ceasefire (Burundi peace process)	6 899	15 300	-	-	-	-	-
SADC	Humanitarian assistance to Haiti	International Transfers	2 500	Foreign governments and international organisations	Providing humanitarian assistance to Haiti after the 2010/01 earthquake	-	-	-	2 500	-	-	-
<b>Total</b>			<b>46 086</b>			<b>6 899</b>	<b>19 738</b>	<b>15 521</b>	<b>17 800</b>	<b>200</b>	<b>-</b>	<b>-</b>

Table 5.F Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2010/11	Medium-term expenditure estimate		
				2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
R thousand										
<b>Departmental infrastructure</b>										
Head Office Campus	Functional and effective office accommodation	Handed over	965 519	300 000	665 519	-	-	-	-	-
New Delhi (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Feasibility	370 000	-	35 000	-	33 975	5 000	60 000	65 519
Dar es Salaam (Construction of Chancery)	Functional and effective office accommodation	Design	49 500	1 800	851	9 000	28 000	28 000	15 685	-
Kigali (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Design	49 486	645	769	3 700	5 500	7 500	34 000	33 700
Lilongwe (Construction of Chancery and staff Housing)	Functional and effective office accommodation and staff housing	Design	68 800	935	1 355	5 600	19 500	32 000	23 300	-
Mbabane (Construction of staff housing)	Functional and effective staff housing	Design	78 000	2 450	1 249	7 500	22 000	22 000	33 500	15 500
Mbabane (Construction of Chancery)	Functional and effective office accommodation	Feasibility	39 000	-	-	2 500	3 500	-	3 500	10 000
Gaborone (Construction of Official Residence)	Functional and effective Official Residence	Design	23 000	195	1 439	3 500	-	-	12 000	11 000
Riyadh (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Feasibility	75 000	-	-	1 800	2 700	2 700	25 000	30 000
Bamako (Construction of Chancery, Official Residence and Staff housing)	Functional and effective office accommodation and official residence	Feasibility	48 000	200	-	800	2 200	-	4 500	15 000
Dakar (Construction of Chancery)	Functional and effective office accommodation	Feasibility	48 000	-	-	800	2 200	-	2 200	11 000
Montivideo (Construction of staff housing)	Functional and effective staff housing	Feasibility	4 500	-	-	800	-	-	800	3 200

Table 5.F Summary of expenditure on infrastructure (continued)

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
R thousand										
<b>Departmental infrastructure</b>										
Luanda (Construction of Chancery)	Functional and effective office accommodation	Feasibility	9 500	-	-	1 500	2 500	-	2 500	20 000
Washington (Refurbishment of Chancery)	Functional and effective office accommodation	Feasibility	205 400	-	59 365	79 239	40 975	85 000	-	-
Tokyo and New York	Functional and effective and official residence	Feasibility	-	1 000	-	-	-	-	15 000	18 000
Refurbishment at various missions	Refurbishment of infrastructure	Various	60 150	49 020	40 633	5 957	49 276	42 093	49 500	85 000
Brussels (Acquisition of Chancery)	Functional and effective office accommodation	Identification	-	93 622	-	-	-	-	-	-
Maseru (Construction of Chancery and staff Housing)	Functional and effective office accommodation	Identification	105 161	35 940	46 404	-	-	-	-	-
Riyadh (Acquisition of Land)	Land for the construction of a Chancery	Identification	-	10 619	-	-	-	-	-	-
Bujumbura (Acquisition of Chancery)	Functional and effective office accommodation	Identification	-	4 900	-	-	-	-	-	-
Abuja (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Construction	122 284	57 090	26 144	42 598	19 430	-	-	-
Pan African Parliament	Functional and effective office accommodation and parliamentary facilities	Feasibility	-	-	48 000	-	30 000	-	-	-
Kigali	Functional and effective and official residence	Feasibility	-	2 166	-	-	-	25 500	35 500	-
Gaborone (Acquisition of Chancery)	Functional and effective office accommodation	Construction	-	22 674	-	-	-	-	-	-
Addis Ababa	Chancery and three residences	Construction	-	66 622	-	-	-	-	-	-
Other	Various	Various	-	-	-	-	6 098	1 130	1 213	1 281
<b>Total</b>			<b>2 321 300</b>	<b>649 878</b>	<b>926 728</b>	<b>165 294</b>	<b>267 854</b>	<b>250 923</b>	<b>318 198</b>	<b>319 200</b>





**ESTIMATES  
OF NATIONAL  
EXPENDITURE** **2011**

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