

Vote 7

National Treasury

Budget summary

R million	2017/18					2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	414.3	404.0	3.9	6.5	–	456.3	560.0
Economic Policy, Tax, Financial Regulation and Research	139.6	106.9	31.9	0.8	–	142.5	149.5
Public Finance and Budget Management	286.1	233.7	50.6	1.8	–	291.2	310.4
Asset and Liability Management	102.4	101.7	–	0.7	–	139.4	110.6
Financial Accounting and Supply Chain Management Systems	1 087.9	983.2	99.4	5.3	–	1 207.2	1 091.2
International Financial Relations	5 836.8	52.2	914.9	0.6	4 869.1	5 911.1	6 246.4
Civil and Military Pensions, Contributions to Funds and Other Benefits	4 835.0	65.2	4 769.8	–	–	5 160.9	5 571.3
Technical Support and Development Finance	2 873.3	389.3	2 484.1	–	–	3 230.3	3 410.0
Revenue Administration	10 218.2	–	10 218.2	–	–	10 560.2	10 972.1
Financial Intelligence and State Security	5 005.6	–	5 005.6	–	–	5 296.0	5 592.5
Subtotal	30 799.2	2 336.1	23 578.4	15.7	4 869.1	32 395.0	34 014.0
Direct charge against the National Revenue Fund							
Provincial equitable share	441 331.1	–	441 331.1	–	–	471 522.5	506 103.7
Debt-service costs	162 353.1	162 353.1	–	–	–	180 651.5	197 319.8
General fuel levy sharing with metropolitan municipalities	11 785.0	–	11 785.0	–	–	12 468.6	13 166.8
National Revenue Fund payments	387.6	–	–	–	387.6	–	–
Total expenditure estimates	646 656.0	164 689.2	476 694.5	15.7	5 256.7	697 037.6	750 604.2

Executive authority

Minister of Finance

Accounting officer

Director General of the National Treasury

Website address

www.treasury.gov.za

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

Vote purpose

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.

Mandate

National Treasury's legislative mandate is based on section 216(1) of the Constitution, which calls for the establishment of a national treasury to ensure transparency, accountability and sound financial controls in the management of the country's public finances. This role is further elaborated in the Public Finance Management Act (1999). The department is mandated to:

- promote national government's fiscal policy and the coordination of macroeconomic policy
- ensure the stability and soundness of the financial system and financial services
- coordinate intergovernmental financial and fiscal relations
- manage the budget preparation process
- enforce transparency and effective management of national revenue and expenditure, assets and liabilities, public entities, and constitutional institutions.

Selected performance indicators

Table 7.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive growth	38.1% (R1.4tr)	41% (R1.6tr)	44.2% (R1.8tr)	45.5% (R2tr)	47.0% (R2.2tr)	47.6% (R2.4tr)	48.2% (R2.7tr)
Value of government gross annual borrowing	Asset and Liability Management		R201.2bn	R215.3bn	R200.4bn	R243.4bn	R220.9bn	R224.2bn	R284.4bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		2.8% (R101.2bn)	3% (R114.8bn)	3.2% (R128.8bn)	3.3% (R146.3bn)	3.4% (R162.4bn)	3.5% (R180.7bn)	3.6% (R197.3bn)
Number of active training providers delivering the municipal regulated minimum competency levels programme per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development-oriented public service	24	40	78	43	43	43	43
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Accounting and Supply Chain Management Systems		267	350	312	750	740	740	740
Number of transversal term contracts renewed per year for national procurement ²	Financial Accounting and Supply Chain Management Systems		18	16	16	17	17	11	15
Total number of precinct plans completed	Technical Support and Development Finance		- ¹	- ¹	10	4	8	12	18
Total number of catalytic projects approved	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	- ¹	317	352	360	380	400	420
Total estimated third-party investment leveraged for neighbourhood development	Technical Support and Development Finance		R1.9bn	R2.5bn	R4.2bn	R4bn	R4.3bn	R4.5bn	R4.8bn
Number of integrated projects in integration zones identified for planning per year	Technical Support and Development Finance		12	14	10	12	12	12	12
Number of integrated projects in integration zones under implementation per year	Technical Support and Development Finance		3	3	3	8	10	12	12
Total number of new jobs contracted for approved and active projects in the Jobs Fund (cumulative)	Technical Support and Development Finance		65 121	132 725	119 888	150 000	150 000	150 000	150 000
Number of placements contracted with project partners on the Jobs Fund (cumulative inception to date and still active) per year	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive growth	11 328	84 513	85 851	70 000	70 000	70 000	70 000

1. No historical data available.

2. Indicator wording revised. Previously recorded as "percentage of identified transversal contracts with strategic sourcing principles introduced per year".

Expenditure analysis

The National Development Plan (NDP) recognises that faster, broad-based growth is needed to transform the economy, create jobs, and reduce poverty and inequality in South Africa. Outcome 4 (decent employment through inclusive economic growth) of government's 2014-2019 medium-term strategic framework gives expression to this vision, with National Treasury's work contributing to its realisation. Over the medium term, the Treasury will continue prioritising infrastructure investment to ease bottlenecks and raise the economy's potential growth rate. The department will also continue working on preventing South Africa's credit rating from being downgraded to sub-investment grade.

The department's strategic focus over the medium term period will continue to be on managing future spending growth and fiscal risk; reviewing tax policy; supporting sustainable employment; supporting infrastructure development and economically integrated cities and communities; making government procurement more efficient; strengthening government financial management; strengthening the regulation of the financial sector; regional and international cooperation; and managing government's assets and liabilities.

The Treasury is responsible for the main statutory transfers to provincial governments, and plans to transfer R441.3 billion in 2017/18, R471.5 billion in 2018/19 and R506.1 billion in 2019/20 for the provincial equitable share. Cabinet has approved a reduction to the transfer of R500 million in 2017/18, and increases of R2.5 billion in 2018/19 and R3.7 billion in 2019/20. The department also provides for the *Civil and Military Pensions, Contributions to Funds and Other Benefits* programme, with about half of the funds transferred as government's contribution to medical schemes. Cabinet has approved additional funding of R453.1 million in 2017/18, R524.8 million in 2018/19 and R675.6 million in 2019/20 for post-retirement medical subsidies to provide medical assistance to employees who leave the public service due to retirement, including early retirement from age 50, death, and discharge as a result of poor health or injury on duty.

Servicing of government debt and distributing the general fuel levy to metropolitan municipalities are the department's other core responsibilities. The Treasury will spend a projected R162.4 billion in 2017/18, R180.7 billion in 2018/19 and R197.3 billion in 2019/20 to service government debt. Cabinet has approved increased funding of R426.1 million in 2017/18, R2.1 billion in 2018/19 and R8.8 billion in 2019/20 to cater for higher debt-service costs. The distribution of the general fuel levy to metropolitan municipalities is projected at R11.8 billion in 2017/18, R12.5 billion in 2018/19 and R13.2 billion in 2019/20.

The ceiling for the department's spending on compensation of employees is projected at R2.5 billion over the medium term, after Cabinet-approved reductions of R8.9 million in 2017/18, R9.2 million in 2018/19 and R9.7 million in 2019/20. The reductions were made to lower the national aggregate expenditure ceiling.

Managing future spending growth and fiscal risk

Over the medium term, the Treasury will continue to manage the national budget preparation process and facilitate the Division of Revenue Act process. These activities are budgeted for in the *Public Finance and Budget Management* programme at a projected cost of R727.9 million over the medium term period. Due to the deterioration in the economic outlook, government is committed to its fiscal policy position of reducing the budget deficit and stabilising debt.

Reviewing tax policy

The Treasury will facilitate the introduction of a tax on beverages with high sugar content to assist in reducing excessive sugar intake and combating the rising levels of obesity and diabetes. The department will also support the implementation of a tyre levy to encourage waste reduction, reuse, treatment and recycling. These tax policies will be introduced from the beginning of 2017/18. Projected revenue of R9.5 billion will be raised through increases in excise duties, the general fuel levy and environmental taxes over the medium term. Spending over the medium term is projected at R29.7 million in 2017/18, R30 million in 2018/19 and R31 million in 2019/20 in the *Tax Policy* subprogramme of the *Economic Policy, Tax, Financial Regulation and Research* programme.

Supporting sustainable employment

The department supports innovative and partnership-based approaches to sustainable employment creation; job seeker support and enterprise development through the Jobs Fund; and research into employment, income distribution and inclusive growth. The Jobs Fund has recently completed a funding round that will provide financial assistance to support new and innovative initiatives that have high potential for direct job creation in the short to medium term or are focused on reducing barriers to job creation. Each funding round usually takes about nine months. At its inception in 2011, the total budget for the fund was set at R9 billion (including the operational budget), which is ringfenced until the completion of the fund's work in 2023 for the creation of 150 000 permanent jobs.

An amount of R6.5 billion has so far been allocated to a portfolio of 125 approved employment-generating initiatives, and 84 040 new permanent jobs have been created by 99 implementing projects and an additional 48 708 unemployed individuals have been placed in permanent employment. Initiatives supported by the Jobs Fund have resulted in the direct employment of 132 748 people in sustainable jobs. In addition, 169 042 people have benefited from work readiness and technical training interventions. Cabinet has approved a reduction of R408.7 million over the medium term period for the Jobs Fund. Current estimates suggest that the fund will exceed the target of 150 000 jobs as 88.5 per cent of the target has already been met. Spending is projected at R3.3 billion over the medium term in the *Employment Creation Facilitation* subprogramme in the *Technical Support and Development Finance* programme.

Supporting infrastructure development and economically integrated cities and communities

The *neighbourhood development partnership grant* has been successfully funding neighbourhood development projects to improve the quality of life of residents in targeted areas, generally townships. Capital funding is reserved for projects that contribute to spatial transformation, and assists 18 metropolitan and secondary city municipalities to plan and develop inclusive and productive cities. Such projects use catalytic infrastructure (development and upgrading of roads, water, sewerage, energy infrastructure, public

transport facilities, and community and government facilities) to attract third-party investment to township nodes in strategic integration zones.

The grant has developed and implemented a two-stage capital funding approval process, portfolio management system and baseline management approach that optimises funding. The first funding approval is for project planning and the second is for implementation. This process reduces the risk of contingent project liabilities that result in slow spending due to factors such as procurement delays. Over the medium term, the grant will support an estimated 18 urban hub precinct plans that will prioritise 80 catalytic infrastructure projects. Spending over the medium term is projected at R691.1 million in 2017/18, R731.2 million in 2018/19 and R772.2 million in 2019/20 in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

The *integrated city development grant* provides a financial incentive for metropolitan municipalities to integrate and focus their use of investment available for infrastructure investment and regulatory instruments to achieve more compact and efficient urban spaces. In the eight metropolitan municipalities, 25 strategic integration zones have been identified. Cities are currently undertaking more detailed planning and the implementation of catalytic integrated development projects within these prioritised areas. Projects that are being implemented are located in inner-city areas in Johannesburg (inner-city core and Hillbrow), East London (Buffalo City) and Ekurhuleni (Kempton Park central business district); in township areas such as Jabulani, Soweto; and in well-located transport corridors such as the Voortrekker Road Corridor (Cape Town). This funding has also contributed to the development of large land and housing projects such as Cornubia in eThekweni. Over the medium term period, the grant allocation is projected at R292.1 million in 2017/18, R309.1 million in 2018/19 and R326.4 million in 2019/20 in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

The infrastructure delivery improvement programme supports provincial departments that deliver infrastructure, and aims to improve the delivery of public-sector infrastructure through institutionalising best practice and building capacity. Over the medium term, the programme has projected to train 300 officials on infrastructure delivery management system initiatives and 27 in capacity improvement initiatives to be undertaken to support infrastructure delivery. The allocation over the medium term is projected at R90 million in 2017/18, R93.1 million in 2018/19 and R98.3 million in 2019/20 in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme.

The *infrastructure skills development grant* supports municipalities by recruiting and training unemployed graduates, and developing professionals, as per the requirements of statutory councils within the built environment sector. The grant funds the training of 315 graduates from various municipalities, and 138 graduates have completed the training, with 114 having been permanently appointed. To support this, the grant's allocation over the medium term is projected at R140.8 million in 2017/18, R148.9 million in 2018/19 and R157.3 million in 2019/20 in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme.

Making government procurement more efficient

Through the Office of the Chief Procurement Officer, the Treasury is effecting government procurement more efficiently by means of the implementation of current short and medium-term reforms with the objective of improving government spending patterns, increased efficiency and minimised opportunities for corruption in the public sector.

The draft Public Procurement Bill is the short-term reform and is expected to be completed by March 2017. The objective of the bill is to consolidate the fragmented legal and policy environment, and to provide a flexible, agile and expanded scope of service delivery, empowerment, savings strategies and contract management. This legislation will establish a single public procurement authority as an oversight custodian to implement procurement in terms of section 217 of the Constitution.

The establishment of the central supplier database is not only to reduce administrative red tape when doing business with government, but to enhance compliance in procurement practices. About 9 000 suppliers employed by the state were identified through the database in 2015/16. About 12 000 identification numbers of deceased persons were also identified as suppliers fraudulently doing business with the state. Furthermore, 45 000 bank accounts were detected as those not being linked to the same supplier registered on the database.

Through these initiatives, in 2016/17, actual savings of R675 million (R400 million on cell phones and R275 million on vehicles) have since been secured through the negotiated leveraged procurement of mobile telecommunication services, which translates to 40 per cent, and a centralised vehicle procurement contract that has been negotiated.

The procurement of mobile telecommunication services was leveraged through aggregation and consolidation of the highest spending departments, thereby redefining specification requirements for government by using a wholesale model rather than an individual subscription contract per user. This also meant buying bulk voice, data and SMS bundles in an enterprise architecture solution and open competitive bidding in the market. The vehicle contract is expected to save the state between R1 billion and R1.5 billion per year over the medium term, depending on the type of vehicles acquired.

The Office of the Chief Procurement Officer currently manages 69 contracts for use across government, which comprises approximately 24 000 items at an estimated value of R61 billion. These contracts include medical equipment and consumables, vehicle and related services, agricultural products, education materials, textiles and support services. Over the medium term, the office will also lead the digitisation of procurement processes. Several procurement processes will be automated and will contribute to simplifying and speeding up procurement processes and activities. The procurement processes themselves are also anticipated to provide government with additional savings.

Cabinet approved additional funding of R64.9 million in 2017/18, R157.2 million in 2018/19 and R101.3 million in 2019/20 in support of the Office of the Chief Procurement Officer to fulfil its key mandate in terms of modernising the state procurement system to be fair, transparent, equitable, competitive and cost effective. Spending in this regard is projected at R164.7 million in 2017/18, R260.5 million in 2018/19 and R214.4 million in 2019/20 in the *Office of the Chief Procurement Officer* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme.

Strengthening government financial management

The procurement of the integrated financial management system will alleviate constraints in policy implementation as a result of ageing and obsolete software and hardware. The system will transform practices by providing centrally hosted and integrated financial, supply chain and human resources management systems. The Treasury purchased software licences for the integrated financial management system for R461 million in 2016/17, and will aim to complete the centralised design of the system, plan and procure the hardware (including hosting infrastructure), and implement the software in 2017/18. Cabinet has approved additional funding of R130 million in 2017/18 and R120 million in 2018/19 for the system. Spending over the medium term is projected at R353.5 million in 2017/18, R350.1 million in 2018/19 and R243 million in 2019/20 in the *Financial Systems* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme.

Through the *local government financial management grant*, the Treasury promotes and supports reforms in financial management and the building of capacity at municipalities to improve the implementation of the Municipal Finance Management Act (2003). The funds disbursed through the grant augment municipal resources to address capacity constraints in financial management, and the progress of municipalities in this regard is monitored through regular reports to the Treasury. The grant allocation is R502 million in 2017/18, R531.1 million in 2018/19 and R560.9 million in 2019/20 in the *Local Government Financial Management Support* subprogramme in the *Technical Support and Development Finance* programme.

Strengthening the regulation of the financial sector

In 2016/17, an impact study of the twin peaks reforms was conducted by the Treasury on the Financial Sector Regulation Bill, which will establish the twin peaks institutional framework for financial regulation and supervision. It outlines the expected impact of the reforms on the national priorities of social cohesion, security, economic growth and investment, economic inclusion, and environmental sustainability. This is to ensure a stable and more inclusive financial sector, and improve support to increased economic growth.

The revised Financial Sector Regulation Bill was submitted for parliamentary approval in 2016/17. Over the medium term, the bill will establish a system of financial regulation by establishing a prudential authority and a financial sector conduct authority, and conferring powers on these entities; preserve and enhance

financial stability in South Africa by conferring powers on the South African Reserve Bank; establish a financial stability oversight committee; regulate and supervise financial product providers and financial services providers; and improve market conduct in order to protect financial customers.

Spending on these activities is projected at R24.6 million in 2017/18, R24.9 million in 2018/19 and R26.3 million in 2019/20 in the *Financial Sector Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme.

Facilitating regional and international cooperation

The Brazil-Russia-India-China-South Africa (BRICS) New Development Bank was officially established in February 2016. National Treasury facilitated the transfer payment of the first capital instalment of R2.3 billion in December 2015, with the second capital instalment of R3.5 billion made in August 2016 for the South African government's capital contribution. The bank will focus on lending money to developing countries to help finance infrastructure projects. The bank's Africa Regional Centre was established in Johannesburg and has begun its recruitment process.

Over the medium term, the Treasury will represent South Africa's regional and global interests by maintaining its engagement with regional and international forums and institutions such as the BRICS group of countries, the G20, the Southern African Customs Union and the World Bank through strengthening and expanding South Africa's engagement in key institutions and with partners at selected policy forums, increasing capital participation (as appropriate) to more firmly anchor South Africa's role, and advancing governance reform and pressing for improved effectiveness in the delivery of institutional organisational mandates. Spending on these activities is projected at R4.5 billion in 2017/18, R4.5 billion in 2018/19 and R4.8 billion in 2019/20 in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme.

Compensation to member countries of the Common Monetary Area for the use of the rand as currency in Namibia, Lesotho and Swaziland is expected to increase from R754.9 million in 2017/18 to R849.9 million in 2019/20, funded in the *African Integration and Support* subprogramme in the *International Financial Relations* programme.

Managing government's assets and liabilities

National Treasury is responsible for overseeing state-owned enterprises and enabling them to meet government's policy objectives in a financially and fiscally sustainable manner. The oversight and governance of state-owned enterprises unit compiles annual reviews of the corporate plans of all public entities listed in schedules 2 and 3B of the Public Finance Management Act (1999), including some selected schedule 3A entities. In addition to assessing the entities' alignment with government's priorities and their financial sustainability and soundness of governance, the review aims to identify possible risks and mitigate their possible effects. Similarly, the performance of public entities is evaluated through a review of their annual reports. Over the medium term, the Treasury will continue to compile submissions and review applications for borrowing limits in state-owned entities, and report on their compliance with statutes such as the Public Finance Management Act (1999), the Companies Act (2008), National Treasury Regulations and the King III report on corporate governance.

Over the medium term, the Treasury will continue to finance government's gross borrowing requirements in domestic and international capital markets, taking into consideration a risk-sensitive approach to debt financing and the management of the debt portfolio. Surplus cash will also be managed prudently to ensure government remains liquid. Spending on these activities is projected at R102.4 million in 2017/18, R139.4 million in 2018/19 and R110.6 million in 2019/20 in the *Asset and Liability Management* Programme.

Expenditure trends

Table 7.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Economic Policy, Tax, Financial Regulation and Research														
3. Public Finance and Budget Management														
4. Asset and Liability Management														
5. Financial Accounting and Supply Chain Management Systems														
6. International Financial Relations														
7. Civil and Military Pensions, Contributions to Funds and Other Benefits														
8. Technical Support and Development Finance														
9. Revenue Administration														
10. Financial Intelligence and State Security														
Programme	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
R million	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
Programme 1	341.7	356.4	319.6	343.1	372.4	362.5	366.7	363.6	375.6	412.7	467.4	446.1	102.7%	96.4%
Programme 2	145.9	133.9	124.1	138.9	134.4	124.3	133.9	135.4	131.3	146.1	150.2	153.9	94.5%	96.4%
Programme 3	265.5	246.2	227.6	262.8	259.9	245.3	257.0	266.1	262.6	287.0	294.5	287.9	95.4%	95.9%
Programme 4	2 995.2	2 994.0	2 990.9	3 342.1	3 343.4	3 089.4	3 116.9	3 264.9	3 264.3	107.2	113.1	113.3	98.9%	97.4%
Programme 5	724.6	734.7	707.8	761.6	770.0	731.5	751.4	807.1	774.5	849.9	1 216.8	1 217.8	111.1%	97.2%
Programme 6	1 112.5	1 092.0	1 067.7	1 179.8	1 199.7	1 198.7	1 247.4	3 254.9	3 546.1	5 039.1	4 978.0	4 977.3	125.8%	102.5%
Programme 7	3 497.0	3 497.0	3 523.1	3 717.8	3 717.8	3 730.9	3 962.9	3 962.9	3 967.7	4 173.2	4 462.6	4 462.6	102.2%	100.3%
Programme 8	2 764.7	2 469.1	2 437.3	3 712.2	3 099.8	2 893.3	3 143.9	2 774.6	2 472.2	2 634.7	2 612.7	2 598.5	84.9%	94.9%
Programme 9	9 534.4	9 534.4	9 534.4	9 440.3	9 440.3	9 440.3	9 434.4	9 334.4	9 334.4	10 009.2	9 363.7	9 363.7	98.1%	100.0%
Programme 10	4 174.6	4 174.6	4 174.6	4 366.3	4 366.3	4 366.3	4 542.8	4 562.1	4 562.1	4 812.5	4 812.5	4 812.5	100.1%	100.0%
Subtotal	25 556.0	25 232.3	25 107.1	27 265.0	26 703.9	26 182.5	26 957.3	28 726.1	28 690.8	28 471.4	28 471.4	28 433.6	100.2%	99.3%
Direct charge against the National Revenue Fund	445 415.7	446 793.2	447 809.7	485 012.5	484 907.8	486 435.9	519 893.8	525 742.6	526 636.1	569 787.4	570 833.0	569 657.3	100.5%	100.1%
Provincial equitable share	335 130.9	336 495.3	336 495.3	359 921.8	359 921.8	359 921.8	382 673.5	386 500.0	386 500.0	410 698.6	410 698.6	410 698.6	100.3%	100.0%
Debt-service costs	99 741.4	100 484.5	101 184.7	114 900.5	114 485.0	114 798.4	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 281.4	100.5%	100.1%
General fuel levy sharing with metropolitan municipalities	9 613.4	9 613.4	9 613.4	10 190.2	10 190.2	10 190.2	10 658.9	10 658.9	10 658.9	11 223.8	11 223.8	11 223.8	100.0%	100.0%
National Revenue Fund payments	930.0	200.0	516.3	–	310.9	1 525.5	121.0	681.7	681.7	145.0	1 221.4	1 453.6	349.3%	173.0%
Total	470 971.7	472 025.5	472 916.7	512 277.5	511 611.8	512 618.4	546 851.1	554 468.7	555 327.0	598 258.8	599 304.5	598 091.0	100.5%	100.1%
Change to 2016 Budget estimate										1 045.6				
Economic classification														
Current payments	101 551.5	102 283.2	102 847.4	116 832.7	116 304.8	116 328.4	128 388.5	129 824.5	130 621.5	149 812.3	150 180.2	148 720.6	100.4%	100.0%
Compensation of employees	710.5	659.5	602.1	764.9	689.0	671.5	725.5	733.4	732.7	817.6	815.7	797.8	92.9%	96.8%
Goods and services	1 099.5	1 139.2	1 060.6	1 167.2	1 130.8	858.5	1 222.6	1 189.1	1 093.2	1 274.8	1 675.2	1 641.4	97.7%	90.6%
Interest and rent on land	99 741.4	100 484.5	101 184.7	114 900.5	114 485.0	114 798.4	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 281.4	100.5%	100.1%
Transfers and subsidies	365 286.5	366 323.5	366 311.6	391 863.0	391 336.9	391 368.2	414 954.5	418 329.0	418 144.3	444 111.4	443 844.7	443 844.7	100.2%	100.0%
Provinces and municipalities	345 905.6	347 270.0	347 257.9	371 511.7	371 511.7	371 510.9	394 767.6	398 594.2	398 570.7	423 409.0	423 409.0	423 409.0	100.3%	100.0%
Departmental agencies and accounts	13 919.6	13 922.2	13 960.1	14 011.1	14 127.7	14 115.1	15 420.4	15 042.1	14 816.6	15 741.5	15 096.0	15 096.0	–	–
Higher education institutions	10.0	10.0	10.0	5.8	5.8	–	–	–	–	–	–	–	63.3%	63.3%
Foreign governments and international organisations	800.4	771.5	712.3	828.3	777.2	790.5	854.1	777.9	831.3	838.0	925.5	925.5	98.2%	100.2%
Public corporations and private enterprises	1 206.3	903.1	903.1	1 844.5	1 252.2	1 274.5	11.4	11.4	11.4	12.0	12.0	12.0	71.6%	101.0%
Households	3 444.6	3 446.7	3 468.2	3 661.6	3 662.2	3 677.1	3 900.9	3 903.5	3 914.3	4 111.0	4 402.2	4 402.2	102.3%	100.3%
Payments for capital assets	21.6	33.3	21.3	11.4	19.6	20.1	16.4	26.1	33.2	38.0	56.9	70.9	166.5%	107.1%
Buildings and other fixed structures	5.0	5.0	–	–	–	0.4	–	0.4	–	–	0.2	0.2	11.3%	10.0%
Machinery and equipment	16.6	28.3	21.3	11.4	19.6	19.8	16.4	25.7	33.2	37.9	56.7	70.7	176.0%	111.3%
Payments for financial assets	4 112.0	3 385.5	3 736.4	3 570.5	3 950.5	4 901.8	3 491.7	6 289.0	6 527.9	4 297.2	5 222.6	5 454.8	133.3%	109.4%
Total	470 971.7	472 025.5	472 916.7	512 277.5	511 611.8	512 618.4	546 851.1	554 468.7	555 327.0	598 258.8	599 304.5	598 091.0	100.5%	100.1%

Expenditure estimates

Table 7.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Economic Policy, Tax, Financial Regulation and Research								
3. Public Finance and Budget Management								
4. Asset and Liability Management								
5. Financial Accounting and Supply Chain Management Systems								
6. International Financial Relations								
7. Civil and Military Pensions, Contributions to Funds and Other Benefits								
8. Technical Support and Development Finance								
9. Revenue Administration								
10. Financial Intelligence and State Security								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Programme 1	446.1	7.8%	0.1%	414.3	456.3	560.0	7.9%	0.1%
Programme 2	153.9	4.8%	0.0%	139.6	142.5	149.5	-1.0%	0.0%
Programme 3	287.9	5.4%	0.0%	286.1	291.2	310.4	2.5%	0.0%
Programme 4	113.3	-66.4%	0.4%	102.4	139.4	110.6	-0.8%	0.0%
Programme 5	1 217.8	18.3%	0.2%	1 087.9	1 207.2	1 091.2	-3.6%	0.2%
Programme 6	4 977.3	65.8%	0.5%	5 836.8	5 911.1	6 246.4	7.9%	0.9%
Programme 7	4 462.6	8.5%	0.7%	4 835.0	5 160.9	5 571.3	7.7%	0.7%
Programme 8	2 598.5	1.7%	0.5%	2 873.3	3 230.3	3 410.0	9.5%	0.4%
Programme 9	9 363.7	-0.6%	1.8%	10 218.2	10 560.2	10 972.1	5.4%	1.5%
Programme 10	4 812.5	4.9%	0.8%	5 005.6	5 296.0	5 592.5	5.1%	0.8%
Subtotal	28 433.6	4.1%	5.1%	30 799.2	32 395.0	34 014.0	6.2%	4.7%
Direct charge against the National Revenue Fund	569 657.3	8.4%	94.9%	615 856.8	664 642.6	716 590.2	7.9%	95.3%
Provincial equitable share	410 698.6	6.9%	69.8%	441 331.1	471 522.5	506 103.7	7.2%	68.0%
Debt-service costs	146 281.4	13.3%	23.0%	162 353.1	180 651.5	197 319.8	10.5%	25.5%
General fuel levy sharing with metropolitan municipalities	11 223.8	5.3%	1.9%	11 785.0	12 468.6	13 166.8	5.5%	1.8%
National Revenue Fund payments	1 453.6	93.7%	0.2%	387.6	–	–	-100.0%	0.1%
Total	598 091.0	8.2%	100.0%	646 656.0	697 037.6	750 604.2	7.9%	100.0%
Change to 2016 Budget estimate				(14.1)	4 651.5	12 334.1		
Economic classification								
Current payments	148 720.6	13.3%	23.3%	164 689.2	183 204.2	199 879.6	10.4%	25.9%
Compensation of employees	797.8	6.6%	0.1%	799.3	807.8	869.3	2.9%	0.1%
Goods and services	1 641.4	12.9%	0.2%	1 536.8	1 744.9	1 690.5	1.0%	0.2%
Interest and rent on land	146 281.4	13.3%	23.0%	162 353.1	180 651.5	197 319.8	10.5%	25.5%
Transfers and subsidies	443 844.7	6.6%	75.7%	476 694.5	508 930.7	545 547.4	7.1%	73.4%
Provinces and municipalities	423 409.0	6.8%	72.0%	454 714.4	485 682.0	521 056.1	7.2%	70.0%
Departmental agencies and accounts	15 096.0	2.7%	2.7%	16 281.0	17 168.6	17 949.3	5.9%	2.5%
Foreign governments and international organisations	925.5	6.3%	0.2%	917.5	975.5	1 030.1	3.6%	0.1%
Public corporations and private enterprises	12.0	-76.3%	0.1%	12.6	13.3	14.1	5.4%	0.0%
Households	4 402.2	8.5%	0.7%	4 769.0	5 091.2	5 497.7	7.7%	0.7%
Payments for capital assets	70.9	28.6%	0.0%	15.7	16.5	17.3	-37.5%	0.0%
Buildings and other fixed structures	0.2	-65.8%	0.0%	–	–	–	-100.0%	0.0%
Machinery and equipment	70.7	35.7%	0.0%	15.7	16.5	17.3	-37.4%	0.0%
Payments for financial assets	5 454.8	17.2%	1.0%	5 256.7	4 886.3	5 159.9	-1.8%	0.8%
Total	598 091.0	8.2%	100.0%	646 656.0	697 037.6	750 604.2	7.9%	100.0%

Goods and services expenditure trends and estimates

Table 7.4 Vote Goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Administrative fees	3 260	3 110	3 510	3 370	1.1%	0.3%	3 204	3 336	3 377	0.1%	0.2%
Advertising	2 162	1 871	6 344	1 573	-10.1%	0.3%	2 148	2 121	2 330	14.0%	0.1%
Minor assets	333	1 880	523	1 470	64.0%	0.1%	6 744	2 370	2 429	18.2%	0.2%
Audit costs: External	12 587	15 299	11 819	15 393	6.9%	1.2%	16 614	17 531	18 470	6.3%	1.0%
Bursaries: Employees	4 122	4 230	4 802	6 024	13.5%	0.4%	7 943	7 505	7 850	9.2%	0.4%
Catering: Departmental activities	1 716	1 225	1 098	1 452	-5.4%	0.1%	1 869	1 977	2 082	12.8%	0.1%
Communication	7 559	6 102	7 976	8 630	4.5%	0.6%	8 809	9 333	9 828	4.4%	0.6%
Computer services	432 526	420 591	368 743	829 186	24.2%	43.8%	631 616	688 979	585 718	-10.9%	41.2%

Table 7.4 Vote Goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Consultants: Business and advisory services	427 110	218 091	505 356	589 257	11.3%	37.1%	643 093	756 591	782 896	9.9%	41.7%
Legal services	10 679	12 667	11 946	11 952	3.8%	1.0%	12 504	13 137	13 794	4.9%	0.8%
Science and technological services	-	-	180	-	-	-	-	-	2 425	-	-
Contractors	2 476	2 381	2 414	2 606	1.7%	0.2%	4 820	5 511	4 262	17.8%	0.3%
Agency and support/outsourced services	15 601	9 833	11 052	11 397	-9.9%	1.0%	13 878	14 817	14 782	9.1%	0.8%
Entertainment	216	121	121	496	31.9%	-	498	530	536	2.6%	-
Fleet services (including government motor transport)	1 646	2 255	1 350	1 528	-2.4%	0.1%	1 153	1 230	1 310	-5.0%	0.1%
Inventory: Clothing material and accessories	-	-	13	-	-	-	-	-	-	-	-
Consumable supplies	3 334	3 459	2 183	2 394	-10.5%	0.2%	3 680	3 917	4 101	19.7%	0.2%
Consumables: Stationery, printing and office supplies	11 005	11 388	10 724	13 926	8.2%	1.0%	14 273	13 797	31 521	31.3%	1.1%
Operating leases	41 125	60 797	52 928	69 465	19.1%	4.8%	69 062	93 091	83 200	6.2%	4.7%
Rental and hiring	-	-	10	-	-	-	-	-	12 591	-	0.2%
Property payments	12 026	21 389	23 057	28 607	33.5%	1.8%	16 399	28 178	19 211	-12.4%	1.4%
Transport provided: Departmental activity	-	-	18 254	-	-	0.4%	-	-	-	-	-
Travel and subsistence	46 567	43 077	28 671	52 150	3.8%	3.6%	53 807	57 667	61 129	5.4%	3.4%
Training and development	5 798	6 490	8 669	9 708	18.7%	0.7%	7 579	7 428	7 998	-6.3%	0.5%
Operating payments	5 901	5 528	9 894	6 932	5.5%	0.6%	7 905	8 328	8 649	7.7%	0.5%
Venues and facilities	12 857	6 690	1 529	7 732	-15.6%	0.6%	9 182	7 543	9 961	8.8%	0.5%
Total	1 060 606	858 474	1 093 166	1 675 248	16.5%	100.0%	1 536 780	1 744 917	1 690 450	0.3%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 7.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Provinces and municipalities											
Provincial revenue funds											
Current	336 495 345	359 921 783	386 500 009	410 698 585	6.9%	92.2%	441 331 122	471 522 489	506 103 653	7.2%	92.6%
Direct charge: Provincial equitable share	336 495 345	359 921 783	386 500 009	410 698 585	6.9%	92.2%	441 331 122	471 522 489	506 103 653	7.2%	92.6%
Provinces and municipalities											
Municipal bank accounts											
Current	10 136 658	10 743 725	11 235 865	11 819 566	5.3%	2.7%	12 427 803	13 148 615	13 884 938	5.5%	2.6%
Local government financial management grant	424 798	449 138	452 491	465 264	3.1%	0.1%	502 006	531 122	560 865	6.4%	0.1%
Infrastructure skills development grant	98 500	104 425	124 465	130 471	9.8%	-	140 774	148 939	157 280	6.4%	-
Direct charge: General fuel levy sharing with metropolitan municipalities	9 613 360	10 190 162	10 658 909	11 223 831	5.3%	2.6%	11 785 023	12 468 554	13 166 793	5.5%	2.5%
Capital	625 935	845 390	834 875	890 805	12.5%	0.2%	955 509	1 010 929	1 067 541	6.2%	0.2%
Integrated city development grant	40 000	255 000	251 300	266 805	88.2%	0.1%	292 119	309 062	326 369	6.9%	0.1%
Neighbourhood development partnership grant	585 935	590 390	583 575	624 000	2.1%	0.1%	663 390	701 867	741 172	5.9%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	12 587 392	12 972 492	13 552 569	13 631 771	2.7%	3.3%	14 729 230	15 526 875	16 215 644	6.0%	3.0%
Communication	9	9	9	10	3.6%	-	19	20	21	28.1%	-
Finance and Accounting Services	1 857	2 295	1 850	2 106	4.3%	-	2 061	2 084	2 195	1.4%	-
Sector Education and Training Authority											
Cooperative Banks Development Agency	16 236	16 838	17 341	16 472	0.5%	-	19 275	20 393	21 535	9.3%	-
Financial and Fiscal Commission	39 567	45 288	41 156	44 839	4.3%	-	50 647	53 110	56 084	7.7%	-
Accounting Standards Board	10 061	10 250	-	12 517	7.6%	-	13 463	14 414	15 224	6.7%	-
Independent Regulatory Board for Auditors	32 933	34 577	41 273	28 978	-4.2%	-	39 624	41 922	44 270	15.2%	-
Auditor-General of South Africa	40 812	61 257	41 856	44 075	2.6%	-	46 278	48 962	51 704	5.5%	-
Government Technical Advisory Centre	109 310	107 677	776 062	770 171	91.7%	0.1%	885 040	1 130 753	1 192 818	15.7%	0.2%
Neighbourhood development partnership grant (Indirect)	-	30 000	-	-	-	-	-	-	-	-	-

Table 7.5 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
South African Revenue Service: Operations	8 676 298	8 596 216	8 390 995	8 320 321	-1.4%	2.1%	9 041 607	9 310 927	9 656 407	5.1%	1.8%
South African Revenue Service: Office of the Tax Ombud	-	-	-	-	-	-	35 030	41 527	40 308	-	-
Financial Intelligence Centre: Operations	175 041	186 651	226 664	239 641	11.0%	0.1%	254 941	269 727	284 832	5.9%	0.1%
Secret Services: Operations	3 485 268	3 881 434	4 015 363	4 152 641	6.0%	1.0%	4 341 245	4 593 036	4 850 246	5.3%	0.9%
Capital	1 372 668	1 142 645	1 264 026	1 464 267	2.2%	0.3%	1 551 756	1 641 759	1 733 697	5.8%	0.3%
Government Technical Advisory Centre	328	375	547	707	29.2%	-	742	785	829	5.4%	-
South African Revenue Service: Machinery and equipment	858 095	844 105	943 444	1 043 355	6.7%	0.2%	1 141 561	1 207 772	1 275 407	6.9%	0.2%
Financial Intelligence Centre: Machinery and equipment	65 959	11 429	12 824	16 731	-36.7%	-	15 250	16 135	17 039	0.6%	-
Secret Services: Machinery and equipment	448 286	286 736	307 211	403 474	-3.4%	0.1%	394 203	417 067	440 422	3.0%	0.1%
Higher education institutions											
Current	10 000	-	-	-	-100.0%	-	-	-	-	-	-
University of Cape Town	10 000	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	576 894	607 773	740 644	834 842	13.1%	0.2%	787 353	839 381	886 401	2.0%	0.2%
Common Monetary Area Compensation	554 445	581 616	712 496	802 141	13.1%	0.2%	754 924	804 866	849 938	1.9%	0.2%
Collaborative Africa Budget Reform Initiative	1 329	4 409	1 834	1 552	5.3%	-	1 630	1 712	1 808	5.2%	-
Commonwealth Fund for Technical Cooperation	5 316	5 714	5 533	5 826	3.1%	-	6 117	6 423	6 783	5.2%	-
International Finance Facility for Immunisation	10 686	11 481	15 498	14 500	10.7%	-	13 046	13 445	14 212	-0.7%	-
African Institute for Economic Development and Planning	1 659	917	1 242	1 269	-8.5%	-	1 309	1 351	1 427	4.0%	-
Africa Regional Technical Assistance Centre for Southern Africa	350	350	959	1 000	41.9%	-	1 125	1 213	1 281	8.6%	-
Infrastructure Consortium for Africa	1 000	1 000	1 000	-	-100.0%	-	-	-	-	-	-
African Risk Capacity	-	-	-	6 109	-	-	6 635	7 676	8 106	9.9%	-
United Kingdom tax	2 109	2 286	2 082	2 445	5.1%	-	2 567	2 695	2 846	5.2%	-
Capital	135 408	182 776	90 660	90 680	-12.5%	-	130 132	136 120	143 743	16.6%	-
African Development Bank and African Development Fund	40 169	92 116	-	-	-100.0%	-	33 465	35 406	37 389	-	-
World Bank Group	95 239	90 660	90 660	90 680	-1.6%	-	96 667	100 714	106 354	5.5%	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	903 105	1 274 456	11 384	11 999	-76.3%	0.1%	12 586	13 316	14 062	5.4%	-
Economic Research Southern Africa	9 900	10 780	11 384	11 999	6.6%	-	12 586	13 316	14 062	5.4%	-
Development Bank of Southern Africa	893 205	1 164 888	-	-	-100.0%	0.1%	-	-	-	-	-
Municipal Finance Improvement Programme	-	98 788	-	-	-	-	-	-	-	-	-
Households											
Social benefits											
Current	3 466 846	3 675 562	3 912 917	4 400 646	8.3%	1.0%	4 767 239	5 089 341	5 495 751	7.7%	1.0%
Employee social benefits	3 378	1 317	3 902	1 875	-17.8%	-	-	-	-	-100.0%	-
Contribution to provident funds for associated institutions	422	321	339	357	-5.4%	-	300	330	360	0.3%	-
Parliamentary Awards	20	21	19	23	4.8%	-	23	24	25	2.8%	-
Other benefits	77 775	70 416	82 512	88 070	4.2%	-	93 144	98 584	104 093	5.7%	-
Injury on duty	500 677	526 387	514 865	591 664	5.7%	0.1%	621 247	652 309	688 838	5.2%	0.1%
Post-Retirement medical scheme	1 441 406	1 511 127	2 109 613	2 102 160	13.4%	0.4%	2 298 059	2 520 358	2 774 437	9.7%	0.5%
Special pensions	435 433	423 483	439 801	479 763	3.3%	0.1%	494 340	528 944	565 970	5.7%	0.1%
Political Office Bearers Pension Fund	208 162	71 997	-	-	-100.0%	-	291 222	306 083	323 224	-	-
Pension benefits: President of South Africa	7 477	7 884	7 275	8 990	6.3%	-	9 507	10 032	10 594	5.6%	-
Military pensions: Ex-servicemen	26 542	11 694	2 879	3 570	-48.8%	-	3 420	5 041	6 947	24.8%	-
South African citizen force	138 958	155 941	166 202	201 854	13.3%	-	193 858	203 627	214 470	2.0%	-
Civil protection	19	19	19	19	-	-	19	19	19	-	-
Other benefits: Ex-servicemen	26 577	20 155	10 491	22 810	-5.0%	-	24 800	26 690	28 185	7.3%	-
Non-statutory forces	600 000	874 800	575 000	899 491	14.4%	0.2%	737 300	737 300	778 589	-4.7%	0.2%
Households											
Other transfers to households											
Current	1 351	1 557	1 394	1 580	5.4%	-	1 800	1 850	1 943	7.1%	-
Bursaries for non-employees	1 351	1 557	1 394	1 580	5.4%	-	1 800	1 850	1 943	7.1%	-
Total	366 311 602	391 368 159	418 144 343	443 844 741	6.6%	100.0%	476 694 530	508 930 675	545 547 373	7.1%	100.0%

Personnel information

Table 7.6 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Economic Policy, Tax, Financial Regulation and Research																			
3. Public Finance and Budget Management																			
4. Asset and Liability Management																			
5. Financial Accounting and Supply Chain Management Systems																			
6. International Financial Relations																			
7. Civil and Military Pensions, Contributions to Funds and Other Benefits																			
8. Technical Support and Development Finance																			
9. Revenue Administration																			
10. Financial Intelligence and State Security																			
National Treasury	Number of posts estimated for 31 March 2017		Number and cost ² of personnel posts filled / planned for on funded establishment									Number							
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)						
			2015/16		2016/17		2017/18		2018/19		2019/20								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
National Treasury	1 267	68	1 218	732.7	0.6	1 222	797.8	0.7	1 172	799.3	0.7	1 124	807.8	0.7	1 161	869.3	0.7	-1.7%	100.0%
Salary level																			
1 – 6	62	3	61	13.8	0.2	63	15.0	0.2	61	14.1	0.2	60	14.6	0.2	62	16.1	0.3	-0.5%	5.3%
7 – 10	543	20	532	199.1	0.4	509	204.4	0.4	482	205.0	0.4	452	202.5	0.4	476	226.3	0.5	-2.2%	41.0%
11 – 12	360	20	338	216.8	0.6	332	233.9	0.7	319	249.3	0.8	307	254.6	0.8	314	275.0	0.9	-1.8%	27.2%
13 – 16	300	25	287	303.1	1.1	318	344.6	1.1	310	330.9	1.1	305	336.1	1.1	309	352.0	1.1	-1.0%	26.5%
Other	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Programme	1 267	68	1 218	732.7	0.6	1 222	797.8	0.7	1 172	799.3	0.7	1 124	807.8	0.7	1 161	869.3	0.7	-1.7%	100.0%
Programme 1	404	6	384	182.4	0.5	376	201.0	0.5	368	199.5	0.5	356	201.8	0.6	365	219.3	0.6	-1.0%	31.3%
Programme 2	123	–	105	78.2	0.7	104	81.4	0.8	98	78.1	0.8	92	78.7	0.9	93	82.3	0.9	-3.7%	8.3%
Programme 3	262	52	277	192.3	0.7	286	201.0	0.7	261	201.9	0.8	249	204.2	0.8	259	219.2	0.8	-3.3%	22.5%
Programme 4	120	–	111	72.1	0.6	111	77.6	0.7	105	77.5	0.7	100	78.7	0.8	104	84.6	0.8	-2.1%	9.0%
Programme 5	312	10	303	179.5	0.6	304	204.3	0.7	293	206.1	0.7	283	208.3	0.7	292	223.7	0.8	-1.3%	25.0%
Programme 6	46	–	38	28.2	0.7	41	32.6	0.8	47	36.0	0.8	44	36.1	0.8	48	40.2	0.8	5.4%	3.8%

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

2. Rand million.

Departmental receipts

Table 7.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	3 687 531	5 599 130	5 602 331	5 187 759	5 187 759	12.1%	27.6%	5 110 655	3 867 292	4 193 433	-6.8%	27.1%
Sales of goods and services produced by department	73 026	65 722	38 619	29 933	29 933	-25.7%	0.3%	31 691	26 165	27 631	-2.6%	0.2%
Sales by market establishments	96	100	103	100	100	1.4%	–	110	120	127	8.3%	–
of which:												
Rental parking: Covered and open	96	100	103	100	100	1.4%	–	110	120	127	8.3%	–
Administrative fees	–	1	5	1	1	–	–	10	10	11	122.4%	–
of which:												
Required information: Duplicate certificate	–	1	5	1	1	–	–	10	10	11	122.4%	–
Other sales	72 930	65 621	38 511	29 832	29 832	-25.8%	0.3%	31 571	26 035	27 493	-2.7%	0.2%
of which:												
Commission: Insurance	73	82	–	94	94	8.8%	–	100	100	106	4.1%	–
Directors fees	307	250	–	228	228	-9.4%	–	210	220	232	0.6%	–
Replacement of security cards	7	12	–	10	10	12.6%	–	16	15	16	17.0%	–
Fees for government guarantee insurance	72 467	65 158	38 511	29 380	29 380	-26.0%	0.3%	31 235	25 685	27 123	-2.6%	0.2%
Sales of assets less than R5 000	76	119	–	120	120	16.4%	–	10	15	16	-48.9%	–
Sales of scrap, waste, arms and other used current goods	61	69	20	24	24	-26.7%	–	22	23	24	–	–
of which:												
Waste paper	5	9	20	6	6	6.3%	–	7	8	8	10.1%	–
Scrap	24	30	–	4	4	-45.0%	–	–	–	–	-100.0%	–
Departmental publications	32	30	–	14	14	-24.1%	–	15	15	16	4.6%	–

Table 7.7 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
R thousand												
Interest, dividends and rent on land	2 586 428	4 580 566	4 640 219	4 067 002	4 067 002	16.3%	21.8%	3 988 602	3 580 754	3 890 848	-1.5%	22.9%
Interest	2 479 141	4 374 788	4 377 214	3 915 802	3 915 802	16.5%	20.8%	3 817 934	3 400 500	3 700 500	-1.9%	21.9%
Dividends	107 287	205 778	263 005	151 200	151 200	12.1%	1.0%	170 668	180 254	190 348	8.0%	1.0%
of which:												
South African Reserve Bank	107 287	–	–	–	–	-100.0%	0.1%	–	–	–	–	–
South African Special Risks Insurance Association	–	205 778	263 005	151 200	151 200	–	0.9%	170 668	180 254	190 348	8.0%	1.0%
Sales of capital assets	111	–	17	–	–	-100.0%	–	–	–	–	–	–
Transactions in financial assets and liabilities	1 027 905	952 773	923 456	1 090 800	1 090 800	2.0%	5.5%	1 090 340	260 350	274 930	-36.8%	4.0%
National Revenue Fund receipts	11 663 544	12 646 970	14 377 522	14 665 000	14 008 423	6.3%	72.4%	14 578 000	11 306 000	9 526 000	-12.1%	72.9%
of which:												
Revaluation of profits on foreign currency transactions	5 670 623	4 406 734	8 869 128	11 154 808	10 710 440	23.6%	40.8%	14 578 000	11 306 000	9 526 000	-3.8%	68.0%
Premiums on loan transactions	5 510 307	5 467 553	2 873 818	2 752 807	2 500 000	-23.2%	22.5%	–	–	–	-100.0%	3.7%
Liquidation of South African Special Risks Insurance Association investment	75 000	40 000	–	–	–	-100.0%	0.2%	–	–	–	–	–
Other (mainly penalties on retail bonds)	8 346	2 646	69 673	10 192	17 800	28.7%	0.1%	–	–	–	-100.0%	–
Proceeds from foreign exchange amnesty	399 268	–	–	–	–	-100.0%	0.5%	–	–	–	–	–
Premiums on debt portfolio restructuring (switches)	–	2 730 037	2 564 903	747 193	780 183	–	8.3%	–	–	–	-100.0%	1.2%
Total	15 351 075	18 246 100	19 979 853	19 852 759	19 196 182	7.7%	100.0%	19 688 655	15 173 292	13 719 433	-10.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 7.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Ministry	3.3	3.3	3.6	4.0	6.9%	0.9%	4.9	5.1	5.5	11.0%	1.0%
Departmental Management	42.2	47.5	47.1	52.3	7.4%	12.4%	58.0	59.6	64.9	7.5%	12.4%
Corporate Services	90.5	107.3	116.5	155.7	19.8%	30.8%	119.9	125.0	148.9	-1.5%	28.9%
Enterprise Wide Risk Management	32.0	22.5	27.5	27.1	-5.4%	7.2%	29.3	30.0	32.3	6.1%	6.3%
Financial Administration	35.7	38.6	38.7	51.8	13.2%	10.8%	39.3	40.3	96.6	23.1%	12.0%
Legal Services	16.4	16.6	18.7	20.0	6.8%	4.7%	20.1	20.8	21.9	3.1%	4.4%
Internal Audit	22.0	17.1	20.7	23.3	2.0%	5.5%	22.5	22.7	24.6	1.8%	4.9%
Communications	8.8	10.1	10.2	13.3	14.7%	2.8%	9.6	9.4	9.7	-9.9%	2.2%
Office Accommodation	68.7	99.5	92.6	119.9	20.4%	25.0%	110.7	143.4	155.6	9.1%	27.9%
Total	319.6	362.5	375.6	467.4	13.5%	100.0%	414.3	456.3	560.0	6.2%	100.0%
Change to 2016 Budget estimate				54.8			2.4	23.9	99.4		
Economic classification											
Current payments	298.6	345.1	347.8	417.2	11.8%	92.4%	404.0	445.0	548.2	9.5%	95.6%
Compensation of employees	144.3	166.4	182.4	210.2	13.4%	46.1%	199.5	201.8	219.3	1.4%	43.8%
Goods and services ¹	154.3	178.7	165.4	207.0	10.3%	46.3%	204.4	243.2	328.9	16.7%	51.8%
of which:											
Computer services	18.4	24.9	18.6	34.7	23.6%	6.3%	28.2	30.7	47.5	11.1%	7.4%
Consultants: Business and advisory services	18.9	8.9	7.0	8.6	-23.0%	2.9%	9.5	9.8	63.7	94.7%	4.8%
Agency and support/outourced services	10.4	9.7	11.0	11.1	2.2%	2.8%	13.9	14.8	14.8	10.1%	2.9%
Operating leases	39.5	58.9	51.1	64.5	17.8%	14.0%	66.7	90.5	80.5	7.7%	15.9%
Property payments	12.0	21.4	23.1	28.6	33.5%	5.6%	16.4	28.2	19.2	-12.4%	4.9%
Travel and subsistence	15.2	13.2	14.0	15.3	0.3%	3.8%	16.3	17.5	18.4	6.3%	3.6%

Table 7.8 Administration expenditure trends and estimates by subprogramme and economic classification

R million	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Transfers and subsidies¹	3.5	4.3	4.3	4.6	9.3%	1.1%	3.9	4.0	4.2	-3.5%	0.9%
Departmental agencies and accounts	1.9	2.3	1.9	2.1	4.3%	0.5%	2.1	2.1	2.2	1.6%	0.4%
Households	1.7	2.0	2.4	2.5	14.4%	0.6%	1.8	1.9	1.9	-8.2%	0.4%
Payments for capital assets	17.2	13.1	23.4	45.6	38.4%	6.5%	6.5	7.4	7.6	-44.9%	3.5%
Machinery and equipment	17.2	13.1	23.4	45.6	38.4%	6.5%	6.5	7.4	7.6	-44.9%	3.5%
Payments for financial assets	0.3	0.1	0.1	-	-100.0%	-	-	-	-	-	-
Total	319.6	362.5	375.6	467.4	13.5%	100.0%	414.3	456.3	560.0	6.2%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.4%	1.3%	1.6%	-	-	1.3%	1.4%	1.6%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.9	2.3	1.9	2.1	4.3%	0.5%	2.1	2.1	2.2	1.4%	0.4%
Finance and Accounting Services	1.9	2.3	1.9	2.1	4.3%	0.5%	2.1	2.1	2.2	1.4%	0.4%
Sector Education and Training Authority											

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

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Programme purpose

Provide specialist policy research, analysis and advisory services in the areas of macroeconomics, microeconomics, taxation, the financial sector and regulatory reform.

Objectives

- Improve South Africa's macroeconomic and microeconomic framework by conducting ongoing analytical work and research, and developing policy advisory services.
- Build and maintain economic research capacity to inform economic policy in South Africa by providing academic and research institutions with funding on an annual basis.
- Promote an effective, equitable and efficient tax policy framework and tax administrative system by developing and updating tax policies, and supporting legislation for the annual budget process.

Subprogrammes

- *Programme Management for Economic Policy, Tax, Financial Regulation and Research* provides overall programme management and policy advice to government relating to the promotion of economic growth, employment, and microeconomic and macroeconomic stability.
- *Research* promotes economic research institutions through the funding of economic research in the public interest, as well as more dedicated research on behalf of the department. This includes promoting the research capacity of local academic researchers in areas such as economic growth, job creation, macroeconomic stability, poverty alleviation, retirement reform and financial sector development.
- *Financial Sector Policy* is responsible for developing policy on the regulation of the financial sector in South Africa; developing policies to broaden access to financial services for all South Africans; and developing policies to improve the national savings rate through reforms to the legislative framework governing the savings industry, including work being undertaken towards the implementation of retirement reform proposals.
- *Tax Policy* is responsible for drafting annual tax proposals and tax legislation as part of the national budget to promote an effective, equitable and efficient tax policy framework and tax administrative system that ensures sustainable growth and delivery on government's mandate to address the needs of all South Africans. This includes providing tax proposals towards improved environmental sustainability.

- *Economic Policy* provides macroeconomic and microeconomic forecasts, policy analysis on microeconomic and regulatory issues, economic impact assessments, and scenario modelling to provide sound policy advice on the economic environment for the annual budget and other government processes. Policy advice is mainly focused on creating decent employment through inclusive growth. This subprogramme also provides analytical work and policy advice on a wide range of issues including: inflation management; electricity pricing; economic growth; structural budget balances; industrial policy; small, medium and micro enterprise policy; and the exchange rate.
- *Cooperative Banks Development Agency* facilitates the transfer payment to the Cooperative Banks Development Agency, which provides for the registration, supervision and regulation of cooperative banks and the development of cooperative financial institutions, such as savings and credit cooperatives, community banks, village banks and financial services cooperatives, into cooperative banks.

Expenditure trends and estimates

Table 7.9 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome				Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16	2016/17		2013/14 - 2016/17	Average Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/ Total (%)
R million												
Programme Management for Economic Policy, Tax, Financial Regulation and Research	20.2	20.7	21.2	24.5	6.6%	16.3%	24.8	25.7	27.2	3.6%	17.6%	
Research	16.7	11.5	11.0	11.9	-10.5%	9.6%	13.3	12.9	13.5	4.2%	8.9%	
Financial Sector Policy	25.1	28.0	27.6	34.4	11.1%	21.7%	24.6	24.9	26.3	-8.6%	19.0%	
Tax Policy	23.4	21.6	27.6	32.0	11.0%	19.7%	29.7	30.0	31.0	-1.1%	21.1%	
Economic Policy	22.5	25.7	26.5	30.9	11.1%	19.9%	28.0	28.5	29.9	-1.0%	20.2%	
Cooperative Banks Development Agency	16.2	16.8	17.3	16.5	0.5%	12.6%	19.3	20.4	21.5	9.3%	13.4%	
Total	124.1	124.3	131.3	150.2	6.6%	100.0%	139.6	142.5	149.5	-0.2%	100.0%	
Change to 2016 Budget estimate				4.1			(9.3)	(8.4)	(11.7)			
Economic classification	97.1	96.3	102.2	120.6	7.5%	78.5%	106.9	107.9	113.0	-2.1%	77.1%	
Current payments												
Compensation of employees	66.7	70.8	78.2	83.9	7.9%	56.5%	78.1	78.7	82.3	-0.6%	55.5%	
Goods and services ¹	30.4	25.5	24.0	36.7	6.5%	22.0%	28.8	29.2	30.7	-5.8%	21.6%	
of which:												
Communication	0.4	0.3	0.4	0.2	-24.0%	0.2%	0.4	0.4	0.5	43.2%	0.2%	
Consultants: Business and advisory services	17.1	11.8	11.5	22.7	9.8%	11.9%	13.7	13.4	14.0	-14.8%	11.0%	
Consumables: Stationery, printing and office supplies	0.9	1.0	0.5	1.0	4.4%	0.7%	1.1	1.1	1.2	5.7%	0.8%	
Travel and subsistence	5.4	5.4	0.3	6.1	4.1%	3.3%	5.7	6.1	6.5	1.8%	4.2%	
Training and development	0.6	0.7	4.5	0.9	18.7%	1.3%	0.8	0.8	0.8	-4.7%	0.6%	
Operating payments	4.0	4.0	0.3	4.2	1.4%	2.4%	5.6	5.9	6.1	13.6%	3.8%	
Transfers and subsidies¹	26.5	27.7	28.8	28.6	2.6%	21.1%	31.9	33.7	35.6	7.5%	22.3%	
Departmental agencies and accounts	16.2	16.8	17.3	16.5	0.5%	12.6%	19.3	20.4	21.5	9.3%	13.4%	
Public corporations and private enterprises	9.9	10.8	11.4	12.0	6.6%	8.3%	12.6	13.3	14.1	5.4%	8.9%	
Households	0.4	-	0.1	0.1	-28.1%	0.1%	-	-	-	-100.0%	-	
Payments for capital assets	0.4	0.4	0.3	1.0	29.0%	0.4%	0.8	0.9	0.9	-3.2%	0.6%	
Machinery and equipment	0.4	0.4	0.3	1.0	29.0%	0.4%	0.8	0.9	0.9	-3.2%	0.6%	
Total	124.1	124.3	131.3	150.2	6.6%	100.0%	139.6	142.5	149.5	-0.2%	100.0%	
Proportion of total programme expenditure to vote expenditure	0.5%	0.5%	0.5%	0.5%			0.5%	0.4%	0.4%			
Details of selected transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	16.2	16.8	17.3	16.5	0.5%	12.6%	19.3	20.4	21.5	9.3%	13.4%	
Cooperative Banks Development Agency	16.2	16.8	17.3	16.5	0.5%	12.6%	19.3	20.4	21.5	9.3%	13.4%	
Public corporations and private enterprises												
Public corporations												
Other transfers to public corporations												
Current	9.9	10.8	11.4	12.0	6.6%	8.3%	12.6	13.3	14.1	5.4%	8.9%	
Economic Research Southern Africa	9.9	10.8	11.4	12.0	6.6%	8.3%	12.6	13.3	14.1	5.4%	8.9%	

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

Programme 3: Public Finance and Budget Management

Programme purpose

Provide analysis and advice on fiscal policy and public finances, intergovernmental financial relations, expenditure planning and priorities. Manage government's annual budget process and provide public finance management support.

Objectives

- Promote growth, social development and poverty reduction through sound fiscal and financial policies and the effective, efficient and appropriate allocation of public funds on an annual basis.
- Prepare a national budget that gives effect to government's economic, fiscal, social and developmental goals as expressed in the NDP and the government's 2014-2019 medium-term strategic framework to provide fiscal policy advice by monitoring economic and fiscal trends and advising on policy options and the budget framework.
- Produce and publish the Budget Review, the Estimates of National Expenditure, the Adjusted Estimates of National Expenditure, the Medium Term Budget Policy Statement and appropriation legislation containing relevant, accurate and clear financial information and associated indicators of service delivery and performance annually.
- Contribute to public policy and programme development through support for planning, policy and programme analysis, budgeting and project management, including support for public finance reform in provinces and municipalities.
- Promote public and private investment in infrastructure and public services by providing technical support for capital expenditure planning and project analysis, advice on financing alternatives, support for municipal development, and financial assistance for neighbourhood development projects on an ongoing basis.
- Monitor and analyse public expenditure and service delivery, and support improved monitoring and analysis of public expenditure and service delivery, and measure the appropriate use of public and private financial resources for social and economic development and infrastructure investment on an ongoing basis.
- Support and enable budget analysis by a broad range of stakeholders, such as Parliament, through increased budget participation by the public on an ongoing basis.

Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include oversight, and managing the processes related to the annual publication of the Medium Term Budget Policy Statement, the coordination of the annual budget, and the production of the Division of Revenue Bill for the three spheres of government.
- *Public Finance* provides financial and budgetary analysis of government programmes, advises on policy and service delivery trends, and manages National Treasury's relations with other national departments.
- *Budget Office and Coordination* is responsible for the national budget process including the publication of the Budget Review, the Medium Term Budget Policy Statement and the Estimates of National Expenditure. The unit leads the budget reform programme, coordinates international technical assistance and donor finance, provides advice on public service remuneration and pension arrangements, compiles public finance statistics and provides fiscal policy advice.
- *Intergovernmental Relations* coordinates fiscal relations between national, provincial and local government; promotes sound provincial and municipal budgetary planning, reporting and financial management; and provides support for government with the aim of promoting improved infrastructure planning and management to support the service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* facilitates the annual transfer payment to the Financial and Fiscal Commission, which provides independent, objective, impartial and unbiased advice to all three spheres of

government regarding the division of revenue, as well as advice on the enactment of legislation pertaining to provincial taxes, municipal fiscal powers and functions, and provincial and municipal loans.

Expenditure trends and estimates

Table 7.10 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2017/18	2018/19	2019/20			
R million											
Programme Management for Public Finance and Budget Management											
Management	17.3	20.6	17.9	23.0	9.9%	7.7%	27.2	26.7	27.9	6.7%	8.9%
Public Finance	47.5	52.3	59.2	58.4	7.2%	21.1%	56.6	57.3	61.3	1.6%	19.8%
Budget Office and Coordination	52.4	53.2	55.4	58.8	3.9%	21.3%	58.3	59.0	63.4	2.5%	20.3%
Intergovernmental Relations	70.8	73.8	89.0	109.4	15.6%	33.3%	93.4	95.1	101.8	-2.4%	33.8%
Financial and Fiscal Commission	39.6	45.3	41.2	44.8	4.3%	16.6%	50.6	53.1	56.1	7.7%	17.3%
Total	227.6	245.3	262.6	294.5	9.0%	100.0%	286.1	291.2	310.4	1.8%	100.0%
Change to 2016 Budget estimate				7.5			(7.5)	(6.5)	(8.2)		
Economic classification											
Current payments	185.3	198.4	218.7	247.5	10.1%	82.5%	233.7	236.1	252.4	0.7%	82.0%
Compensation of employees	157.0	175.1	192.3	207.6	9.8%	71.1%	201.9	204.2	219.2	1.8%	70.5%
Goods and services ¹	28.3	23.3	26.4	39.8	12.1%	11.4%	31.7	31.9	33.2	-5.9%	11.6%
of which:											
Bursaries: Employees	0.6	0.7	0.8	0.9	13.5%	0.3%	1.2	1.0	1.0	6.3%	0.3%
Communication	0.8	0.6	0.9	0.4	-20.6%	0.3%	0.9	1.0	1.0	35.0%	0.3%
Computer services	0.7	1.0	1.6	0.9	11.0%	0.4%	0.9	1.0	1.0	4.1%	0.3%
Consultants: Business and advisory services	8.5	4.4	6.8	18.2	29.1%	3.7%	7.9	7.6	7.5	-25.6%	3.5%
Consumables: Stationery, printing and office supplies	5.7	5.8	5.7	6.8	5.8%	2.3%	7.2	7.2	7.6	3.9%	2.4%
Travel and subsistence	8.6	7.9	7.8	8.8	0.7%	3.2%	9.3	9.7	10.3	5.5%	3.2%
Transfers and subsidies¹	41.4	45.5	42.7	45.0	2.8%	16.9%	50.6	53.1	56.1	7.6%	17.3%
Departmental agencies and accounts	39.6	45.3	41.2	44.8	4.3%	16.6%	50.6	53.1	56.1	7.7%	17.3%
Households	1.8	0.2	1.5	0.1	-57.3%	0.4%	-	-	-	-100.0%	-
Payments for capital assets	0.9	1.3	1.1	2.0	31.7%	0.5%	1.8	2.0	2.0	-1.2%	0.7%
Machinery and equipment	0.9	1.3	1.1	2.0	31.7%	0.5%	1.8	2.0	2.0	-1.2%	0.7%
Payments for financial assets	-	-	0.1	-	-100.0%	-	-	-	-	-	-
Total	227.6	245.3	262.6	294.5	9.0%	100.0%	286.1	291.2	310.4	1.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	0.9%	0.9%	1.0%	-	-	0.9%	0.9%	0.9%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	39.6	45.3	41.2	44.8	4.3%	16.6%	50.6	53.1	56.1	7.7%	17.3%
Financial and Fiscal Commission	39.6	45.3	41.2	44.8	4.3%	16.6%	50.6	53.1	56.1	7.7%	17.3%

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

Programme 4: Asset and Liability Management

Programme purpose

Manage government's annual funding programme in a manner that ensures prudent cash management, an optimal portfolio of debt and other fiscal obligations. Promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

Objectives

- Exercise oversight of state-owned enterprises on an ongoing basis by:
 - reviewing the corporate plans and annual financial statements of state-owned enterprises
 - coordinating state-owned entities' borrowing programmes
 - tracking progress on capital expenditure programmes
 - reviewing applications for funding, guarantees and borrowing limits in terms of the Public Finance Management Act (1999), and monitoring progress.

- Meet government's annual gross borrowing requirement consisting of the budget deficit and maturing debt by sourcing funds from domestic and international markets, and service government's debt optimally.
- Ensure that government's liquidity requirements are consistently met within credit risk guidelines.
- Minimise and mitigate risks emanating from government's fiscal obligations to develop and maintain a risk management framework for the debt and contingent liabilities of government, and implement debt management strategies that minimise government's exposure to adverse risks on an ongoing basis.

Subprogrammes

- *Programme Management for Asset and Liability Management* provides support for planning, monitoring and delivering the programme's activities.
- *State-Owned Entity Financial Management and Governance* is responsible for overseeing and enabling state-owned enterprises to meet government's policy objectives in a financially and fiscally sustainable manner, and for promoting sound corporate governance.
- *Government Debt Management* is responsible for government's long-term funding needs and manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.
- *Financial Operations* provides for government's short-term funding needs, the prudent management of cash, the efficient accounting of debt and investment transactions in government; invests government surplus cash, supplies reliable systems; and provides quality information relating to the division's operations.
- *Strategy and Risk Management* develops and maintains a risk management framework for the debt and contingent liabilities of government, and implements debt management strategies that minimise government's exposure to adverse risks.
- *Financial Investments* provides for the funding needs of state-owned entities.

Expenditure trends and estimates

Table 7.11 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Programme Management for Asset and Liability Management	16.4	12.0	9.2	26.9	17.8%	0.7%	15.3	51.0	15.7	-16.4%	23.4%
State Owned Entity Financial Management and Governance	26.3	29.2	30.8	33.9	8.8%	1.3%	33.7	34.2	36.7	2.7%	29.8%
Government Debt Management	17.3	19.3	19.4	18.9	3.0%	0.8%	18.9	19.1	20.6	2.8%	16.7%
Financial Operations	17.2	20.0	21.0	22.3	8.9%	0.9%	23.2	23.7	25.3	4.3%	20.3%
Strategy and Risk Management	8.6	9.0	9.8	11.1	8.8%	0.4%	11.2	11.3	12.2	3.1%	9.8%
Financial Investments	2 905.0	3 000.0	3 174.0	–	-100.0%	96.0%	–	–	–	–	–
Total	2 990.9	3 089.4	3 264.3	113.1	-66.4%	100.0%	102.4	139.4	110.6	-0.8%	100.0%
Change to 2016 Budget estimate				5.9			2.0	37.5	1.4		
Economic classification											
Current payments	85.4	88.9	89.1	112.0	9.5%	4.0%	101.7	138.7	109.8	-0.7%	99.3%
Compensation of employees	62.8	69.3	72.1	77.4	7.2%	3.0%	77.5	78.7	84.6	3.0%	68.4%
Goods and services ¹	22.6	19.6	17.1	34.7	15.3%	1.0%	24.1	60.0	25.2	-10.1%	30.9%
<i>of which:</i>											
<i>Audit costs: External</i>	0.7	0.5	0.5	0.5	-9.5%	–	0.7	0.7	0.7	11.4%	0.5%
<i>Bursaries: Employees</i>	0.5	0.6	0.6	0.8	19.1%	–	1.0	0.9	0.9	3.9%	0.8%
<i>Computer services</i>	10.5	9.6	9.5	14.4	11.1%	0.5%	10.7	41.0	11.6	-6.9%	16.7%
<i>Consultants: Business and advisory services</i>	6.0	4.9	2.2	14.6	34.2%	0.3%	5.9	11.4	5.6	-27.2%	8.1%
<i>Travel and subsistence</i>	2.8	1.7	2.3	2.1	-8.5%	0.1%	3.3	3.4	3.5	18.7%	2.6%
<i>Training and development</i>	0.4	0.4	0.4	0.7	19.0%	–	0.8	0.9	0.9	7.9%	0.7%

Table 7.11 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification

	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Transfers and subsidies¹	0.1	0.2	0.9	0.4	53.5%	-	-	-	-	-100.0%	0.1%
Households	0.1	0.2	0.9	0.4	53.5%	-	-	-	-	-100.0%	0.1%
Payments for capital assets	0.4	0.3	0.2	0.7	19.5%	-	0.7	0.7	0.7	0.5%	0.6%
Machinery and equipment	0.4	0.3	0.2	0.7	19.5%	-	0.7	0.7	0.7	0.5%	0.6%
Payments for financial assets	2 905.0	3 000.0	3 174.0	-	-100.0%	96.0%	-	-	-	-	-
Total	2 990.9	3 089.4	3 264.3	113.1	-66.4%	100.0%	102.4	139.4	110.6	-0.8%	100.0%
Proportion of total programme expenditure to vote expenditure	11.9%	11.8%	11.4%	0.4%	-	-	0.3%	0.4%	0.3%	-	-

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

Programme 5: Financial Accounting and Supply Chain Management Systems

Programme purpose

Facilitate governance and accountability by promoting and enforcing the transparent, economic and effective management of revenue, expenditure, assets, liabilities and supply chain processes in the public sector.

Objectives

- Ensure compliance with the implementation of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) across the three spheres of government by facilitating and undertaking special investigations to reduce the levels of fraud and corruption on an ongoing basis.
- Ensure sound financial management systems to meet the requirements of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) by:
 - providing capacity and support to all spheres of government on policies relating to accounting and reporting, internal auditing and risk management on an ongoing basis
 - developing and implementing government transversal accounting and reporting systems over the medium term
 - maintaining government's current financial systems at a level of 98 per cent availability, including providing reliable, efficient and effective support and user training, over the medium term
 - completing the development of the remaining integrated financial management system's modules on payroll, core financial management and inventory management, and beginning the rollout, over the medium term.
- Support government's financial management capacity building efforts across the three spheres of government by introducing minimum competency profiles and offering graduate internships in financial management annually.
- Improve financial management in provincial and local government by:
 - developing and implementing financial recovery plans and providing technical assistance on an ongoing basis
 - supporting municipalities to implement financial management reforms and ensuring their compliance with the Municipal Finance Management Act (2003), as required, over the medium term.
- Modernise the supply chain management system for government over the medium term by:

- developing a centralised supplier database to register all suppliers that render services to government
- introducing policy reforms to ensure that all procuring government institutions implement a single supply chain management policy
- providing training solutions to close the skills gaps for existing and future supply chain management practitioners.

Subprogrammes

- *Programme Management for Financial Accounting and Supply Chain Management Systems* supports the planning, monitoring and coordinating deliverables of the programme plan, such as the development and implementation of the integrated financial management system; and facilitates accountability and governance in the public sector, especially in terms of financial management.
- *Office of the Chief Procurement Officer* aims to modernise the state procurement system to be fair, equitable, transparent, competitive and cost effective; enable the efficient, economic, effective and transparent utilisation of financial and other resources, including state assets, for improved service delivery; and promote, support and enforce the transparent and effective management of state procurement and the sound stewardship of government assets and resources.
- *Financial Systems* maintains and improves existing financial management systems, and develops and implements the new integrated financial management system, which aims to replace financial, supply chain and human resources management systems across national and provincial departments.
- *Financial Reporting for National Accounts* is responsible for accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government, providing support for all spheres of government in implementing financial reporting frameworks, and preparing consolidated financial statements.
- *Financial Management Policy and Compliance Improvement* improves financial management, develops financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves the financial management, risk management and internal audit capacity in government.
- *Audit Statutory Bodies* is a transfer payment that provides for compensation for certain shortfalls of statutory bodies and municipalities in terms of the Auditor-General Act (1995). This subprogramme's total budget is transferred in full to fund municipalities that are unable to pay for audit services.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for all government departments' deposit accounts.

Expenditure trends and estimates

Table 7.12 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Programme Management for Financial Accounting and Supply Chain Management Systems	18.4	15.2	24.7	57.6	46.4%	3.4%	101.2	196.8	143.4	35.5%	10.8%
Office of the Chief Procurement Officer	33.3	38.6	55.3	68.2	27.0%	5.7%	68.9	69.3	76.7	4.0%	6.2%
Financial Systems	424.1	412.1	441.0	829.0	25.0%	61.4%	638.6	652.3	564.2	-12.0%	58.3%
Financial Reporting for National Accounts	85.4	86.4	83.0	88.0	1.0%	10.0%	99.2	103.4	109.7	7.6%	8.7%
Financial Management Policy and Compliance Improvement	105.6	117.8	128.5	129.6	7.1%	14.0%	133.4	136.2	145.2	3.9%	11.8%
Audit Statutory Bodies	40.8	61.3	41.9	44.1	2.6%	5.5%	46.3	49.0	51.7	5.5%	4.1%
Service Charges: Commercial Banks	0.1	0.1	0.1	0.3	43.7%	–	0.3	0.3	0.3	5.5%	–
Total	707.8	731.5	774.5	1 216.8	19.8%	100.0%	1 087.9	1 207.2	1 091.2	-3.6%	100.0%
Change to 2016 Budget estimate				366.9			177.9	261.4	88.4		

Table 7.12 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Current payments	621.1	619.8	682.9	1 125.0	21.9%	88.9%	983.2	1 096.9	974.6	-4.7%	90.8%
Compensation of employees	149.5	158.3	179.5	203.4	10.8%	20.1%	206.1	208.3	223.7	3.2%	18.3%
Goods and services ¹	471.5	461.5	503.4	921.6	25.0%	68.7%	777.1	888.6	750.8	-6.6%	72.5%
of which:											
Audit costs: External	3.7	6.5	3.9	7.4	26.4%	0.6%	8.0	8.4	8.9	6.5%	0.7%
Bursaries: Employees	1.4	1.3	2.1	2.0	12.8%	0.2%	2.3	2.2	2.3	3.6%	0.2%
Computer services	402.9	384.6	338.8	778.9	24.6%	55.5%	591.7	616.3	525.5	-12.3%	54.6%
Consultants: Business and advisory services	41.9	49.9	137.4	107.2	36.8%	9.8%	151.2	237.4	188.3	20.6%	14.9%
Travel and subsistence	7.0	7.2	4.2	10.6	15.0%	0.8%	9.6	10.3	11.0	1.1%	0.9%
Venues and facilities	7.1	4.7	0.3	4.8	-12.0%	0.5%	5.5	5.7	5.9	7.0%	0.5%
Transfers and subsidies¹	84.5	106.5	83.5	85.9	0.6%	10.5%	99.4	105.3	111.2	9.0%	8.7%
Departmental agencies and accounts	83.8	106.1	83.1	85.6	0.7%	10.5%	99.4	105.3	111.2	9.1%	8.7%
Households	0.6	0.4	0.4	0.3	-23.4%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	2.1	3.9	8.1	5.9	41.7%	0.6%	5.3	5.0	5.4	-2.6%	0.5%
Buildings and other fixed structures	-	0.4	-	-	-	-	-	-	-	-	-
Machinery and equipment	2.1	3.5	8.1	5.9	41.5%	0.6%	5.3	5.0	5.4	-2.5%	0.5%
Payments for financial assets	0.2	1.3	-	-	-100.0%	-	-	-	-	-	-
Total	707.8	731.5	774.5	1 216.8	19.8%	100.0%	1 087.9	1 207.2	1 091.2	-3.6%	100.0%
Proportion of total programme expenditure to vote expenditure	2.8%	2.8%	2.7%	4.3%	-	-	3.5%	3.7%	3.2%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	83.8	106.1	83.1	85.6	0.7%	10.5%	99.4	105.3	111.2	9.1%	8.7%
Accounting Standards Board	10.1	10.3	-	12.5	7.6%	1.0%	13.5	14.4	15.2	6.7%	1.2%
Independent Regulatory Board for Auditors	32.9	34.6	41.3	29.0	-4.2%	4.0%	39.6	41.9	44.3	15.2%	3.4%
Auditor-General of South Africa	40.8	61.3	41.9	44.1	2.6%	5.5%	46.3	49.0	51.7	5.5%	4.1%

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

Programme 6: International Financial Relations

Programme purpose

Manage South Africa's interests in shaping regional and global policies that advance the economic, financial and development objectives of the country and Africa.

Objectives

- Advance South Africa and Africa's economic interests by undertaking regular strategic analyses, engagements and negotiations at regional and global financial and economic forums on an ongoing basis.
- Increase sub-Saharan Africa's voice and South Africa's influence in multilateral international institutions such as the International Monetary Fund, the World Bank Group, the G20, and other influential global financial and economic forums by advancing the reform of these institutions through the lobbying of regional groupings on an ongoing basis.
- Enhance South Africa's participation in strategic regional, continental and global governance institutions by seconding South Africans into strategic positions of these institutions, as informed by government's secondment policy, on an ongoing basis.
- Promote regional economic integration in the Southern African Development Community (SADC) and the Southern African Customs Union, and strengthen economic links within Africa by:

- developing and implementing a policy of one-stop border posts over the medium term
- providing ongoing support to the committees of the SADC dealing with economic and financial protocols
- supporting the Southern African Customs Union to meet regional challenges on an ongoing basis.

Subprogrammes

- *Programme Management for International Financial Relations* supports the planning, monitoring and delivering of the programme's activities with the World Bank country office, African Development Bank regional resource centre as well as the BRICS New Development Bank. The division oversees South Africa's representation in international and regional financial institutions; manages bilateral and multilateral relationships on behalf of National Treasury; and plans, implements and monitors programmes and activities that advance South Africa's national interests.
- *International Economic Cooperation* focuses on improving South Africa's participation in international and regional economic institutions. This entails working through key economic institutions and forums such as the Southern African Customs Union, the SADC, the United Nations Economic Commission for Africa, the African Union's New Partnership for Africa's Development, the International Monetary Fund, the G20, the G24, the BRICS group of countries, the Organisation for Economic Cooperation and Development, and the World Economic Forum.
- *African Integration and Support* enables National Treasury's participation in African interventions and arrangements that are mainly to bring about support and integration between African states and institutions. This subprogramme facilitates the transfer of funds to Lesotho, Namibia and Swaziland for the Common Monetary Area compensation. In this agreement, South Africa compensates the member countries for the use of the rand currency within their respective borders. It also includes the technical support provided to regional capacity building institutions such as the Collaborative Budget Reform Initiative, the Infrastructure Consortium for Africa, the African Capacity Building Foundation, the Institute for Development Planning, and the African Regional Technical Assistance Centre for Southern Africa.
- *International Development Funding Institutions* provides for subscriptions and contributions to international development institutions and banks. This subprogramme transfers funds to the African Development Bank and the International Bank for Reconstruction and Development of the World Bank Group for the purpose of paying for shares, the African Development Fund and the International Development Association of the World Bank Group to provide concessional loans and grants to low-income countries. Capital transfers for the New Development Bank, in line with South Africa's agreed shareholding, will also be facilitated under this subprogramme.
- *International Projects* transfers funds to international projects and interventions for various causes such as capacity building, and catastrophe and disaster relief for affected low-income countries. To this end, National Treasury contributes to the Commonwealth Fund for Technical Cooperation and the International Finance Facility for Immunisation. The facility transfers funds to the Global Alliance for Vaccines and Immunisation, a public-private global health partnership, to support health care, particularly the provision of vaccines to reduce the number of vaccine preventable deaths among children in low-income countries.

Expenditure trends and estimates

Table 7.13 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Programme Management for International Financial Relations	19.1	8.3	14.5	12.6	-12.9%	0.5%	12.2	12.7	14.1	3.6%	0.2%
International Economic Cooperation	23.8	27.3	30.4	41.0	19.9%	1.1%	40.5	39.4	45.1	3.2%	0.7%
African Integration and Support	558.8	588.3	717.5	812.1	13.3%	24.8%	765.6	816.8	862.6	2.0%	14.2%
International Development Funding Institutions	450.0	557.6	2 762.7	4 091.9	108.7%	72.9%	4 999.2	5 022.4	5 303.6	9.0%	84.5%
International Projects	16.0	17.2	21.0	20.3	8.3%	0.7%	19.2	19.9	21.0	1.1%	0.3%
Total	1 067.7	1 198.7	3 546.1	4 978.0	67.1%	100.0%	5 836.8	5 911.1	6 246.4	7.9%	100.0%
Change to 2016 Budget estimate				(61.1)			1.9	1.0	4.7		
Economic classification											
Current payments	42.6	35.4	44.7	52.0	6.9%	1.6%	52.2	51.5	58.5	4.0%	0.9%
Compensation of employees	21.8	26.1	28.2	33.3	15.2%	1.0%	36.0	36.1	40.2	6.5%	0.6%
Goods and services ¹	20.8	9.3	16.5	18.7	-3.4%	0.6%	16.1	15.4	18.2	-0.9%	0.3%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.1	0.1	0.1	0.5	59.8%	-	0.7	0.7	0.8	17.9%	-
<i>Communication</i>	0.5	0.4	0.4	0.3	-14.5%	-	0.4	0.5	0.5	19.4%	-
<i>Consultants: Business and advisory services</i>	1.9	0.6	0.1	1.3	-12.8%	-	0.4	0.4	0.4	-31.2%	-
<i>Travel and subsistence</i>	7.6	6.9	-	9.2	6.5%	0.2%	9.6	10.8	11.4	7.6%	0.2%
<i>Operating payments</i>	0.3	0.2	4.4	1.1	48.0%	0.1%	1.3	1.3	1.4	6.8%	-
<i>Venues and facilities</i>	4.5	0.3	-	2.4	-19.5%	0.1%	2.7	0.7	2.7	4.6%	-
Transfers and subsidies¹	710.3	788.3	829.2	923.1	9.1%	30.1%	914.9	972.8	1 027.3	3.6%	16.7%
Foreign governments and international organisations	710.2	788.3	829.2	923.1	9.1%	30.1%	914.9	972.8	1 027.3	3.6%	16.7%
Households	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.3	0.1	0.2	1.6	85.3%	-	0.6	0.5	0.7	-25.4%	-
Buildings and other fixed structures	-	-	-	0.2	-	-	-	-	-	-100.0%	-
Machinery and equipment	0.3	0.1	0.2	1.4	77.5%	-	0.6	0.5	0.7	-22.1%	-
Payments for financial assets	314.6	374.8	2 672.0	4 001.2	133.4%	68.2%	4 869.1	4 886.3	5 159.9	8.8%	82.3%
Total	1 067.7	1 198.7	3 546.1	4 978.0	67.1%	100.0%	5 836.8	5 911.1	6 246.4	7.9%	100.0%
Proportion of total programme expenditure to vote expenditure	4.3%	4.6%	12.4%	17.5%	-	-	19.0%	18.2%	18.4%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	574.8	605.5	738.6	832.4	13.1%	25.5%	784.8	836.7	883.6	2.0%	14.5%
Common Monetary Area Compensation	554.4	581.6	712.5	802.1	13.1%	24.6%	754.9	804.9	849.9	1.9%	14.0%
Collaborative Africa Budget Reform Initiative	1.3	4.4	1.8	1.6	5.3%	0.1%	1.6	1.7	1.8	5.2%	-
Commonwealth Fund for Technical Cooperation	5.3	5.7	5.5	5.8	3.1%	0.2%	6.1	6.4	6.8	5.2%	0.1%
International Finance Facility for Immunisation	10.7	11.5	15.5	14.5	10.7%	0.5%	13.0	13.4	14.2	-0.7%	0.2%
African Institute for Economic Development and Planning	1.7	0.9	1.2	1.3	-8.5%	-	1.3	1.4	1.4	4.0%	-
Africa Regional Technical Assistance Centre for Southern Africa	0.4	0.4	1.0	1.0	41.9%	-	1.1	1.2	1.3	8.6%	-
Infrastructure Consortium for Africa	1.0	1.0	1.0	-	-100.0%	-	-	-	-	-	-
African Risk Capacity	-	-	-	6.1	-	0.1%	6.6	7.7	8.1	9.9%	0.1%
Capital	135.4	182.8	90.7	90.7	-12.5%	4.6%	130.1	136.1	143.7	16.6%	2.2%
African Development Bank and African Development Fund	40.2	92.1	-	-	-100.0%	1.2%	33.5	35.4	37.4	-	0.5%
World Bank Group	95.2	90.7	90.7	90.7	-1.6%	3.4%	96.7	100.7	106.4	5.5%	1.7%

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

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Programme purpose

Provide for government's pension and post-retirement medical benefit obligations to former employees of state departments and bodies. Provide for similar benefits to retired members of the military.

Objectives

- Ensure the effective administration of pension, retirement and other policies on an ongoing basis by completing annual reviews and implementing recommendations in accordance with stakeholder agreements reached on pension reforms, post-retirement medical benefits, political office bearers and pension legislation.
- Ensure good service to eligible applicants and recipients on an ongoing basis by:
 - processing member applications and making payments punctually, as required by applicable legislation
 - processing post-retirement medical benefit applications within 60 days of receipt and paying all medical subsidies within seven days of receiving a valid and correct claim
 - processing and paying injury on duty benefits to civil servants within 45 days of receiving completed documentation
 - ensuring the punctual and accurate payments of military pensions within 45 days of receipt and medical accounts within 30 days of receipt of the claim while maintaining a zero backlog.

Subprogrammes

- *Government Pensions Administration Agency* provides administrative services, in accordance with the Temporary Pension Fund Act (1979) and the Associated Institution Pension Fund Act (1963), for post-retirement medical subsidies, as provided for and regulated by resolutions of the Public Service Coordinating Bargaining Council, the Military Pensions Act (1976), and military pensions in terms of this act; for injury on duty payments in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions in terms of the Special Pensions Act (1996) on behalf of National Treasury.
- *Civil Pensions and Contributions to Funds* provides for the processing and payment of pensions and medical subsidies to retired civil servants; and pension payments to the injured, disabled and the dependants of deceased civil servants and to former struggle veterans, in terms of various statutes, collective bargaining agreements and other commitments. The *Government Pensions Administration Agency* subprogramme administers all payments related to this subprogramme.
- *Military Pensions and Other Benefits* provides for the processing and payment of military pension benefits and medical claims arising from injuries sustained during various wars, including South Africa's liberation wars. These include payments to former members of the legislative assembly of the former Venda, Transkei, Ciskei and Bophuthatswana governments; judges or their own widows/widowers in terms of the Judges' Remuneration and Conditions of Employment Act (2001); and former state presidents, among other benefits.

Expenditure trends and estimates

Table 7.14 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Government Pensions Administration Agency	57.5	54.4	56.6	61.4	2.2%	1.5%	65.2	68.9	72.7	5.8%	1.3%
Civil Pensions and Contributions to Funds	2 673.5	2 613.9	3 156.5	3 273.5	7.0%	74.7%	3 810.4	4 119.4	4 470.4	10.9%	78.3%
Military Pensions and Other Benefits	792.1	1 062.6	754.6	1 127.7	12.5%	23.8%	959.4	972.7	1 028.2	-3.0%	20.4%
Total	3 523.1	3 730.9	3 967.7	4 462.6	8.2%	100.0%	4 835.0	5 160.9	5 571.3	7.7%	100.0%
Change to 2016 Budget estimate				289.4			453.1	524.8	675.6		
Economic classification											
Current payments	57.5	54.4	56.6	61.4	2.2%	1.5%	65.2	68.9	72.7	5.8%	1.3%
Goods and services ¹	57.5	54.4	56.6	61.4	2.2%	1.5%	65.2	68.9	72.7	5.8%	1.3%
of which:											
Consultants: Business and advisory services	57.5	54.4	56.6	61.4	2.2%	1.5%	65.2	68.9	72.7	5.8%	1.3%
Transfers and subsidies¹	3 465.6	3 676.5	3 911.1	4 401.2	8.3%	98.5%	4 769.8	5 092.0	5 498.6	7.7%	98.7%
Foreign governments and international organisations	2.1	2.3	2.1	2.4	5.1%	0.1%	2.6	2.7	2.8	5.2%	0.1%
Households	3 463.5	3 674.2	3 909.0	4 398.8	8.3%	98.5%	4 767.2	5 089.3	5 495.8	7.7%	98.6%
Total	3 523.1	3 730.9	3 967.7	4 462.6	8.2%	100.0%	4 835.0	5 160.9	5 571.3	7.7%	100.0%
Proportion of total programme expenditure to vote expenditure	14.0%	14.2%	13.8%	15.7%	-	-	15.7%	15.9%	16.4%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	2.1	2.3	2.1	2.4	5.1%	0.1%	2.6	2.7	2.8	5.2%	0.1%
United Kingdom tax	2.1	2.3	2.1	2.4	5.1%	0.1%	2.6	2.7	2.8	5.2%	0.1%
Households											
Social benefits											
Current	3 463.4	3 674.2	3 909.0	4 398.7	8.3%	98.5%	4 767.2	5 089.3	5 495.7	7.7%	98.6%
Contribution to provident funds for associated institutions	0.4	0.3	0.3	0.4	-5.4%	-	0.3	0.3	0.4	0.3%	-
Other benefits	77.8	70.4	82.5	88.1	4.2%	2.0%	93.1	98.6	104.1	5.7%	1.9%
Injury on duty	500.7	526.4	514.9	591.7	5.7%	13.6%	621.2	652.3	688.8	5.2%	12.8%
Post-Retirement medical scheme	1 441.4	1 511.1	2 109.6	2 102.2	13.4%	45.7%	2 298.1	2 520.4	2 774.4	9.7%	48.4%
Special pensions	435.4	423.5	439.8	479.8	3.3%	11.3%	494.3	528.9	566.0	5.7%	10.3%
Political Office Bearers Pension Fund	208.2	72.0	-	-	-100.0%	1.8%	291.2	306.1	323.2	-	4.6%
Pension benefits: President of South Africa	7.5	7.9	7.3	9.0	6.3%	0.2%	9.5	10.0	10.6	5.6%	0.2%
Military pensions: Ex-servicemen	26.5	11.7	2.9	3.6	-48.8%	0.3%	3.4	5.0	6.9	24.8%	0.1%
South African citizen force	139.0	155.9	166.2	201.9	13.3%	4.2%	193.9	203.6	214.5	2.0%	4.1%
Other benefits: Ex-servicemen	26.6	20.2	10.5	22.8	-5.0%	0.5%	24.8	26.7	28.2	7.3%	0.5%
Non-statutory forces	600.0	874.8	575.0	899.5	14.4%	18.8%	737.3	737.3	778.6	-4.7%	15.7%

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

Programme 8: Technical Support and Development Finance

Programme purpose

Provide advisory services, programme management and development finance support to improve public finance management, support high-impact government initiatives, facilitate employment creation, and strengthen infrastructure planning and delivery.

Objectives

- Build public-sector capacity through diagnostic and advisory services and support for organisational development, specialised procurement, improved public finance management, and programme and project implementation on an ongoing basis.
- Enhance budget and financial management practices by strengthening public finance management capacity in municipalities and support provincial treasury oversight of local government financial management on an ongoing basis.

- Ensure liveable, sustainable, resilient, efficient, and integrated towns and cities by promoting public and private investment in city development, integrated urban networks and neighbourhood development initiatives on an ongoing basis.
- Stimulate employment and inclusive growth by supporting innovative and partnership-based approaches to employment creation, job seeker support and enterprise development on an ongoing basis.
- Ensure technical capacity in local government building environment by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

Subprogrammes

- *Local Government Financial Management Support* provides for transfers to municipalities to support the implementation of the Municipal Finance Management Act (2003) and technical assistance to provincial treasuries and municipalities through the municipal finance improvement programme. The municipal finance improvement programme provides technical assistance and support to National Treasury, provincial treasuries and municipalities by placing financial advisers with experience and expertise in municipal financial management to facilitate key reforms and skills transfer.
- *Urban Development and Support* comprises the *neighbourhood development partnership grant* and the *integrated city development grant*, aimed at strengthening public and private investment in improved living and working conditions in townships and more spatially resilient, efficient and integrated towns and cities. The *integrated city development grant* is a component of National Treasury's city support programme implemented in partnership with the Development Bank of Southern Africa, which aims to promote accelerated and more inclusive development in major urban areas through better governance and built environment planning, improved human settlements and public transport management, local economic development and environmental sustainability and climate resilience.
- *Employment Creation Facilitation* supports innovative and partnership-based approaches to sustainable employment creation, work seeker support and enterprise development through the Jobs Fund, and supports research on employment, income distribution and inclusive growth.
- *Government Technical Advisory Centre* provides management support for the *Technical Support and Development Finance* programme, and technical consulting services, specialised procurement and project management support, infrastructure advice and knowledge management in support of efficient, effective and transparent public finance management. This subprogramme's advisory and transaction support activities originate through requests from other departments or organs of state.
- *Infrastructure Development Support* provides technical support on infrastructure development planning and implementation to municipalities and provinces by providing technical expertise, advisory services and skills training, including the placement of graduate interns in local government.

Expenditure trends and estimates

Table 7.15 Technical Support and Development Finance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		
R million											
Local Government Financial Management Support	546.3	547.9	573.9	587.9	2.5%	21.7%	636.8	672.0	709.4	6.5%	21.5%
Urban Development and Support	680.9	875.4	848.3	913.0	10.3%	31.9%	983.3	1 040.3	1 098.5	6.4%	33.3%
Employment Creation Facilitation	952.9	1 213.2	749.5	769.9	-6.9%	35.4%	897.4	1 147.3	1 210.5	16.3%	33.2%
Government Technical Advisory Centre	69.7	79.8	83.6	88.0	8.1%	3.1%	80.8	81.9	86.5	-0.6%	2.8%
Infrastructure Development Support	187.5	177.1	216.9	253.9	10.6%	8.0%	275.1	288.8	305.0	6.3%	9.3%
Total	2 437.3	2 893.3	2 472.2	2 612.7	2.3%	100.0%	2 873.3	3 230.3	3 410.0	9.3%	100.0%
Change to 2016 Budget estimate				(22.0)			(23.7)	(204.2)	(216.9)		

Table 7.15 Technical Support and Development Finance expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17						
Current payments	275.2	91.7	283.8	355.3	8.9%	9.7%	389.3	407.8	430.6	6.6%	13.1%
Compensation of employees	–	5.4	–	–	–	0.1%	–	–	–	–	–
Goods and services ¹	275.2	86.2	283.8	355.3	8.9%	9.6%	389.3	407.8	430.6	6.6%	13.1%
of which:											
Administrative fees	–	0.5	–	–	–	–	–	–	–	–	–
Advertising	–	0.1	–	–	–	–	–	–	–	–	–
Minor assets	–	0.6	–	–	–	–	–	–	–	–	–
Consultants: Business and advisory services	275.2	83.0	283.8	355.3	8.9%	9.6%	389.3	407.8	430.6	6.6%	13.1%
Transfers and subsidies¹	2 162.1	2 800.7	2 188.4	2 257.4	1.4%	90.3%	2 484.1	2 822.5	2 979.3	9.7%	86.9%
Provinces and municipalities	1 149.2	1 399.0	1 411.8	1 486.5	9.0%	52.3%	1 598.3	1 691.0	1 785.7	6.3%	54.1%
Departmental agencies and accounts	109.6	138.1	776.6	770.9	91.6%	17.2%	885.8	1 131.5	1 193.6	15.7%	32.8%
Higher education institutions	10.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises	893.2	1 263.7	–	–	-100.0%	20.7%	–	–	–	–	–
Payments for capital assets	–	1.0	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	1.0	–	–	–	–	–	–	–	–	–
Total	2 437.3	2 893.3	2 472.2	2 612.7	2.3%	100.0%	2 873.3	3 230.3	3 410.0	9.3%	100.0%
Proportion of total programme expenditure to vote expenditure	9.7%	11.1%	8.6%	9.2%	–	–	9.3%	10.0%	10.0%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	109.3	137.7	776.1	770.2	91.7%	17.2%	885.0	1 130.8	1 192.8	15.7%	32.8%
Government Technical Advisory Centre	109.3	107.7	776.1	770.2	91.7%	16.9%	885.0	1 130.8	1 192.8	15.7%	32.8%
Neighbourhood development partnership grant (Indirect)	–	30.0	–	–	–	0.3%	–	–	–	–	–
Capital	0.3	0.4	0.5	0.7	29.2%	–	0.7	0.8	0.8	5.4%	–
Government Technical Advisory Centre	0.3	0.4	0.5	0.7	29.2%	–	0.7	0.8	0.8	5.4%	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	893.2	1 263.7	–	–	-100.0%	20.7%	–	–	–	–	–
Development Bank of Southern Africa	893.2	1 164.9	–	–	-100.0%	19.8%	–	–	–	–	–
Municipal Finance Improvement Programme	–	98.8	–	–	–	0.9%	–	–	–	–	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	523.3	553.6	577.0	595.7	4.4%	21.6%	642.8	680.1	718.1	6.4%	21.7%
Local government financial management grant	424.8	449.1	452.5	465.3	3.1%	17.2%	502.0	531.1	560.9	6.4%	17.0%
Infrastructure skills development grant	98.5	104.4	124.5	130.5	9.8%	4.4%	140.8	148.9	157.3	6.4%	4.8%
Capital	625.9	845.4	834.9	890.8	12.5%	30.7%	955.5	1 010.9	1 067.5	6.2%	32.4%
Integrated city development grant	40.0	255.0	251.3	266.8	88.2%	7.8%	292.1	309.1	326.4	6.9%	9.8%
Neighbourhood development partnership grant	585.9	590.4	583.6	624.0	2.1%	22.9%	663.4	701.9	741.2	5.9%	22.5%

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

Programme 9: Revenue Administration

Programme purpose

Administer an efficient tax system, provide tax education to the public, ensure maximum compliance with tax and customs legislation, and provide a customs service to maximise revenue collection and facilitate trade.

Objectives

- Centralise registration, accreditation and licensing capabilities over the medium term by:
 - improving the South African Revenue Service's registration database
 - moving the customs service into the unified trader and traveller master database using online registration and entity-level risk assessment.

- Contribute to revenue generation and improved compliance over the medium term by:
 - ensuring that 90 per cent of all annual import declarations are submitted by 10 per cent of traders, as per the South African Revenue Service's targets
 - increasing annual trader declarations by 50 per cent.
- Manage migration, customs and land borderline control services, and efficiently coordinate other departments in ports of entry by:
 - establishing a border management agency over the medium term
 - achieving a 100 per cent success rate in investigative audits, and seizures of counterfeit cigarettes, counterfeit CDs and DVDs, clothing, drug cases, and medicament on an ongoing basis.
- Manage the South African Revenue Service's R96.4 billion debtors book efficiently through a quality assurance system intended to provide users with integrated debt management solutions on an ongoing basis.

Subprogrammes

- *South African Revenue Service* transfers funds to the South African Revenue Service to provide core tax administration services and maintain the ICT services that support its operations.

Expenditure trends and estimates

Table 7.16 Revenue Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
South African Revenue Service	9 534.4	9 440.3	9 334.4	9 363.7	-0.6%	100.0%	10 218.2	10 560.2	10 972.1	5.4%	100.0%
Total	9 534.4	9 440.3	9 334.4	9 363.7	-0.6%	100.0%	10 218.2	10 560.2	10 972.1	5.4%	100.0%
Change to 2016 Budget estimate				(645.5)			(860.3)	(476.9)	(683.1)		
Economic classification											
Transfers and subsidies¹	9 534.4	9 440.3	9 334.4	9 363.7	-0.6%	100.0%	10 218.2	10 560.2	10 972.1	5.4%	100.0%
Departmental agencies and accounts	9 534.4	9 440.3	9 334.4	9 363.7	-0.6%	100.0%	10 218.2	10 560.2	10 972.1	5.4%	100.0%
Total	9 534.4	9 440.3	9 334.4	9 363.7	-0.6%	100.0%	10 218.2	10 560.2	10 972.1	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	38.0%	36.1%	32.5%	32.9%	-	-	33.2%	32.6%	32.3%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	8 676.3	8 596.2	8 391.0	8 320.3	-1.4%	90.2%	9 076.6	9 352.5	9 696.7	5.2%	88.6%
South African Revenue Service: Operations	8 676.3	8 596.2	8 391.0	8 320.3	-1.4%	90.2%	9 041.6	9 310.9	9 656.4	5.1%	88.4%
South African Revenue Service: Office of the Tax Ombud	-	-	-	-	-	-	35.0	41.5	40.3	-	0.3%
Capital	858.1	844.1	943.4	1 043.4	6.7%	9.8%	1 141.6	1 207.8	1 275.4	6.9%	11.4%
South African Revenue Service: Machinery and equipment	858.1	844.1	943.4	1 043.4	6.7%	9.8%	1 141.6	1 207.8	1 275.4	6.9%	11.4%

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

Programme 10: Financial Intelligence and State Security

Programme purpose

Combat financial crime, including money-laundering and terror financing activities. Gather intelligence for the purpose of national security, defence and combating crime.

Objectives

- Combat money-laundering and the financing of terrorism by continuously monitoring and ensuring compliance with the Financial Intelligence Centre Act (2001), and imposing certain duties on institutions and other persons who might be used for money-laundering and financing terrorism.
- Combat crime and financial terrorism by:
 - providing services and products to law enforcement authorities, such as the South African Revenue Service and the State Security Agency, on an ongoing basis
 - collaborating closely with counterparts in African countries and international organisations as part of a web of nodal points for information exchange on an ongoing basis
 - collaborating with the financial action task force, which reports to the G20 summit processes and several standard setting bodies, on an ongoing basis
 - processing requests from national and international law enforcement authorities over the medium term.

Subprogrammes

- *Financial Intelligence Centre* facilitates the transfer payment to the Financial Intelligence Centre, which enhances the integrity of the South African financial system while creating new ways for investigating authorities to combat criminal activity.
- *Secret Services* facilitates the transfer payment to the South African Secret Services account, which provides government with accurate, topical, policy relevant and timeous foreign intelligence to promote, enhance and protect national security and the interests of South Africa and its citizens.

Expenditure trends and estimates

Table 7.17 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Financial Intelligence Centre	241.0	198.1	239.5	256.4	2.1%	5.2%	270.2	285.9	301.9	5.6%	5.4%
Secret Services	3 933.6	4 168.2	4 322.6	4 556.1	5.0%	94.8%	4 735.4	5 010.1	5 290.7	5.1%	94.6%
Total	4 174.6	4 366.3	4 562.1	4 812.5	4.9%	100.0%	5 005.6	5 296.0	5 592.5	5.1%	100.0%
Change to 2016 Budget estimate							(64.4)	(68.1)	(71.9)		
Economic classification											
Transfers and subsidies¹	4 174.6	4 366.3	4 562.1	4 812.5	4.9%	100.0%	5 005.6	5 296.0	5 592.5	5.1%	100.0%
Departmental agencies and accounts	4 174.6	4 366.3	4 562.1	4 812.5	4.9%	100.0%	5 005.6	5 296.0	5 592.5	5.1%	100.0%
Total	4 174.6	4 366.3	4 562.1	4 812.5	4.9%	100.0%	5 005.6	5 296.0	5 592.5	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	16.6%	16.7%	15.9%	16.9%	-	-	16.3%	16.3%	16.4%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 660.3	4 068.1	4 242.0	4 392.3	6.3%	91.3%	4 596.2	4 862.8	5 135.1	5.3%	91.7%
Financial Intelligence Centre: Operations	175.0	186.7	226.7	239.6	11.0%	4.6%	254.9	269.7	284.8	5.9%	5.1%
Secret Services: Operations	3 485.3	3 881.4	4 015.4	4 152.6	6.0%	86.7%	4 341.2	4 593.0	4 850.2	5.3%	86.6%
Capital	514.2	298.2	320.0	420.2	-6.5%	8.7%	409.5	433.2	457.5	2.9%	8.3%
Financial Intelligence Centre: Machinery and equipment	66.0	11.4	12.8	16.7	-36.7%	0.6%	15.3	16.1	17.0	0.6%	0.3%
Secret Services: Machinery and equipment	448.3	286.7	307.2	403.5	-3.4%	8.1%	394.2	417.1	440.4	3.0%	8.0%

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

Entities¹

Development Bank of Southern Africa

Mandate

The Development Bank of Southern Africa was reconstituted in terms of the Development Bank of Southern Africa Act (1997) as a development finance institution with the primary purpose of promoting economic development and growth. The bank also promotes human resources development and institutional capacity building by mobilising financial and other resources from the national and international private and public sectors for sustainable development projects and programmes in South Africa and regions in the rest of Southern Africa.

Selected performance indicators

Table 7.18 Development Bank of Southern Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Cost-to-income ratio (bank wide)	Administration		28.4%	34%	29%	40%	40%	40%	40%
Total value of disbursements to infrastructure related projects per year	Development finance	Outcome 12: An efficient, effective and development-oriented public service	R12.7bn	R13bn	R17.1bn	R16.4bn	R17.4bn	R18.4bn	R19.4bn
Value of bank-wide net profit/(loss) per year	Development finance		R787m	R1.2bn	R2.6bn	R1bn	R1.1bn	R1.1bn	R1.2bn
Number of schools completed per year for which the bank has provided financial support as part of the accelerated schools infrastructure delivery initiative	Non-financing development activities	Outcome 1: Quality basic education	32	15	35	22	- ¹	- ¹	- ¹
Number of houses completed per year for which the bank has provided financial support (Elliotdale housing scheme)	Non-financing development activities	Outcome 8: Sustainable human settlements and improved quality of household life	770	1 128	1 382	1 730	- ¹	- ¹	- ¹

1. Indicator phased out in 2017/18.

Expenditure analysis

Over the medium term, the Development Bank of Southern Africa will focus on social and economic infrastructure development, with an emphasis on driving financial and non-financial investments in energy, transport, water and communications. It will also provide some support to social sectors such as health, education and housing. The support provided includes facilitating infrastructure development in municipalities, driving investments to increase the total value of disbursements to infrastructure-related projects, and providing development planning and implementation support interventions in the origination of infrastructure projects to identified municipalities. This is in line with outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework, in recognition of the NDP's vision of strengthened financial services. The bank aims to accelerate infrastructure financing to municipalities, state-owned companies, independent power producers, and public-private partnerships. Infrastructure support for the rest of Africa targets clients supporting state-owned enterprises and public-private partnerships.

The bank will actively support infrastructure development in municipalities, with the aim of addressing backlogs and expediting the delivery of essential social services in support of sustainable living conditions and improved quality of life within communities. Over the medium term, the bank is expected to increase its annual infrastructure lending support from R6 billion to R9.6 billion. The bank will also set aside between R130 million and R150 million each year over the medium term period to provide planning and implementation support for the origination of infrastructure projects in selected, under-capacitated municipalities. The bank also plans to drive investments in sectors such as energy, transport and logistics, water, ICT, and health and education with an aim to increase the total value of disbursements to infrastructure-related projects, from R16.4 billion in 2016/17 to R19.4 billion in 2019/20.

The bank will continue to provide development planning, pre-financing and implementation support, and post-financing support to identified municipalities in the origination of infrastructure projects intended to alleviate constraints, and enable expanded lending take-up. This support will be financed through funds set aside, currently approximately R100 million per year, for non-lending support for all municipal market

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

segments, with more focus on lower-tier municipalities. The development spend envelope will specifically cover operational expenditure incurred within the development planning and implementation support areas, and limited concessional funding. The bank completed the construction of 15 schools in 2014/15. In addition, 22 schools are in various stages of construction during 2016/17.

As at 31 October 2016, the bank had an establishment of 696 funded posts, of which 131 posts were vacant due to a shortage in the supply of many of the business-critical skills required by the bank to deliver on its strategy. The bank used consultants to perform the organisational review process and to assist management with the implementation of the revised strategy, as these skills could not be sourced from within the bank. Significant efforts have been made to retain staff and recruit new skilled staff to complement the bank's strategy. Over the medium term, the number of filled posts is expected to increase to 696 to ensure that the bank is adequately capacitated to deliver on its mandate.

Revenue is expected to increase from R8.6 billion in 2017/18 to R10.2 billion in 2019/20, largely driven by an expected increase in the repayments of developmental loan disbursements and the planned effective management of the non-performing loan book, which is expected to affect net loan impairments.

Programmes/objectives/activities

Table 7.19 Development Bank of Southern Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
					2013/14 - 2016/17					2016/17 - 2019/20	
Administration	1 433.5	1 109.7	626.3	886.7	-14.8%	19.6%	976.7	1 063.9	1 123.5	8.2%	12.9%
Development finance	3 126.3	3 747.9	4 587.9	5 280.5	19.1%	77.4%	6 253.6	7 119.6	7 518.3	12.5%	82.9%
Non-financing development activities	88.0	118.1	162.6	285.9	48.1%	2.9%	320.1	344.0	363.3	8.3%	4.2%
Total	4 647.8	4 975.7	5 376.8	6 453.1	11.6%	100.0%	7 550.4	8 527.5	9 005.0	11.7%	100.0%

Statements of historical financial performance and position

Table 7.20 Development Bank of Southern Africa statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16	Budget estimate	2016/17	
									2013/14 - 2016/17
Revenue									
Non-tax revenue	4 605.0	5 434.9	5 261.3	6 189.9	6 518.5	7 953.5	8 092.8	7 445.4	110.4%
Sale of goods and services other than capital assets	154.0	334.6	163.5	232.9	358.7	275.9	411.8	298.9	105.0%
of which:									
Sales by market establishment	154.0	334.6	163.5	232.9	358.7	275.9	411.8	298.9	105.0%
Other non-tax revenue	4 450.9	5 100.2	5 097.9	5 957.0	6 159.9	7 677.6	7 681.0	7 146.4	110.7%
Total revenue	4 605.0	5 434.9	5 261.3	6 189.9	6 518.5	7 953.5	8 092.8	7 445.4	110.4%
Expenses									
Current expenses	4 006.0	4 609.9	4 700.6	4 931.7	5 321.5	5 314.1	6 273.1	6 273.1	104.1%
Compensation of employees	564.3	561.6	628.2	607.3	772.7	730.9	879.5	879.5	97.7%
Goods and services	688.3	1 542.0	1 132.9	1 296.4	1 052.5	1 197.2	1 243.1	1 243.1	128.2%
Depreciation	19.6	18.6	23.8	25.1	29.0	30.6	36.0	36.0	101.7%
Interest, dividends and rent on land	2 733.7	2 487.8	2 915.5	3 002.9	3 467.4	3 355.4	4 114.6	4 114.6	98.0%
Transfers and subsidies	79.6	37.9	117.3	44.1	286.0	62.6	180.0	180.0	49.0%
Total expenses	4 085.6	4 647.8	4 817.9	4 975.7	5 607.5	5 376.8	6 453.1	6 453.1	102.3%
Surplus/(Deficit)	519.0	787.0	443.0	1 214.0	911.0	2 577.0	1 640.0	992.0	
Statement of financial position									
Carrying value of assets	567.7	544.7	578.4	580.4	616.1	580.3	612.1	563.7	95.6%
of which:									
Acquisition of assets	-	(6.6)	(23.8)	(7.0)	(35.0)	(14.7)	(25.0)	(35.0)	75.5%
Investments	9 155.8	8 150.9	8 190.3	8 203.6	5 246.3	8 757.3	5 057.2	8 853.9	122.8%
Loans	52 538.2	50 849.0	56 862.6	58 030.6	72 504.9	70 785.3	87 063.9	84 583.2	98.2%
Receivables and prepayments	314.9	145.3	305.7	227.9	146.7	138.5	151.9	146.7	71.6%
Cash and cash equivalents	5 413.9	4 135.7	796.9	3 901.7	3 108.8	2 084.6	4 276.6	155.0	75.6%
Total assets	67 990.5	63 825.5	66 733.9	70 944.1	81 622.7	82 346.0	97 161.7	94 302.6	99.3%
Accumulated surplus/(deficit)	10 867.8	11 496.4	11 681.1	12 460.6	13 322.5	14 544.9	14 382.1	15 510.5	107.5%
Capital and reserves	5 360.3	6 004.2	5 360.3	6 322.1	6 134.4	2 827.9	6 134.4	2 793.3	78.1%
Capital reserve fund	7 752.2	2 400.0	5 100.0	4 900.0	7 900.0	11 892.3	7 900.0	11 892.3	108.5%
Borrowings	43 015.2	42 887.2	43 597.4	46 163.5	52 722.4	51 791.2	67 072.2	62 525.6	98.5%
Trade and other payables	995.0	813.7	837.8	811.8	1 142.0	894.8	1 238.1	294.2	66.8%
Provisions	-	221.0	152.0	283.1	398.3	391.8	431.8	1 283.6	221.9%
Derivatives financial instruments	-	3.1	5.2	3.1	3.1	3.1	3.1	3.1	109.1%
Total equity and liabilities	67 990.5	63 825.5	66 733.9	70 944.1	81 622.7	82 346.0	97 161.7	94 302.6	99.3%

Statements of estimates of financial performance and position

Table 7.21 Development Bank of Southern Africa statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2016/17	2013/14 - 2016/17	2017/18		
R million									
Revenue									
Non-tax revenue		7 445.4	11.1%	100.0%	8 601.6	9 661.9	10 202.9	11.1%	100.0%
Sale of goods and services other than capital assets		298.9	-3.7%	4.4%	610.0	695.0	733.9	34.9%	6.4%
<i>of which:</i>									
<i>Sales by market establishment</i>		298.9	-3.7%	4.4%	610.0	695.0	733.9	34.9%	6.4%
Other non-tax revenue		7 146.4	11.9%	95.6%	7 991.6	8 966.8	9 469.0	9.8%	93.6%
Total revenue		7 445.4	11.1%	100.0%	8 601.6	9 661.9	10 202.9	11.1%	100.0%
Expenses									
Current expenses		6 273.1	10.8%	98.6%	7 360.4	8 327.5	8 793.8	11.9%	153.4%
Compensation of employees		879.5	16.1%	12.9%	953.4	1 023.1	1 080.4	7.1%	12.6%
Goods and services		1 243.1	-6.9%	25.2%	1 347.2	1 475.0	1 557.6	7.8%	17.9%
Depreciation		36.0	24.6%	0.5%	36.0	36.0	38.0	1.8%	0.5%
Interest, dividends and rent on land		4 114.6	18.3%	60.0%	5 023.8	5 793.4	6 117.9	14.1%	66.5%
Transfers and subsidies		180.0	68.1%	1.4%	190.0	200.0	211.2	5.5%	2.5%
Total expenses		6 453.1	11.6%	100.0%	7 550.4	8 527.5	9 005.0	11.7%	100.0%
Surplus/(Deficit)		992.0	-	-	1 051.0	1 134.0	1 198.0	6.5%	-
Statement of financial position									
Carrying value of assets		563.7	1.1%	0.7%	562.7	561.7	593.2	1.7%	0.5%
<i>of which:</i>									
<i>Acquisition of assets</i>		(35.0)	74.7%	-	(35.0)	(35.0)	(37.0)	1.8%	-0.0%
Investments		8 853.9	2.8%	11.1%	9 392.4	9 330.1	9 852.6	3.6%	8.8%
Loans		84 583.2	18.5%	84.3%	93 200.0	100 320.8	105 938.8	7.8%	90.3%
Receivables and prepayments		146.7	0.3%	0.2%	151.9	157.4	166.2	4.3%	0.1%
Cash and cash equivalents		155.0	-66.5%	3.7%	79.1	227.0	239.7	15.6%	0.2%
Total assets		94 302.6	13.9%	100.0%	103 386.1	110 597.0	116 790.4	7.4%	100.0%
Accumulated surplus/(deficit)		15 510.5	10.5%	17.4%	16 561.6	17 696.0	18 898.1	6.8%	16.2%
Capital and reserves		2 793.3	-22.5%	6.2%	2 793.3	2 793.3	3 404.6	6.8%	2.8%
Capital reserve fund		11 892.3	70.5%	9.4%	11 892.3	11 892.3	11 892.3	-	11.3%
Borrowings		62 525.6	13.4%	65.4%	70 393.4	76 297.5	80 570.2	8.8%	68.1%
Trade and other payables		294.2	-28.8%	1.0%	324.9	357.0	377.0	8.6%	0.3%
Provisions		1 283.6	79.7%	0.6%	1 417.6	1 557.8	1 645.1	8.6%	1.4%
Derivatives financial instruments		3.1	-	-	3.1	3.1	3.1	-	-
Total equity and liabilities		94 302.6	13.9%	100.0%	103 386.1	110 597.0	116 790.4	7.4%	100.0%

Personnel information

Table 7.22 Development Bank of Southern Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment										Number			
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
		2015/16	Unit cost	2016/17	Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20	
		Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost		
Development Bank of Southern Africa		696	730.9	696	879.5	696	953.4	696	1 023.1	696	1 080.4	696	1 080.4	7.1%	100.0%
Salary level	696														
1 - 6	23	39	7.2	23	3.8	23	4.1	23	4.4	23	4.6	23	4.6	7.1%	3.3%
7 - 10	193	179	93.9	193	95.5	193	103.6	193	111.2	193	117.4	193	117.4	7.1%	27.7%
11 - 12	150	147	283.4	150	248.8	150	269.4	150	289.1	150	305.3	150	305.3	7.1%	21.6%
13 - 16	319	194	308.7	319	490.6	319	532.0	319	570.9	319	602.9	319	602.9	7.1%	45.8%
17 - 22	11	10	37.7	11	40.9	11	44.3	11	47.5	11	50.2	11	50.2	7.1%	1.6%

1. Rand million.

Land and Agricultural Development Bank of South Africa

Mandate

The mandate of the Land and Agricultural Development Bank of South Africa, as a development finance institution, is to address agricultural and rural development in South Africa. The bank operates in the agricultural and agribusiness sectors and is regulated by the Land and Agricultural Development Bank Act (2002) and the Public Finance Management Act (1999). Its broader mandate, as expressed in the act, is to promote the equitable ownership of agricultural land, particularly by historically disadvantaged people; agrarian reform, land redistribution or development programmes for historically disadvantaged people; land

access for agricultural purposes; productivity, profitability, investment and innovation in agriculture; the growth of the agricultural sector and better use of land; rural development and job creation; and commercial agriculture and food security.

Selected performance indicators

Table 7.23 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Cost-to-income ratio	Administration	Outcome 7: Comprehensive rural development and land reform	59.5%	55%	56%	38.7%	36.7%	34.2%	33.8%
Capital adequacy ratio	Administration		26%	37%	34%	28%	30%	33%	32%
Value of development loan book disbursements	Administration		R819.3m	R769.1m	R700m	R735m	R772m	R811m	R811m
Value of business and corporate banking loans	Business and corporate banking		R24.6m	R31.5m	R34.4m	R36.1m	R37.9m	R39.8m	R39.8m
Value of development loan book disbursements	Business and corporate banking		R595.9m	R456.9m	R370m	R388.4m	R408.0m	R428.6m	R428.6m
Value of retail commercial banking loans	Retail commercial banking		R4.9m	R5.7m	R5.8m	R6.1m	R6.4m	R6.8m	R6.8m
Value of development loan book disbursements	Retail commercial banking		R134.4m	R107.7m	R130m	R136.5m	R143.4m	R150.6m	R150.6m
Value of retail emerging markets loans	Retail emerging markets		R391.2m	R489m	R504m	- ¹	- ¹	- ¹	- ¹

1. Indicator phased out from 2016/17.

Expenditure analysis

The Land and Agricultural Development Bank has increased its appetite for the development component of its mandate, as supported by the growth in its development loan book, and is expected to play a pivotal role in advancing agriculture and rural development. This is in line with outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework, and acknowledges the NDP's vision of creating more jobs through agricultural development. Over the medium term, the bank will continue to focus on building itself into a sustainable institution and disbursing funds to deserving developmental projects.

In 2015, the bank conducted an organisational review to strengthen the balance sheet, enhance financial sustainability, improve operational efficiency and increase developmental impact. As a result of the improved focus provided by the review, the development loan book is set to grow over the medium term, which in turn will increase interest expenditure on funding liabilities, a primary driver of the bank's costs. This is the reason for the projected increase in total expenditure at an average annual rate of 17.1 per cent, from R3.9 billion in 2016/17 to R6.3 billion in 2019/20. Interest costs are expected to increase from a base of R2.1 billion in 2015/16 to approximately R2.5 billion in 2017/18.

The bank aims to increase the value of development loan book disbursements from R136.5 million in 2016/17 to R150.6 million in 2019/20. Over the medium term, the need to finance growth in the loan book will see the interest expense bill increase to approximately R4.7 billion in 2019/20. Spending on compensation of employees is expected to increase at an average annual rate of 7 per cent, from R404.3 million in 2016/17 to R495.3 million in 2019/20. The bank's total staff complement is expected to remain constant at an average of 435 over the medium term period.

The bank sources a significant component of its funding from the open market, which explains why it is highly exposed to the movement in market rates. The bank significantly relies on interest income, and an area it intends to address is income diversification through increasing revenue from non-interest income. Over the medium term, total revenue is expected to increase at an average annual rate of 17.8 per cent, from R4.2 billion in 2016/17 to R6.8 billion in 2019/20, as the bank grows its gross loan book.

Programmes/objectives/activities

Table 7.24 Land and Agricultural Development Bank of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	415.1	352.9	566.0	449.1	2.7%	14.4%	425.5	472.3	520.7	5.1%	9.1%	
Corporate Banking	1 336.6	2 291.2	2 507.0	2 816.9	28.2%	69.0%	3 788.7	4 281.5	4 773.6	19.2%	74.5%	
Commercial Development Banking	425.8	464.2	489.9	656.3	15.5%	16.2%	835.1	918.5	1 011.6	15.5%	16.4%	
Retail emerging markets	20.8	29.2	–	–	-100.0%	0.5%	–	–	–	–	–	
Total	2 198.3	3 137.5	3 562.8	3 922.3	21.3%	100.0%	5 049.3	5 672.4	6 305.9	17.1%	100.0%	

Statements of historical financial performance and position

Table 7.25 Land and Agricultural Development Bank of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2016/17	2013/14 - 2016/17
Revenue									
Non-tax revenue	2 247.5	2 592.6	2 686.2	3 429.8	3 636.9	3 634.6	4 196.0	4 150.5	108.2%
Sale of goods and services other than capital assets	37.3	24.4	38.2	47.4	15.8	59.4	16.7	123.9	236.0%
<i>of which:</i>									
Administrative fees	26.6	–	26.9	–	–	42.1	–	111.6	287.7%
Sales by market establishment	10.8	24.4	11.4	47.4	15.8	17.3	16.7	12.3	185.5%
Other non-tax revenue	2 210.2	2 568.2	2 648.0	3 382.5	3 621.1	3 575.2	4 179.3	4 026.6	107.1%
Total revenue	2 247.5	2 592.6	2 686.2	3 429.8	3 636.9	3 634.6	4 196.0	4 150.5	108.2%
Expenses									
Current expenses	1 967.2	2 170.8	2 454.8	3 099.2	3 116.0	3 508.5	3 986.9	3 876.5	109.8%
Compensation of employees	393.7	381.3	399.0	343.6	351.8	318.0	424.3	404.3	92.2%
Goods and services	205.9	213.2	201.9	507.4	264.8	692.8	281.3	663.8	217.7%
Depreciation	25.3	16.1	26.8	18.2	12.1	15.0	12.8	9.8	76.7%
Interest, dividends and rent on land	1 342.3	1 560.2	1 827.0	2 230.0	2 487.3	2 482.7	3 268.4	2 798.6	101.6%
Total expenses	1 994.7	2 198.3	2 482.9	3 137.5	3 162.2	3 562.8	4 035.7	3 922.3	109.8%
Surplus/(Deficit)	253.0	394.0	203.0	292.0	475.0	72.0	160.0	228.0	
Statement of financial position									
Carrying value of assets	144.6	218.2	227.4	224.3	213.9	224.7	216.8	253.4	114.7%
<i>of which:</i>									
Acquisition of assets	(12.8)	(5.2)	(6.5)	(5.9)	(5.8)	(5.8)	(4.5)	(51.1)	230.0%
Investments	332.1	1 372.7	1 428.1	1 637.7	440.5	572.5	491.2	612.2	155.8%
Inventory	181.4	–	183.5	0.2	–	–	–	–	0.1%
Receivables and prepayments	28 355.4	33 706.9	33 147.8	37 027.6	40 068.4	36 834.0	41 990.3	41 800.0	104.0%
Cash and cash equivalents	2 000.0	1 474.9	2 898.8	1 605.7	1 400.0	2 120.6	1 780.3	1 842.9	87.2%
Non-current assets held for sale	136.1	52.6	–	53.1	53.6	47.6	53.1	50.0	83.8%
Total assets	31 149.7	36 825.1	37 885.6	40 548.5	42 176.3	39 799.5	44 531.6	44 558.5	103.8%
Accumulated surplus/(deficit)	6 156.0	2 790.6	6 879.1	3 085.3	1 923.0	3 157.1	2 055.7	3 427.3	73.2%
Capital and reserves	112.2	137.1	135.4	134.8	134.8	135.1	134.8	134.8	104.7%
Capital reserve fund	–	3 897.7	–	4 397.7	4 397.7	1 766.6	4 397.7	1 766.6	134.5%
Borrowings	24 000.9	4 214.7	29 824.5	6 373.5	6 940.2	4 661.3	7 297.6	7 750.0	33.8%
Trade and other payables	185.8	253.7	207.1	647.7	365.4	188.2	385.5	201.4	112.9%
Provisions	685.8	1 017.6	791.7	495.7	742.0	528.4	781.5	535.2	85.9%
Derivatives financial instruments	9.0	24 513.7	47.7	25 413.9	27 673.4	29 362.8	29 478.9	30 743.3	192.3%
Total equity and liabilities	31 149.7	36 825.1	37 885.6	40 548.5	42 176.3	39 799.5	44 531.6	44 558.5	103.8%

Statements of estimates of financial performance and position

Table 7.26 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)	
				2016/17	2013/14 - 2016/17	2017/18			2018/19
Revenue									
Non-tax revenue	4 150.5	17.0%	100.0%	5 346.5	6 073.4	6 791.2	17.8%	100.0%	
Sale of goods and services other than capital assets	123.9	71.9%	1.7%	116.1	147.3	164.2	9.9%	2.5%	
<i>of which:</i>									
Administrative fees	111.6	–	1.0%	103.0	134.2	151.2	10.6%	2.3%	
Sales by market establishment	12.3	-20.5%	0.8%	13.1	13.1	13.1	2.1%	0.2%	
Other non-tax revenue	4 026.6	16.2%	98.3%	5 230.5	5 926.2	6 627.0	18.1%	97.5%	
Total revenue	4 150.5	17.0%	100.0%	5 346.5	6 073.4	6 791.2	17.8%	100.0%	

Table 7.26 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
R million								
Expenses								
Current expenses	3 876.5	21.3%	98.7%	4 995.4	5 608.6	6 235.2	17.2%	176.5%
Compensation of employees	404.3	2.0%	11.9%	432.6	462.9	495.3	7.0%	8.7%
Goods and services	663.8	46.0%	15.6%	566.4	615.5	652.4	-0.6%	12.3%
Depreciation	9.8	-15.4%	0.5%	22.8	16.7	12.4	8.3%	0.3%
Interest, dividends and rent on land	2 798.6	21.5%	70.8%	3 973.5	4 513.5	5 075.0	21.9%	77.5%
Total expenses	3 922.3	21.3%	100.0%	5 049.3	5 672.4	6 305.9	17.1%	100.0%
Surplus/(Deficit)	228.0			297.0	401.0	485.0	28.6%	
Statement of financial position								
Carrying value of assets	253.4	5.1%	0.6%	237.6	220.8	203.9	-7.0%	0.4%
of which:								
Acquisition of assets	(51.1)	114.0%	-	(2.5)	(1.2)	(0.9)	-74.5%	-0.0%
Investments	612.2	-23.6%	2.6%	2 142.6	2 686.1	2 716.7	64.3%	3.7%
Receivables and prepayments	41 800.0	7.4%	92.3%	46 403.8	51 629.3	57 331.2	11.1%	92.8%
Cash and cash equivalents	1 842.9	7.7%	4.4%	1 511.2	1 227.1	1 488.8	-6.9%	2.9%
Non-current assets held for sale	50.0	-1.7%	0.1%	47.6	47.6	47.6	-1.6%	0.1%
Total assets	44 558.5	6.6%	100.0%	50 342.9	55 810.9	61 788.2	11.5%	100.0%
Accumulated surplus/(deficit)	3 427.3	7.1%	7.7%	4 402.9	4 804.0	5 289.3	15.6%	8.4%
Capital and reserves	134.8	-0.6%	0.3%	134.8	134.8	134.8	-	0.3%
Capital reserve fund	1 766.6	-23.2%	7.5%	1 766.6	1 766.6	1 766.6	-	3.4%
Borrowings	7 750.0	22.5%	14.1%	11 227.3	14 790.3	17 823.9	32.0%	23.8%
Trade and other payables	201.4	-7.4%	0.8%	389.6	434.5	483.2	33.9%	0.7%
Provisions	535.2	-19.3%	1.6%	537.8	587.4	637.8	6.0%	1.1%
Derivatives financial instruments	30 743.3	7.8%	68.0%	31 883.9	33 293.3	35 652.6	5.1%	62.4%
Total equity and liabilities	44 558.5	6.6%	100.0%	50 342.9	55 810.9	61 788.2	11.5%	100.0%

Personnel information

Table 7.27 Land and Agricultural Development Bank of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Land and Agricultural Development Bank of South Africa																			
Salary level	481	481	433	318.0	0.7	481	404.3	0.8	435	432.6	1.0	435	462.9	1.1	435	495.3	1.1	7.0%	100.0%
1 – 6	29	29	27	43.0	1.6	29	71.4	2.5	22	76.3	3.5	22	81.7	3.7	22	87.4	4.0	7.0%	5.3%
7 – 10	172	172	218	105.6	0.5	172	79.7	0.5	244	85.3	0.3	244	91.3	0.4	244	97.6	0.4	7.0%	51.0%
11 – 12	230	230	154	109.2	0.7	230	185.7	0.8	154	198.7	1.3	154	212.6	1.4	154	227.5	1.5	7.0%	38.5%
13 – 16	39	39	24	35.9	1.5	39	39.4	1.0	5	42.2	8.4	5	45.1	9.0	5	48.3	9.7	7.0%	2.9%
17 – 22	11	11	10	24.3	2.4	11	28.2	2.6	10	30.2	3.0	10	32.3	3.2	10	34.5	3.5	7.0%	2.3%

1. Rand million.

South African Revenue Service

Mandate

In terms of the South African Revenue Service Act (1997), the South African Revenue Service is mandated to collect all revenues due to the state and administer trade to support government in meeting its key growth developmental objectives. This involves facilitating legitimate trade, protecting South African ports of entry, and eliminating illegal trade and tax evasion. The organisation's purpose is to contribute to the economic and social development of the country by collecting the resources needed by government to meet its policy and delivery priorities.

Selected performance indicators

Table 7.28 South African Revenue Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Customs revenue collected per year	Business and individual tax	Outcome 12: An efficient, effective and development-oriented public service	R180.2bn	R202.2bn	R302.3bn	R335.8bn	- ¹	- ¹	- ¹
Revenue collected (excluding customs and excise revenue) per year	Business and individual tax		R714.8bn	R791.5bn	R767.7bn	R838.9bn	- ¹	- ¹	- ¹
Percentage of compliance of personal income tax filling per year (number of personal income tax returns submitted in tax year versus the total number of personal income tax returns required in tax year)	Business and individual tax		84% (R4.89m/ R5.82m)	91.6% (R4.89m/ R5.34m)	92% (R4.2m/ R4.57m)	92% (R4.89m/ R5.32m)	92% (R4.89m/ R5.32m)	92% (R4.89m/ R5.32m)	92% (R4.89m/ R5.32m)
Percentage of trade audited to obtain preferred trader status (number of preferred trader declarations versus the total number of declarations) per year	Customs and excise		20% (R20.7m/ R103.5m)	21% (R20.7m/ R98.57m)	29% (R7.8m/ R26.9m)	35% (R20.7m/ R59.14m)	35% (R20.7m/ R59.14m)	35% (R20.7m/ R59.14m)	35% (R20.7m/ R59.14m)

1. As the amount of revenue collected over the medium term is subject to the fiscal framework, projections cannot be provided.

Expenditure analysis

Over the medium term, the South African Revenue Service will focus on contributing more than 90 per cent of the revenue required by government. This is in line with outcome 12 (an efficient, effective and development oriented public service) of government's 2014-2019 medium-term strategic framework, and gives expression to the NDP's vision of ensuring high-quality public services as a result of tax contributions. Total revenue is expected to increase at an average annual rate of 4.8 per cent over the medium term, from R9.9 billion in 2016/17 to R11.4 billion in 2019/20, while total expenditure is expected to increase at an average annual rate of 1.9 per cent, from R11.3 billion to R12 billion over the same period.

To deliver on its mandate, the revenue service requires skilled employees to match its expanding footprint and optimise revenue collections. As such, spending on compensation of employees accounts for 67.9 per cent of the organisation's total budget over the medium term. The organisation plans to fill critical vacancies and recruit scarce and high-end skills in an effort to bring about shifts in the compliance landscape in critical areas such as base erosion and profit shifting, transfer pricing, audit, risk identification, and forensic functions. As a result, spending on compensation of employees is expected to increase at an average annual rate of 4.2 per cent, from R7.3 billion in 2016/17 to R8.2 million in 2019/20. As at 31 October 2016, the organisation had a total headcount of 13 757, of which 13 239 are permanent employees, 118 are temporary employees, 400 are graduate trainees, with 709 vacancies. The organisation's total staff complement is expected to be 14 119 by 2019/20 as the headcount is adjusted in line with the Cabinet-approved budget reductions of R108 million in 2018/19 and R214 million in 2019/20.

Improvements and maintenance of the organisation's systems will continue, albeit moderately over the medium term. This will enable the organisation to increase its revenue collection capability, build resilience into its key processes and systems, and improve taxpayer and trader experience. The organisation is expected to spend approximately R11.7 million on modernisation projects in 2017/18.

Programmes/objectives/activities

Table 7.29 South African Revenue Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administration	3 153.0	3 565.6	4 438.9	5 006.4	16.7%	40.3%	5 405.8	5 135.9	5 006.7	0.0%	43.9%
Business and Individual Tax	1 794.3	1 978.5	1 782.0	1 693.9	-1.9%	18.4%	1 826.3	1 901.0	2 012.9	5.9%	15.8%
Enforcement	1 560.9	1 596.6	1 494.2	1 685.3	2.6%	16.0%	1 818.2	1 925.2	2 049.3	6.7%	15.9%
Customs and Excise	987.0	1 077.4	1 058.2	1 217.2	7.2%	10.9%	1 311.9	1 363.9	1 455.9	6.1%	11.4%
Digital, Information, Services and Technology	1 052.6	1 166.7	1 178.1	1 329.6	8.1%	11.9%	1 445.3	1 331.4	1 394.5	1.6%	11.7%
Modernisation and Impactful Initiatives	141.2	110.0	252.9	336.4	33.5%	2.1%	11.2	–	–	-100.0%	0.8%
Office of the Tax Ombud	2.4	11.0	25.2	29.0	131.1%	0.2%	33.5	34.3	36.5	7.9%	0.3%
African Tax Administration Forum	8.0	12.6	13.1	13.5	19.1%	0.1%	14.4	15.2	16.1	5.9%	0.1%
Davis Tax Committee	2.5	4.2	2.9	4.1	18.0%	–	4.3	4.4	4.6	4.0%	–
SARS Advisory Board	–	–	1.0	2.1	–	–	–	–	–	-100.0%	–
Total	8 701.9	9 522.7	10 246.6	11 317.6	9.2%	100.0%	11 870.9	11 711.3	11 976.4	1.9%	100.0%

Statements of historical financial performance and position

Table 7.30 South African Revenue Service statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2013/14 - 2016/17
	Budget	2013/14	Budget	2014/15	Budget	2015/16			
Revenue									
Non-tax revenue	310.0	480.0	310.0	525.5	473.9	565.0	367.8	535.6	144.1%
Sale of goods and services other than capital assets	250.0	339.8	250.0	305.7	297.4	320.5	300.4	305.6	115.8%
<i>of which:</i>									
Administrative fees	250.0	339.8	250.0	305.7	297.4	320.5	300.4	305.6	115.8%
Other non-tax revenue	60.0	140.2	60.0	219.8	176.4	244.5	67.3	230.0	229.4%
Transfers received	9 534.4	9 534.4	9 440.3	9 440.3	9 334.4	9 334.4	10 009.2	9 363.7	98.3%
Total revenue	9 844.4	10 014.4	9 750.3	9 965.9	9 808.3	9 899.4	10 376.9	9 899.3	100.0%
Expenses									
Current expenses	9 568.9	8 701.9	9 693.1	9 522.7	10 740.0	10 246.6	10 747.9	11 317.6	97.6%
Compensation of employees	6 253.8	5 841.9	6 442.5	6 467.5	6 718.8	6 864.7	7 263.1	7 285.7	99.2%
Goods and services	2 775.8	2 291.0	2 685.3	2 418.2	3 383.1	2 761.4	2 894.0	3 299.7	91.8%
Depreciation	526.6	563.0	558.3	630.3	633.3	615.8	588.1	729.5	110.1%
Interest, dividends and rent on land	12.8	5.9	7.0	6.7	4.8	4.7	2.7	2.7	73.3%
Total expenses	9 568.9	8 701.9	9 693.1	9 522.7	10 740.0	10 246.6	10 747.9	11 317.6	97.6%
Surplus/(Deficit)	275.0	1 313.0	57.0	443.0	(932.0)	(347.0)	(371.0)	(1 418.0)	
Statement of financial position									
Carrying value of assets	2 641.3	2 749.2	3 751.8	2 712.9	3 830.0	2 586.4	2 215.3	3 561.5	93.3%
<i>of which:</i>									
Acquisition of assets	(1 284.1)	(652.3)	(756.8)	(540.5)	(1 750.4)	(487.1)	(217.1)	(1 704.7)	84.4%
Loans	75.2	74.7	56.6	81.0	71.0	80.5	70.5	70.5	112.2%
Accrued investment interest	–	–	–	31.0	41.3	5.5	15.7	15.7	91.6%
Receivables and prepayments	142.1	111.7	155.5	138.7	131.5	143.0	135.7	135.7	93.7%
Cash and cash equivalents	1 509.5	2 901.7	1 684.0	3 415.1	1 228.6	3 370.2	3 174.3	955.7	140.1%
Total assets	4 368.1	5 837.4	5 647.9	6 378.8	5 302.4	6 185.5	5 611.5	4 739.1	110.6%
Accumulated surplus/(deficit)	2 564.4	4 177.2	3 790.2	4 615.3	3 683.6	4 272.5	3 901.5	2 854.2	114.2%
Capital and reserves	77.1	124.5	93.5	190.2	397.6	224.2	411.7	224.5	77.9%
Finance lease	132.6	23.3	7.3	21.6	12.3	13.1	11.8	11.8	42.6%
Deferred income	0.2	0.1	0.6	0.4	–	0.3	–	–	94.6%
Trade and other payables	926.1	841.4	953.5	840.9	591.0	922.3	579.3	847.6	113.2%
Provisions	466.2	670.8	802.9	710.5	617.9	753.0	707.2	800.9	113.2%
Derivatives financial instruments	201.4	–	–	–	–	–	–	–	–
Total equity and liabilities	4 368.1	5 837.4	5 647.9	6 378.8	5 302.4	6 185.5	5 611.5	4 739.1	110.6%

Statements of estimates of financial performance and position

Table 7.31 South African Revenue Service statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R million									
Revenue									
Non-tax revenue		535.6	3.7%	5.3%	469.2	444.2	422.1	-7.6%	4.4%
Sale of goods and services other than capital assets		305.6	-3.5%	3.2%	308.6	311.7	314.8	1.0%	2.9%
<i>of which:</i>									
Administrative fees		305.6	-3.5%	3.2%	308.6	311.7	314.8	1.0%	2.9%
Other non-tax revenue		230.0	17.9%	2.1%	160.6	132.5	107.3	-22.4%	1.5%
Transfers received		9 363.7	-0.6%	94.7%	10 212.2	10 571.2	10 983.1	5.5%	95.6%
Total revenue		9 899.3	-0.4%	100.0%	10 681.4	11 015.4	11 405.2	4.8%	100.0%
Expenses									
Current expenses		11 317.6	9.2%	100.0%	11 870.9	11 711.3	11 976.4	1.9%	117.2%
Compensation of employees		7 285.7	7.6%	66.6%	7 869.0	8 029.0	8 241.4	4.2%	67.0%
Goods and services		3 299.7	12.9%	27.0%	3 214.0	2 998.2	3 163.2	-1.4%	27.1%
Depreciation		729.5	9.0%	6.4%	785.7	682.7	571.1	-7.8%	5.9%
Interest, dividends and rent on land		2.7	-23.1%	0.1%	2.1	1.4	0.6	-39.1%	-
Total expenses		11 317.6	9.2%	100.0%	11 870.9	11 711.3	11 976.4	1.9%	100.0%
Surplus/(Deficit)		(1 418.0)	(2.0)		(1 189.0)	(696.0)	(571.0)	-26.2%	
Statement of financial position									
Carrying value of assets		3 561.5	9.0%	51.6%	3 238.3	2 653.3	2 082.2	-16.4%	86.2%
<i>of which:</i>									
Acquisition of assets		(1 704.7)	37.7%	-15.9%	(462.5)	(97.7)	-	-100.0%	-13.0%
Loans		70.5	-1.9%	1.3%	60.5	50.5	40.5	-16.9%	1.7%
Accrued investment interest		15.7	-	0.2%	16.9	15.6	14.7	-2.1%	0.5%
Receivables and prepayments		135.7	6.7%	2.3%	138.0	140.2	143.5	1.9%	4.4%
Cash and cash equivalents		955.7	-30.9%	44.5%	124.6	117.5	36.7	-66.3%	7.3%
Total assets		4 739.1	-6.7%	100.0%	3 578.2	2 977.1	2 317.6	-21.2%	100.0%
Accumulated surplus/(deficit)		2 854.2	-11.9%	68.3%	1 664.7	968.7	397.6	-48.2%	39.1%
Capital and reserves		224.5	21.7%	3.4%	224.5	224.5	224.5	-	7.1%
Finance lease		11.8	-20.2%	0.3%	5.7	1.6	-	-88.1%	0.1%
Trade and other payables		847.6	0.2%	15.1%	830.4	1 237.0	1 452.7	19.7%	36.3%
Provisions		800.9	6.1%	12.9%	852.9	545.2	242.7	-32.8%	17.4%
Total equity and liabilities		4 739.1	-6.7%	100.0%	3 578.2	2 977.1	2 317.6	-21.2%	100.0%

Personnel information

Table 7.32 South African Revenue Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost		
South African Revenue Service		14 466	14 466	14 233	6 864.7	0.5	14 466	7 285.7	0.5	14 466	7 869.0	0.5	14 291	8 029.0	0.6	14 119	8 241.4	0.6	4.2%	100.0%
Salary level				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
1 – 6	762	762	790	105.1	0.1	762	106.1	0.1	762	114.6	0.2	761	118.8	0.2	759	124.0	0.2	5.3%	5.3%	
7 – 10	9 396	9 396	9 358	3 055.8	0.3	9 396	3 165.3	0.3	9 396	3 418.7	0.4	9 315	3 522.0	0.4	9 235	3 650.5	0.4	4.9%	65.1%	
11 – 12	2 426	2 426	2 369	1 665.9	0.7	2 426	1 734.5	0.7	2 426	1 873.4	0.8	2 396	1 923.0	0.8	2 366	1 985.9	0.8	4.6%	16.8%	
13 – 16	1 830	1 830	1 678	1 899.9	1.1	1 830	2 134.1	1.2	1 830	2 304.9	1.3	1 771	2 311.0	1.3	1 714	2 329.5	1.4	3.0%	12.5%	
17 – 22	52	52	38	138.0	3.6	52	145.7	2.8	52	157.4	3.0	49	154.2	3.1	46	151.5	3.3	1.3%	0.3%	

1. Rand million.

Other entities

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

- The **Accounting Standards Board** develops uniform standards of generally recognised accounting practice for all spheres of government in terms of section 216(1)(a) of the Constitution and the Public Finance Management Act (1999). A further function of the board is to promote transparency in and the effective management of revenue, expenditure, assets and liabilities of the entities to which the standards apply. The board's total budget for 2017/18 is R13.8 million.

- The **Cooperative Banks Development Agency** was established in terms of the Cooperative Banks Act (2007), as amended, with the South African Reserve Bank as the sole supervisor of cooperative banks. The agency is mandated to provide for the registration and supervision of deposit taking financial services cooperatives, and savings and credit cooperatives, collectively referred to as cooperative financial institutions. The agency also facilitates, promotes and funds the education and training of these institutions. Its total budget for 2017/18 is R37.5 million.
- The **Financial and Fiscal Commission** derives its mandate from the Financial and Fiscal Commission Act (1997). The commission's legislative mandate is to advise the relevant legislative authorities on the financial and fiscal requirements for the national, provincial and local spheres of government in terms of section 220 of the Constitution. The commission's total budget for 2017/18 is R50.8 million.
- The **Financial Intelligence Centre** was established by the Financial Intelligence Centre Act (2001) and began operations in 2003. The act mandates the centre to identify the proceeds of unlawful activities, combat money-laundering activities, combat the financing of terrorist and related activities, exchange information with law enforcement and other local and international agencies, supervise and enforce compliance with the act, and facilitate effective supervision and enforcement by supervisory bodies. The organisation's total budget for 2017/18 is R288.6 million.
- The **Financial Services Board** is an independent institution established by statute to oversee the South African non-banking financial services industry in the public interest. The board's legislative mandate is primarily derived from the Financial Services Board Act (1990). Its total budget for 2017/18 is R800.3 million.
- The **Government Pensions Administration Agency** provides pensions administration services to the Government Employees Pension Fund in terms of the Government Employees Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963). The agency's total budget for 2017/18 is R1.1 billion.
- The **Government Technical Advisory Centre** is mandated to assist organs of state in building their capacity for efficient, effective and transparent financial management. Its overarching objectives are to: render consulting services to government departments and other organs of state; provide specialised procurement support for high-impact government initiatives; render advice on the feasibility of infrastructure projects; and provide knowledge management for projects undertaken and any ancillary support. The centre's total budget for 2017/18 is R1.1 billion.
- The **Independent Regulatory Board for Auditors** develops and maintains auditing and ethical standards that are internationally comparable, provides an appropriate framework for the education and training of properly qualified auditors, inspects and reviews the work of registered auditors, and investigates and takes appropriate action against registered auditors who do not comply with standards and are guilty of improper conduct. The board's total budget for 2017/18 is R119.1 million.
- The **Office of the Ombud for Financial Services Providers** is mandated to consider and dispose of complaints against financial services providers, primarily intermediaries selling investment products. The organisation's total budget for 2017/18 is R48.1 million.
- The **Office of the Pension Funds Adjudicator** investigates and determines complaints lodged in terms of the Pension Funds Act (1956). The office ensures a procedurally fair, economical and expeditious resolution of complaints in terms of the act. The office has jurisdiction only over funds that are registered under the Pension Funds Act (1956). The organisation's total budget for 2017/18 is R60.4 million.
- The **Public Investment Corporation** is one of the largest investment managers in Africa, managing assets worth more than R1.7 trillion. The corporation is mandated to invest funds on behalf of its clients, based on the investment mandates as agreed on with each client and approved by the Financial Services Board. The corporation's clients are public-sector entities, most of which are pension, provident, social security, development and guardian funds. The corporation's total budget for 2017/18 is R1.1 billion.
- **South African Airways** is South Africa's national air carrier, which operates a full service network in the international, regional and domestic markets. On 12 December 2014, the president transferred the administration, powers and functions entrusted by the South African Airways Act (2007) and all

amendments thereto from the Minister of Public Enterprises to the Minister of Finance, in terms of section 97 of the Constitution. The airline's total budget for 2017/18 is R41.4 billion.

- The **South African Special Risks Insurance Association** was established in 1979 and was registered in terms of section 21 of the Companies Act (1973). The association is mandated to support the insurance industry by providing cover for special risks such as riots, strikes, political unrest, terrorist attacks, civil commotion, public disorder and labour disturbances. Its total budget for 2017/18 is R1.8 billion.

Additional table: Summary of expenditure on infrastructure

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Neighbourhood development partnership grant	Long term township regeneration planning, catalytic and third party nodal development	Various	9 000.0	585.9	590.4	607.0	624.0	663.4	701.9	741.2
Total			9 000.0	585.9	590.4	607.0	624.0	663.4	701.9	741.2