

Vote 34

Trade and Industry

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	731.8	715.9	0.5	15.4	768.7	804.2
International Trade and Economic Development	119.8	94.0	25.2	0.6	126.9	131.3
Special Economic Zones and Economic Transformation	119.4	86.1	32.2	1.1	120.1	122.3
Industrial Development	1 819.3	122.1	1 696.3	0.8	1 775.8	1 869.2
Consumer and Corporate Regulation	298.6	71.9	226.8	–	320.9	329.2
Incentive Development and Administration	5 746.5	165.4	5 573.5	7.6	6 416.0	5 348.8
Trade and Investment South Africa	388.5	205.8	180.6	2.1	385.5	457.3
Investment South Africa	50.9	50.5	–	0.4	52.0	53.7
Total expenditure estimates	9 274.8	1 511.7	7 735.1	28.0	9 965.9	9 116.0

Executive authority: Minister of Trade and Industry
 Accounting officer: Director General of Trade and Industry
 Website address: www.thedti.gov.za

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

Vote purpose

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

Mandate

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

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

Selected performance indicators

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of quarterly reports on industrial policy action plan tabled at minister's review meetings	Industrial Development	Outcome 4: Decent employment through inclusive growth	4	4	3 ¹	4	4	4	4
Number of designation ² requests submitted for minister's approval per year	Industrial Development		4	4	4	4	2 ³	2 ³	2 ³
Value of projected investment to be leveraged from approved projects per year	Incentive Development and Administration		R 40bn	R 20.4bn	R48.8bn	R20bn	R15bn ⁴	R10bn ⁴	R20bn
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		15 079	12 568	18 541	3 600	3 000	10 000 ⁵	15 000 ⁵

Table 34.1 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
Number of jobs retained from approved enterprises per year	Incentive Development and Administration	Outcome 4: Decent employment through inclusive growth	106 539	33 551	52 466	3 600	20 000 ⁵	20 000 ⁵	25 000 ⁵
Number of strategic infrastructure projects approved for special economic zones/industrial parks per year ⁶	Incentive Development and Administration		8	29	9	15	10	15	12
Value of projected export revenue from approved projects per year ⁷	Incentive Development and Administration		R541m	R16.3bn	R5.7bn	R800m	R1.5bn	R2bn	R3bn

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

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

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

4. Decrease in 2017/18 and 2018/19 due to discontinuation of section 12I tax incentive scheme from 2017/18. The scheme supports new industrial projects that use only new and unused manufacturing assets, or upgrades to existing industrial projects.

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

6. Fluctuations due to the special economic zones investor pipeline and phase 2 of the revitalisation of industrial parks.

7. Fluctuations due to the business processing services pipeline and current commitments.

Expenditure analysis

The department works to promote industrialisation and transformation, and respond to unemployment, poverty and inequality. The strategic direction of this work is derived from the National Development Plan, and is underpinned by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa and contribute to a better Africa and a better world) of government's 2014-2019 medium-term strategic framework. Through the implementation of its higher-impact industrial policy action plan, the department will focus over the medium term on providing industrial financing, strengthening export capabilities, and developing industrial infrastructure.

The department's baseline allocations for compensation of employees, goods and services, and payment of capital assets have been reduced by R48.7 million over the medium term following Cabinet's decision to lower the national aggregate expenditure ceiling. Of this amount, R10 million in 2017/18, R10.5 million in 2018/19 and R11.1 million in 2019/20 are to be cut from spending on compensation of employees. To accommodate these cuts, the department plans to reduce headcount over the MTEF period and optimise the organisational structure to ensure efficient service delivery with fewer resources.

Providing industrial financing

The department's incentive programmes to stimulate and facilitate the development of sustainable, competitive enterprises are allocated R12.7 billion over the medium term, or 45 per cent of the department's total budget, in the *Incentive Development and Administration* programme. However, expenditure in the programme is set to decrease by 8.1 per cent in the medium term due to the economic competitiveness and support package being under review. Spending on incentives will increase manufacturing competitiveness, broaden the participation of black industrialists in the mainstream economy, and support the services industry in increasing investment from qualifying private-sector partners.

The department's largest incentive programme is for manufacturing. The incentive provides manufacturing companies with financial support to upgrade facilities, processes and products, and upskill workers. The programme has a budget of R9.6 billion over the medium term, including an additional R1.3 billion in 2018/19 to contribute to leveraging the estimated private-sector investment of R45 billion for sector-specific instruments in agro-processing, metals fabrication and generic manufacturing support. An estimated 200 000 jobs have been created and sustained since the start of the programme. The department expects to provide the financial support to be provided to 1 450 companies over the medium term that will assist in creating additional jobs.

The implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) is one of the department's key considerations in promoting empowerment and equity in the economy. The department will work to strengthen measures for broad-based black economic empowerment (BEE), such as establishing a BEE commission over the medium term to monitor compliance with the act. An amount of R60 million over the medium term has been allocated to this in the *Special Economic Zones and Economic Transformation* programme.

Strengthening export capabilities

The department plans over the medium term to develop and implement products for target markets, in collaboration with stakeholders such as export councils, trade and investment provincial agencies, and other national and provincial government departments in the export value chain. It aims to provide financial assistance to 3 290 companies in the medium term to strengthen their export capabilities, including facilitating their participation at national pavilions, trade missions, and trade and investment initiatives. In providing this assistance, the department plans to balance supporting large, leading and dynamic companies with maintaining support provided to emerging exporters, small, medium and micro enterprises (SMMEs), and black industrialists. Spending on financial assistance is projected to be R680.7 million over the medium term in the *Incentive Development and Administration* programme.

Developing industrial infrastructure

The department's spending on infrastructure aims to promote industrialisation across the country. Spending on industrial infrastructure projects over the medium term is estimated at R4.3 billion, funded through the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. The funding should allow for the revitalisation of government-owned industrial parks, investment in critical infrastructure projects, and the development of infrastructure in special economic zones.

The department will contribute towards the spatial transformation of the economy through planning, developing and managing special economic zones within the legal framework of the Special Economic Zones Act (2014). The special economic zones programme attracts foreign and domestic direct investment in designated zones and regions to build strategic industrial capabilities that promote industrial development, investment, competitiveness and employment creation. At least one new zone will be designated in 2017/18 and the zones collectively are expected to increase value-added exports throughout the country over the medium term. To attract foreign and direct investment, the department plans to provide a one-stop shop and aftercare support for investors over the medium term to facilitate doing business in South Africa. These activities are funded in the *Investment South Africa* programme, which is allocated R156.5 million over the medium term.

The critical infrastructure programme aims to contribute to attracting an estimated R45 billion in investment over the medium term by supporting the development of critical infrastructure such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence. By lowering the cost of doing business, the programme aims to stimulate investment growth in line with the national industrial policy framework and industrial policy action plan. Over the medium term, 32 strategic infrastructure projects are expected to be approved for bulk infrastructure for industrial parks and R643.5 million has been allocated towards the critical infrastructure programme for this.

The department will continue to expand economic opportunities in underdeveloped and marginalised regions. The revitalisation of state-owned industrial parks across the country is an important part of this approach, and is expected to promote industrialisation and increase the parks' contributions to job creation and economic growth. Parks will be revitalised in all provinces, but with a focus on marginalised regions in Eastern Cape, North West and Mpumalanga. As per the industrial policy action plan, the department will focus on key prioritised areas such as plastics, chemicals, cosmetics and pharmaceuticals, agro-processing, green and energy-savings industries, and boatbuilding. These activities are funded by an allocation of R80 million over the medium term in the cluster development programme in the *Incentive Development and Administration* programme.

Expenditure trends

Table 34.2 Vote expenditure trends by programme and economic classification

Programmes																				
1. Administration 2. International Trade and Economic Development 3. Special Economic Zones and Economic Transformation 4. Industrial Development 5. Consumer and Corporate Regulation 6. Incentive Development and Administration 7. Trade and Investment South Africa 8. Investment South Africa																				
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17							
Programme 1	690.1	725.9	686.9	695.6	750.8	699.9	689.7	768.3	727.6	736.6	777.1	777.1	102.8%	95.7%						
Programme 2	138.6	141.6	121.0	147.2	124.7	124.1	164.8	116.6	113.6	126.4	118.7	118.7	82.7%	95.2%						
Programme 3	968.3	1 010.3	231.2	307.2	243.3	235.1	263.2	89.7	92.5	108.3	121.9	121.9	41.3%	46.5%						
Programme 4	1 617.1	1 616.2	1 591.2	1 792.5	1 786.0	1 775.2	1 973.5	1 964.3	1 953.6	1 735.7	1 727.0	1 727.0	99.0%	99.3%						
Programme 5	256.2	256.2	256.7	277.3	285.6	281.1	294.5	296.4	287.4	313.5	294.3	294.3	98.1%	98.9%						
Programme 6	5 543.1	5 443.1	5 101.9	5 120.3	5 264.6	5 176.7	5 795.6	5 827.6	5 795.8	6 922.4	6 891.7	6 891.7	98.2%	98.0%						
Programme 7	329.7	284.4	306.6	309.1	323.5	329.6	364.1	386.8	462.9	336.5	410.9	410.9	112.7%	107.4%						
Programme 8	29.5	37.8	32.4	37.9	39.9	38.0	48.3	48.3	38.3	48.1	47.8	47.8	95.5%	90.0%						
Total	9 572.6	9 515.6	8 327.9	8 687.0	8 818.4	8 659.8	9 593.7	9 497.8	9 471.7	10 327.5	10 389.5	10 389.5	96.5%	96.4%						
Change to 2016 Budget estimate											62.0									
Economic classification																				
Current payments	1 493.3	1 527.7	1 392.5	1 441.0	1 544.4	1 442.6	1 475.7	1 561.0	1 485.7	1 529.0	1 582.2	1 582.2	99.4%	95.0%						
Compensation of employees	854.2	818.3	734.0	848.0	857.4	815.3	897.7	897.7	874.2	930.3	930.3	930.3	95.0%	95.7%						
Goods and services	639.1	709.4	658.5	593.0	687.0	627.3	577.9	663.3	611.5	598.7	651.9	651.9	105.8%	94.0%						
Transfers and subsidies	8 059.3	7 950.0	6 916.7	7 222.3	7 240.9	7 192.5	8 083.9	7 901.2	7 936.5	8 765.3	8 774.0	8 774.0	95.9%	96.7%						
Departmental agencies and accounts	1 234.7	1 285.7	639.9	724.3	732.8	731.8	761.5	591.9	591.9	601.4	856.0	856.0	-	-						
Higher education institutions	12.8	12.8	-	15.8	0.0	-	12.5	0.0	-	-	-	-	-	-						
Foreign governments and international organisations	39.7	34.5	38.2	34.6	31.7	26.6	31.7	31.7	34.8	33.6	32.6	32.6	94.6%	101.3%						
Public corporations and private enterprises	6 751.2	6 586.4	6 139.4	6 325.5	6 349.9	6 295.2	7 131.6	7 128.6	7 156.2	7 970.2	7 720.4	7 720.4	96.9%	98.3%						
Non-profit institutions	18.9	27.9	94.8	120.4	124.0	134.0	144.1	146.6	148.9	158.1	163.1	163.1	122.5%	117.1%						
Households	1.9	2.6	4.3	1.8	2.5	5.0	2.5	2.4	4.8	2.1	1.9	1.9	196.4%	170.0%						
Payments for capital assets	20.0	37.9	17.6	23.7	33.2	19.9	34.2	35.7	37.4	33.2	33.3	33.3	97.5%	77.3%						
Machinery and equipment	10.9	13.5	11.0	12.0	21.2	19.4	24.1	30.7	33.0	20.6	25.4	25.4	131.6%	97.8%						
Software and other intangible assets	9.2	24.3	6.6	11.7	11.9	0.5	10.1	5.0	4.4	12.6	7.9	7.9	44.6%	39.5%						
Payments for financial assets	-	0.0	1.2	-	0.0	4.7	-	-	12.1	-	-	-	-	598 866.7%						
Total	9 572.6	9 515.6	8 327.9	8 687.0	8 818.4	8 659.8	9 593.7	9 497.8	9 471.7	10 327.5	10 389.5	10 389.5	96.5%	96.4%						

Expenditure estimates

Table 34.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration 2. International Trade and Economic Development 3. Special Economic Zones and Economic Transformation 4. Industrial Development 5. Consumer and Corporate Regulation 6. Incentive Development and Administration 7. Trade and Investment South Africa 8. Investment South Africa									
Programme	Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Programme 1	777.1	2.3%	7.8%	731.8	768.7	804.2	1.2%	8.0%	
Programme 2	118.7	-5.7%	1.3%	119.8	126.9	131.3	3.4%	1.3%	
Programme 3	121.9	-50.6%	1.8%	119.4	120.1	122.3	0.1%	1.2%	
Programme 4	1 727.0	2.2%	19.1%	1 819.3	1 775.8	1 869.2	2.7%	18.6%	
Programme 5	294.3	4.7%	3.0%	298.6	320.9	329.2	3.8%	3.2%	
Programme 6	6 891.7	8.2%	62.3%	5 746.5	6 416.0	5 348.8	-8.1%	63.0%	
Programme 7	410.9	13.1%	4.1%	388.5	385.5	457.3	3.6%	4.2%	
Programme 8	47.8	8.1%	0.4%	50.9	52.0	53.7	3.9%	0.5%	
Total	10 389.5	3.0%	100.0%	9 274.8	9 965.9	9 116.0	-4.3%	100.0%	
Change to 2016 Budget estimate				(15.7)	1 334.5	(17.5)			

Table 34.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
R million								
Current payments	1 582.2	1.2%	16.0%	1 511.7	1 560.5	1 659.8	1.6%	16.3%
Compensation of employees	930.3	4.4%	9.1%	902.4	927.8	998.6	2.4%	9.7%
Goods and services	651.9	-2.8%	6.9%	609.3	632.7	661.2	0.5%	6.6%
Transfers and subsidies	8 774.0	3.3%	83.6%	7 735.1	8 377.5	7 420.4	-5.4%	83.4%
Departmental agencies and accounts	856.0	-12.7%	7.7%	747.6	668.6	704.9	-6.3%	7.7%
Foreign governments and international organisations	32.6	-1.9%	0.4%	36.3	38.4	40.6	7.6%	0.4%
Public corporations and private enterprises	7 720.4	5.4%	74.1%	6 789.0	7 519.0	6 514.5	-5.5%	73.7%
Non-profit institutions	163.1	80.2%	1.5%	160.8	150.1	159.0	-0.9%	1.6%
Households	1.9	-9.6%	0.0%	1.3	1.4	1.5	-8.5%	0.0%
Payments for capital assets	33.3	-4.2%	0.3%	28.0	27.9	35.8	2.4%	0.3%
Machinery and equipment	25.4	23.4%	0.2%	19.9	20.2	21.3	-5.7%	0.2%
Software and other intangible assets	7.9	-31.4%	0.1%	8.1	7.7	14.5	22.5%	0.1%
Total	10 389.5	3.0%	100.0%	9 274.8	9 965.9	9 116.0	-4.3%	100.0%

Goods and services expenditure trends and estimates

Table 34.4 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	5 243	3 625	3 318	3 994	-8.7%	0.6%	4 177	5 041	5 575	11.8%	0.7%
Advertising	41 374	29 644	23 752	19 770	-21.8%	4.5%	31 144	32 413	34 119	19.9%	4.6%
Minor assets	272	1 859	1 093	613	31.1%	0.2%	487	507	550	-3.6%	0.1%
Audit costs: External	8 123	8 857	8 778	11 727	13.0%	1.5%	10 090	10 595	11 131	-1.7%	1.7%
Bursaries: Employees	1 392	995	1 592	1 929	11.5%	0.2%	3 352	3 570	3 789	25.2%	0.5%
Catering: Departmental activities	5 618	1 815	1 883	2 555	-23.1%	0.5%	4 716	5 313	5 701	30.7%	0.7%
Communication	10 561	10 575	12 799	11 100	1.7%	1.8%	12 275	13 122	13 793	7.5%	2.0%
Computer services	18 318	17 107	25 801	45 658	35.6%	4.2%	25 645	24 467	24 983	-18.2%	4.7%
Consultants: Business and advisory services	38 294	82 654	28 352	40 637	2.0%	7.5%	59 572	62 706	61 670	14.9%	8.8%
Infrastructure and planning services	-	281	-	-	-	-	-	-	-	-	-
Legal services	10 536	22 474	21 070	21 604	27.0%	3.0%	10 979	11 042	11 659	-18.6%	2.2%
Contractors	19 221	14 468	16 914	13 101	-12.0%	2.5%	16 522	17 225	18 137	11.5%	2.5%
Agency and support/outourced services	762	1 606	1 579	2 128	40.8%	0.2%	2 608	2 670	2 813	9.7%	0.4%
Entertainment	1 917	1 570	1 323	1 103	-16.8%	0.2%	1 272	1 321	1 346	6.9%	0.2%
Fleet services (including government motor transport)	545	549	873	800	13.6%	0.1%	1 114	1 155	1 217	15.0%	0.2%
Consumable supplies	1 713	1 380	1 462	1 112	-13.4%	0.2%	5 992	6 549	6 885	83.6%	0.8%
Consumables: Stationery, printing and office supplies	11 664	8 146	16 280	14 304	7.0%	2.0%	10 117	12 238	11 619	-6.7%	1.9%
Operating leases	276 979	279 077	281 191	300 942	2.8%	44.6%	230 846	236 378	249 222	-6.1%	39.8%
Rental and hiring	171	134	199	1 454	104.1%	0.1%	208	189	206	-47.9%	0.1%
Property payments	8 055	7 983	12 283	12 342	15.3%	1.6%	9 475	10 175	10 728	-4.6%	1.7%
Transport provided: Departmental activity	-	-	-	22	-	-	5	5	-	-100.0%	-
Travel and subsistence	110 709	84 301	95 984	89 846	-6.7%	14.9%	108 548	111 546	117 162	9.3%	16.7%
Training and development	9 164	7 184	8 155	10 313	4.0%	1.4%	10 153	11 472	12 723	7.3%	1.7%
Operating payments	33 048	23 973	28 223	21 640	-13.2%	4.2%	27 500	30 069	31 854	13.8%	4.3%
Venues and facilities	44 798	17 045	18 573	23 197	-19.7%	4.1%	22 483	22 912	24 336	1.6%	3.6%
Total	658 477	627 302	611 477	651 891	-0.3%	100.0%	609 280	632 680	661 218	0.5%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 34.5 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 (%) 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		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	579 895	620 758	437 280	693 241	6.1%	7.6%	601 243	545 510	574 936	-6.0%	7.5%
Independent Regulatory Board for Auditors	–	1 800	500	–	–	–	–	–	–	–	–
Public Service Sector Education and Training Authority	–	1 711	–	–	–	–	–	–	–	–	–
Council for Geoscience	835	–	1 077	1 131	10.6%	–	1 188	1 257	1 327	5.5%	–
National Research Foundation: Technology and human resources for industry programme	160 634	165 572	–	–	-100.0%	1.1%	–	–	–	–	–
National Productivity Institute	13 651	9 170	8 094	8 523	-14.5%	0.1%	8 949	9 468	9 998	5.5%	0.1%
Broad-Based Black Economic Empowerment Commission	–	–	–	–	–	–	20 000	20 000	20 000	–	0.2%
South African National Accreditation System	33 473	35 712	26 025	22 208	-12.8%	0.4%	30 313	31 828	33 610	14.8%	0.4%
National Metrology Institute of South Africa: Operations	85 942	91 564	96 296	101 400	5.7%	1.2%	106 470	112 645	118 953	5.5%	1.4%
National Regulator for Compulsory Specifications	103 000	109 734	91 732	86 418	-5.7%	1.3%	128 745	135 683	143 281	18.4%	1.5%
National Credit Regulator	63 691	68 845	66 727	69 577	3.0%	0.9%	73 056	77 293	81 621	5.5%	0.9%
National Gambling Board	27 717	29 797	31 983	30 121	2.8%	0.4%	31 627	33 461	35 335	5.5%	0.4%
National Consumer Tribunal	36 099	40 164	46 029	46 151	8.5%	0.5%	48 459	51 270	54 141	5.5%	0.6%
National Consumer Commission	44 516	53 376	54 596	56 643	8.4%	0.7%	52 614	55 865	58 993	1.4%	0.7%
Companies Tribunal	10 337	13 313	14 221	15 069	13.4%	0.2%	15 822	16 740	17 677	5.5%	0.2%
National Research Foundation	–	–	–	256 000	–	0.8%	84 000	–	–	-100.0%	1.1%
Capital	60 000	111 000	154 599	162 793	39.5%	1.6%	146 333	123 086	129 979	-7.2%	1.7%
National Metrology Institute of South Africa	60 000	111 000	154 599	162 793	39.5%	1.6%	146 333	123 086	129 979	-7.2%	1.7%
Foreign governments and international organisations											
Current	38 214	26 598	34 774	32 571	-5.2%	0.4%	36 321	38 426	40 577	7.6%	0.5%
Organisation for the Prohibition of Chemical Weapons	3 642	–	4 278	4 626	8.3%	–	5 172	5 472	5 778	7.7%	0.1%
World Trade Organisation	13 228	17 172	17 267	14 501	3.1%	0.2%	14 500	15 341	16 200	3.8%	0.2%
United Nations Industrial Development Organisation	5 853	5 071	6 405	6 459	3.3%	0.1%	6 767	7 159	7 560	5.4%	0.1%
Treaty Organisations for Metrology	1 477	–	1 537	2 058	11.7%	–	1 798	1 902	2 009	-0.8%	–
World Intellectual Property Organisation	4 214	4 355	5 287	4 927	5.3%	0.1%	5 173	5 473	5 779	5.5%	0.1%
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	4 900	–	–	–	-100.0%	–	1 456	1 540	1 626	–	–
Export consultancy trust funds: International Finance Corporation	4 900	–	–	–	-100.0%	–	1 455	1 539	1 625	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 129 466	1 301 471	1 492 874	1 225 356	2.8%	16.7%	1 280 038	1 261 694	1 332 405	2.8%	15.8%
Industrial Development Corporation: Research into industrial development, growth and equity	650	1 983	–	–	-100.0%	–	–	–	–	–	–
Development Bank of Southern Africa: Regional Spatial development initiatives	9 303	20 689	–	–	-100.0%	0.1%	–	–	–	–	–
Protechnik Laboratories: Operations	2 832	2 684	2 797	2 945	1.3%	–	3 093	3 272	3 455	5.5%	–
Council for Scientific and Industrial Research	1 500	1 501	1 572	1 655	3.3%	–	1 738	1 839	1 942	5.5%	–
Industrial Development Corporation of South Africa	822 791	878 244	1 000 937	758 266	-2.7%	11.2%	723 440	697 478	736 537	-1.0%	9.0%
Council for Scientific and Industrial Research: National Cleaner Production Centre	–	51 679	55 000	58 870	–	0.5%	62 951	63 008	66 592	4.2%	0.8%
South African Bureau of Standards	204 967	220 078	216 215	212 365	1.2%	2.8%	285 494	280 693	296 412	11.8%	3.3%
Council for Scientific and Industrial Research: National Foundry Technology Network	14 130	14 243	16 384	19 689	11.7%	0.2%	25 678	27 457	28 995	13.8%	0.3%
Export Credit Insurance Corporation	73 293	110 370	199 969	171 566	32.8%	1.8%	177 644	187 947	198 472	5.0%	2.3%
Capital	954 154	633 472	758 292	1 429 000	14.4%	12.2%	715 721	1 412 767	1 580 266	3.4%	15.9%
Protechnik Laboratories: Capital	1 855	1 118	1 158	1 219	-13.1%	–	1 280	1 354	1 430	5.5%	–
Council for Scientific and Industrial Research: Aerospace industry	21 226	22 500	21 534	17 781	-5.7%	0.3%	19 020	20 413	21 556	6.6%	0.2%
South African Bureau of Standards: Upgrading of vehicle testing facility	43 678	–	–	–	-100.0%	0.1%	–	–	–	–	–
South African Bureau of Standards	–	1 611	–	–	–	–	–	–	–	–	–
Coega Development Corporation	308 195	–	–	–	-100.0%	1.0%	–	–	–	–	–
Various institutions: Special economic zones	449 200	608 243	735 600	1 310 000	42.9%	10.1%	605 421	1 300 000	1 457 280	3.6%	14.5%
Various institutions: Critical infrastructure programme	–	–	–	100 000	–	0.3%	90 000	91 000	100 000	–	1.2%
East London industrial development zone	100 000	–	–	–	-100.0%	0.3%	–	–	–	–	–
Richards Bay industrial development zone	30 000	–	–	–	-100.0%	0.1%	–	–	–	–	–

Table 34.5 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		
Public corporations and private enterprises											
Subsidies on products and production											
Current	3 515 298	3 949 444	4 526 712	4 590 716	9.3%	53.8%	4 397 350	4 429 071	3 167 019	-11.6%	51.3%
Various institutions: Services sector development incentives	555 000	715 000	789 663	600 000	2.6%	8.6%	692 500	732 069	704 425	5.5%	8.4%
Various institutions: Manufacturing development incentives	2 960 298	3 134 849	3 607 049	3 890 716	9.5%	44.1%	3 564 850	3 617 002	2 462 594	-14.1%	41.9%
Various institutions: Industrial development zones (other)	-	99 595	130 000	100 000	-	1.1%	140 000	80 000	-	-100.0%	1.0%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	400 550	329 520	304 075	285 314	-10.7%	4.3%	276 437	295 370	311 911	3.0%	3.6%
Broadening participation development incentives	72 872	-	-	-	-100.0%	0.2%	-	-	-	-	-
Various Institutions: Support programme for industrial innovation	53 860	-	22 827	60 892	4.2%	0.4%	63 937	67 645	71 433	5.5%	0.8%
Various institutions: Export market and investment assistance	273 818	329 520	281 248	224 422	-6.4%	3.6%	212 500	227 725	240 478	2.3%	2.8%
Capital	139 968	81 269	74 203	190 000	10.7%	1.6%	119 500	120 071	122 891	-13.5%	1.7%
Various institutions: Critical infrastructure programme	139 968	81 269	74 203	190 000	10.7%	1.6%	119 500	120 071	122 891	-13.5%	1.7%
Non-profit institutions											
Current	94 784	134 018	148 850	163 107	19.8%	1.8%	160 814	150 092	158 963	-0.9%	2.0%
Black Business Council	-	5 000	1 000	1 000	-	-	1 500	1 500	1 500	14.5%	-
Intsimbi national tooling initiative	54 434	67 700	70 353	74 082	10.8%	0.9%	75 786	82 298	86 907	5.5%	1.0%
Automotive supply chain competitiveness initiative	-	-	14 000	15 000	-	0.1%	13 127	7 984	8 813	-16.2%	0.1%
Trade and industrial policy strategies	6 000	14 570	20 772	22 712	55.8%	0.2%	21 423	12 086	12 763	-17.5%	0.2%
Centurion Aerospace Village	15 800	16 748	17 517	18 445	5.3%	0.2%	19 367	15 490	16 357	-3.9%	0.2%
Proudly South African campaign	18 550	30 000	25 208	31 868	19.8%	0.3%	29 611	30 734	32 623	0.8%	0.4%
Households											
Social benefits											
Current	1 409	2 157	2 837	1 063	-9.0%	-	800	846	893	-5.6%	-
Employee social benefits	1 402	2 157	2 837	1 063	-7.1%	-	800	846	893	-5.6%	-
Gifts and donations	7	-	-	-	-100.0%	-	-	-	-	-	-
Households											
Other transfers to households											
Current	2 932	2 796	1 992	851	-33.8%	-	539	536	575	-12.3%	-
Bursaries for non-employees	2 522	2 656	1 669	551	-39.8%	-	539	536	575	1.4%	-
Gifts and donations	410	140	188	300	-9.9%	-	-	-	-	-100.0%	-
Other transfers to households	-	-	135	-	-	-	-	-	-	-	-
Total	6 916 670	7 192 503	7 936 488	8 774 012	8.3%	100.0%	7 735 096	8 377 469	7 420 415	-5.4%	100.0%

Personnel information

Table 34.6 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number of posts estimated for 31 March 2017												Number						
Number of funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled / planned for on funded establishment										Average growth rate (%) 2016/17 - 2019/20	Average: Salary level/Total (%) 2016/17 - 2019/20							
		Actual			Revised estimate			Medium-term expenditure estimate												
		2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19				2019/20						
Trade and Industry		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Salary level		1 361	98	1 482	874.2	0.6	1 416	930.3	0.7	1 379	902.4	0.7	1 341	927.8	0.7	1 307	998.6	0.8	-2.6%	100.0%
1 - 6		169	59	189	38.0	0.2	182	35.9	0.2	179	37.3	0.2	175	39.0	0.2	173	41.2	0.2	-1.7%	13.0%
7 - 10		624	21	645	251.8	0.4	613	287.6	0.5	595	287.1	0.5	578	298.4	0.5	564	310.4	0.6	-2.7%	43.2%
11 - 12		316	11	333	266.1	0.8	321	259.7	0.8	312	262.7	0.8	303	271.0	0.9	295	284.7	1.0	-2.8%	22.6%
13 - 16		250	7	247	258.5	1.0	232	309.0	1.3	225	258.8	1.2	217	297.1	1.4	207	297.7	1.4	-3.7%	16.2%
Other		2	-	68	59.8	0.9	68	38.1	0.6	68	56.5	0.8	68	22.3	0.3	68	64.6	0.9	-	5.0%
Programme		1 361	98	1 482	874.2	0.6	1 416	930.3	0.7	1 379	902.4	0.7	1 341	927.8	0.7	1 307	998.6	0.8	-2.6%	100.0%
Programme 1		499	33	517	264.7	0.5	500	289.7	0.6	493	278.6	0.6	485	298.2	0.6	477	311.2	0.7	-1.6%	35.9%
Programme 2		105	2	110	68.9	0.6	104	77.4	0.7	100	75.3	0.8	97	79.8	0.8	95	81.0	0.9	-3.0%	7.3%
Programme 3		87	11	86	54.8	0.6	80	73.6	0.9	76	71.0	0.9	73	71.9	1.0	70	71.4	1.0	-4.4%	5.5%
Programme 4		147	5	158	99.6	0.6	148	105.2	0.7	144	106.5	0.7	140	108.0	0.8	134	105.8	0.8	-3.3%	10.4%
Programme 5		88	3	92	54.5	0.6	85	62.8	0.7	80	53.8	0.7	76	61.6	0.8	73	55.4	0.8	-4.9%	5.8%
Programme 6		222	15	225	126.5	0.6	217	131.0	0.6	212	126.6	0.6	207	131.6	0.6	203	138.0	0.7	-2.2%	15.4%
Programme 7		167	26	245	177.8	0.7	236	159.6	0.7	229	157.5	0.7	221	143.4	0.6	215	201.6	0.9	-3.1%	16.6%
Programme 8		46	3	49	27.4	0.6	46	31.0	0.7	45	33.2	0.7	42	33.4	0.8	40	34.1	0.9	-4.6%	3.2%

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

² Rand million.

Departmental receipts

Table 34.7 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												
Departmental receipts	71 741	82 551	61 979	82 155	65 457	-3.0%	100.0%	69 000	73 000	77 000	5.6%	100.0%
Tax receipts	4 228	2 925	2 985	4 000	900	-40.3%	3.9%	5 200	5 400	5 500	82.8%	6.0%
Sales of goods and services produced by department	482	524	535	616	500	1.2%	0.7%	616	669	721	13.0%	0.9%
Sales by market establishments	263	270	259	280	250	-1.7%	0.4%	300	320	350	11.9%	0.4%
of which:												
Rental of parking	263	270	259	280	250	-1.7%	0.4%	300	320	350	11.9%	0.4%
Administrative fees	-	-	-	1	-	-	-	1	1	1	-	-
of which:												
Request information in terms of the Promotion of Access to Information Act (2000)	-	-	-	1	-	-	-	1	1	1	-	-
Other sales	219	254	276	335	250	4.5%	0.4%	315	348	370	14.0%	0.5%
of which:												
Commission on hand	159	183	181	320	180	4.2%	0.2%	250	280	300	18.6%	0.4%
Academic services	60	71	95	15	70	5.3%	0.1%	65	68	70	-	0.1%
Sales of scrap, waste, arms and other used current goods	-	-	3	5	3	-	-	1	1	1	-30.7%	-
of which:												
Waste paper: Recycling of paper	-	-	3	-	-	-	-	1	1	1	-	-
Cellphones: Old pool phones	-	-	-	5	3	-	-	-	-	-	-100.0%	-
Transfers received	-	-	-	244	244	-	0.1%	-	-	-	-100.0%	0.1%
Fines, penalties and forfeits	20 420	97	28	400	40	-87.5%	7.3%	220	225	280	91.3%	0.3%
Interest, dividends and rent on land	95	1 348	3 561	3 570	3 570	235.0%	3.0%	550	650	700	-41.9%	1.9%
Interest	95	1 348	3 561	3 570	3 570	235.0%	3.0%	550	650	700	-41.9%	1.9%
Sales of capital assets	38	223	360	300	300	99.1%	0.3%	300	350	400	10.1%	0.5%
Transactions in financial assets and liabilities	46 478	77 434	54 507	73 020	59 900	8.8%	84.6%	62 113	65 705	69 398	5.0%	90.4%
Total	71 741	82 551	61 979	82 155	65 457	-3.0%	100.0%	69 000	73 000	77 000	5.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 34.8 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	27.3	27.6	32.1	32.5	6.0%	4.1%	31.6	37.7	40.8	7.8%	4.6%
Office of the Director General	69.7	96.3	93.6	107.0	15.4%	12.7%	119.8	121.5	129.6	6.6%	15.5%
Corporate Services	425.9	444.8	478.6	489.1	4.7%	63.6%	415.1	433.2	457.3	-2.2%	58.2%
Office Accommodation	-	-	2.4	2.9	-	0.2%	2.5	2.2	2.4	-6.4%	0.3%
Financial Management	46.4	57.5	51.4	73.1	16.4%	7.9%	69.5	73.3	72.7	-0.2%	9.4%
Media and Public Relations	7.8	6.9	10.2	10.4	10.1%	1.2%	19.1	21.0	22.2	28.9%	2.4%
Marketing Communication and Stakeholder Relations	109.8	66.7	59.2	62.1	-17.3%	10.3%	74.3	79.7	79.4	8.5%	9.6%
Total	686.9	699.9	727.6	777.1	4.2%	100.0%	731.8	768.7	804.2	1.2%	100.0%
Change to 2016 Budget estimate				40.5			(24.6)	(20.2)	(28.8)		
Economic classification											
Current payments	676.4	674.5	697.5	758.7	3.9%	97.1%	715.9	752.4	787.1	1.2%	97.8%
Compensation of employees	226.1	257.4	264.7	289.7	8.6%	35.9%	278.6	298.2	311.2	2.4%	38.2%
Goods and services ¹	450.3	417.1	432.7	469.0	1.4%	61.2%	437.3	454.2	475.9	0.5%	59.6%
of which:											
Advertising	37.3	27.3	20.9	18.8	-20.5%	3.6%	28.8	30.4	32.0	19.5%	3.6%
Computer services	17.2	16.3	24.7	40.8	33.4%	3.4%	24.9	23.7	24.2	-16.1%	3.7%

Table 34.8 Administration expenditure trends and estimates by subprogramme and economic classification

R million	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	2016/17	2017/18	2018/19	2019/20		
Consultants: Business and advisory services	10.7	11.6	9.8	13.8	9.0%	1.6%	28.8	29.8	30.5	30.3%	3.3%
Operating leases	252.6	258.0	256.0	274.3	2.8%	36.0%	222.4	227.9	240.6	-4.3%	31.3%
Travel and subsistence	23.4	17.7	20.8	22.0	-2.0%	2.9%	32.1	34.1	36.1	18.0%	4.0%
Operating payments	11.9	12.4	9.7	6.3	-19.2%	1.4%	14.4	15.8	16.6	38.3%	1.7%
Transfers and subsidies¹	3.9	6.9	2.6	0.8	-41.2%	0.5%	0.5	0.5	0.6	-9.9%	0.1%
Departmental agencies and accounts	-	1.7	-	-	-	0.1%	-	-	-	-	-
Public corporations and private enterprises	0.7	2.0	-	-	-100.0%	0.1%	-	-	-	-	-
Households	3.2	3.2	2.6	0.8	-37.4%	0.3%	0.5	0.5	0.6	-9.9%	0.1%
Payments for capital assets	6.2	15.0	27.5	17.6	41.8%	2.3%	15.4	15.8	16.6	-1.9%	2.1%
Machinery and equipment	5.3	14.6	25.7	15.2	42.6%	2.1%	12.8	13.2	13.9	-3.1%	1.8%
Software and other intangible assets	0.9	0.3	1.8	2.4	37.3%	0.2%	2.6	2.6	2.7	4.9%	0.3%
Payments for financial assets	0.5	3.6	-	-	-100.0%	0.1%	-	-	-	-	-
Total	686.9	699.9	727.6	777.1	4.2%	100.0%	731.8	768.7	804.2	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	8.2%	8.1%	7.7%	7.5%	-	-	7.9%	7.7%	8.8%	-	-
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	2.4	2.7	1.7	0.6	-39.0%	0.3%	0.5	0.5	0.6	1.4%	0.1%
Bursaries for non-employees	2.4	2.7	1.7	0.6	-39.0%	0.3%	0.5	0.5	0.6	1.4%	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	0.7	2.0	-	-	-100.0%	0.1%	-	-	-	-	-
Industrial Development Corporation: Research into industrial development, growth and equity	0.7	2.0	-	-	-100.0%	0.1%	-	-	-	-	-

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 2: International Trade and Economic Development

Programme purpose

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

Objective

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

Subprogrammes

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

Expenditure trends and estimates

Table 34.9 International Trade and Economic Development 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		2013/14 - 2016/17	Average Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/ Total (%)
R million											
International Trade Development	94.9	89.9	98.6	101.0	2.1%	80.5%	102.2	107.8	110.9	3.2%	84.9%
African Multilateral Economic Development	26.1	34.2	15.0	17.7	-12.1%	19.5%	17.6	19.1	20.4	4.8%	15.1%
Total	121.0	124.1	113.6	118.7	-0.6%	100.0%	119.8	126.9	131.3	3.4%	100.0%
Change to 2016 Budget estimate				(7.7)			(3.5)	(1.0)	(3.7)		
Economic classification											
Current payments	88.7	81.7	86.1	93.6	1.8%	73.3%	94.0	99.4	102.1	2.9%	78.3%
Compensation of employees	64.5	67.3	68.9	77.4	6.3%	58.3%	75.3	79.8	81.0	1.5%	63.1%
Goods and services ¹	24.2	14.4	17.2	16.2	-12.5%	15.1%	18.7	19.6	21.1	9.2%	15.2%
of which:											
Communication	1.0	0.7	0.7	0.4	-24.3%	0.6%	0.7	0.7	0.8	23.2%	0.5%
Consultants: Business and advisory services	1.4	0.4	0.2	0.3	-38.8%	0.5%	0.3	0.2	0.3	-6.0%	0.2%
Legal services	1.0	0.4	0.2	1.6	18.3%	0.6%	1.7	1.8	1.9	5.4%	1.4%
Agency and support/outsourced services	0.5	0.3	-	0.3	-18.2%	0.3%	0.3	0.3	0.3	1.2%	0.2%
Travel and subsistence	16.2	11.4	14.3	11.2	-11.6%	11.1%	13.5	13.9	14.8	9.7%	10.8%
Venues and facilities	2.4	0.2	1.0	1.5	-15.4%	1.1%	1.4	1.8	1.8	6.3%	1.3%
Transfers and subsidies¹	31.7	41.7	26.8	24.4	-8.3%	26.1%	25.2	26.7	28.2	4.9%	21.0%
Departmental agencies and accounts	0.8	-	1.1	1.1	10.6%	0.6%	1.2	1.3	1.3	5.5%	1.0%
Foreign governments and international organisations	16.9	17.2	21.5	19.1	4.3%	15.7%	19.7	20.8	22.0	4.7%	16.4%
Public corporations and private enterprises	14.0	24.5	4.0	4.2	-33.2%	9.8%	4.4	4.6	4.9	5.5%	3.6%
Households	0.0	0.1	0.3	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	0.6	0.7	0.6	0.7	3.8%	0.5%	0.6	0.8	0.9	11.9%	0.6%
Machinery and equipment	0.6	0.7	0.6	0.7	3.8%	0.5%	0.6	0.8	0.9	11.9%	0.6%
Total	121.0	124.1	113.6	118.7	-0.6%	100.0%	119.8	126.9	131.3	3.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.5%	1.4%	1.2%	1.1%	-	-	1.3%	1.3%	1.4%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	16.9	17.2	21.5	19.1	4.3%	15.7%	19.7	20.8	22.0	4.7%	16.4%
Organisation for the Prohibition of Chemical Weapons	3.6	-	4.3	4.6	8.3%	2.6%	5.2	5.5	5.8	7.7%	4.2%
World Trade Organisation	13.2	17.2	17.3	14.5	3.1%	13.0%	14.5	15.3	16.2	3.8%	12.2%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	12.1	23.4	2.8	2.9	-37.6%	8.6%	3.1	3.3	3.5	5.5%	2.6%
Development Bank of Southern Africa:	9.3	20.7	-	-	-100.0%	6.3%	-	-	-	-	-
Regional Spatial development initiatives	2.8	2.7	2.8	2.9	1.3%	2.4%	3.1	3.3	3.5	5.5%	2.6%
Protechnik Laboratories: Operations	1.9	1.1	1.2	1.2	-13.1%	1.1%	1.3	1.4	1.4	5.5%	1.1%
Capital	1.9	1.1	1.2	1.2	-13.1%	1.1%	1.3	1.4	1.4	5.5%	1.1%
Protechnik Laboratories: Capital	1.9	1.1	1.2	1.2	-13.1%	1.1%	1.3	1.4	1.4	5.5%	1.1%

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

Programme 3: Special Economic Zones and Economic Transformation

Programme purpose

Drive economic transformation and increase participation in industrialisation.

Objectives

- Facilitate broad-based economic participation by implementing the Broad-Based Black Economic Empowerment Amendment Act (2013) by:
 - implementing the black industrialists framework and action plan by 2018/19
 - facilitating the revitalisation of 10 industrial parks by 2018/19
 - implementing a national technology commercialisation strategy by 2017/18.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by developing and implementing a strategy for special economic zones by 2017/18.

Subprogrammes

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

Expenditure trends and estimates

Table 34.10 Special Economic Zones and Economic Transformation 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 (%) 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											
Enterprise Competitiveness	188.8	189.1	23.3	26.7	-47.9%	62.9%	32.2	29.3	30.0	4.0%	24.4%
Equity and Empowerment	13.0	20.6	30.9	49.4	56.3%	16.7%	39.2	38.9	43.6	-4.1%	35.4%
Spatial Industrial Economic Development (Special Economic Zones)	29.5	25.4	38.3	45.8	15.8%	20.4%	48.0	51.9	48.8	2.2%	40.2%
Total	231.2	235.1	92.5	121.9	-19.2%	100.0%	119.4	120.1	122.3	0.1%	100.0%
Change to 2016 Budget estimate				13.6			10.4	7.7	3.6		
Economic classification											
Current payments	54.7	51.6	65.5	106.6	24.9%	40.9%	86.1	86.8	88.4	-6.0%	76.1%
Compensation of employees	42.5	44.4	54.8	73.6	20.1%	31.6%	71.0	71.9	71.4	-1.0%	59.5%
Goods and services ¹	12.2	7.2	10.7	33.1	39.4%	9.3%	15.1	15.0	17.0	-19.9%	16.6%
of which:											
Catering: Departmental activities	0.4	0.1	0.2	0.5	9.0%	0.2%	0.4	0.4	0.4	-3.8%	0.4%
Communication	0.3	0.5	0.5	0.6	28.0%	0.3%	0.4	0.5	0.5	-7.1%	0.4%
Consultants: Business and advisory services	3.1	1.3	3.2	15.9	72.0%	3.4%	5.5	5.8	7.4	-22.6%	7.1%
Consumables: Stationery, printing and office supplies	0.5	0.2	0.5	0.9	25.9%	0.3%	0.3	0.5	0.5	-21.1%	0.5%
Travel and subsistence	6.6	3.1	5.4	8.0	6.7%	3.4%	6.5	6.3	6.7	-5.3%	5.7%
Venues and facilities	0.9	1.8	0.2	1.2	9.3%	0.6%	0.9	0.4	0.4	-30.1%	0.6%
Transfers and subsidies¹	176.0	183.2	11.3	11.5	-59.8%	56.1%	32.2	32.8	33.4	42.8%	22.7%
Departmental agencies and accounts	174.3	176.5	8.6	8.5	-63.4%	54.0%	28.9	29.5	30.0	52.1%	20.0%
Public corporations and private enterprises	1.5	1.5	1.6	1.7	3.3%	0.9%	1.7	1.8	1.9	5.5%	1.5%
Non-profit institutions	-	5.0	1.0	1.0	-	1.0%	1.5	1.5	1.5	14.5%	1.1%
Households	0.2	0.2	0.1	0.3	7.4%	0.1%	-	-	-	-100.0%	0.1%
Payments for capital assets	0.5	0.3	3.7	3.8	96.0%	1.2%	1.1	0.5	0.5	-50.3%	1.2%
Machinery and equipment	0.5	0.3	3.7	3.6	92.5%	1.2%	1.1	0.5	0.5	-49.4%	1.2%
Software and other intangible assets	-	-	-	0.2	-	-	-	-	-	-100.0%	-
Payments for financial assets	-	-	11.9	-	-	1.8%	-	-	-	-	-
Total	231.2	235.1	92.5	121.9	-19.2%	100.0%	119.4	120.1	122.3	0.1%	100.0%
Proportion of total programme expenditure to vote expenditure	2.8%	2.7%	1.0%	1.2%	-	-	1.3%	1.2%	1.3%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	174.3	176.5	8.6	8.5	-63.4%	54.0%	28.9	29.5	30.0	52.1%	20.0%
Independent Regulatory Board for Auditors	-	1.8	0.5	-	-	0.3%	-	-	-	-	-
National Research Foundation: Technology and human resources for industry programme	160.6	165.6	-	-	-100.0%	47.9%	-	-	-	-	-
National Productivity Institute	13.7	9.2	8.1	8.5	-14.5%	5.8%	8.9	9.5	10.0	5.5%	7.6%
Broad-Based Black Economic Empowerment Commission	-	-	-	-	-	-	20.0	20.0	20.0	-	12.4%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1.5	1.5	1.6	1.7	3.3%	0.9%	1.7	1.8	1.9	5.5%	1.5%
Council for Scientific and Industrial Research	1.5	1.5	1.6	1.7	3.3%	0.9%	1.7	1.8	1.9	5.5%	1.5%

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

Programme 4: Industrial Development

Programme purpose

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

Objective

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

Subprogrammes

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

Expenditure trends and estimates

Table 34.11 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Industrial Competitiveness	595.7	650.9	682.8	685.6	4.8%	37.1%	800.0	781.8	824.3	6.3%	43.0%
Customised Sector Programmes	995.4	1 124.2	1 270.9	1 041.4	1.5%	62.9%	1 019.3	994.0	1 044.9	0.1%	57.0%
Total	1 591.2	1 775.2	1 953.6	1 727.0	2.8%	100.0%	1 819.3	1 775.8	1 869.2	2.7%	100.0%
Change to 2016 Budget estimate				(8.7)			5.2	(0.6)	(6.7)		
Economic classification											
Current payments	99.2	103.9	118.1	115.2	5.1%	6.2%	122.1	125.0	125.4	2.9%	6.8%
Compensation of employees	82.3	88.9	99.6	105.2	8.5%	5.3%	106.5	108.0	105.8	0.2%	5.9%
Goods and services ¹	16.9	15.0	18.5	10.0	-16.1%	0.9%	15.6	17.1	19.5	24.9%	0.9%
of which:											
Communication	0.5	0.5	0.6	0.4	-9.3%	-	0.7	0.8	0.8	31.6%	-
Consultants: Business and advisory services	3.8	3.5	7.1	1.0	-35.3%	0.2%	1.7	1.3	3.0	43.8%	0.1%
Consumables: Stationery, printing and office supplies	0.5	0.3	0.5	0.2	-26.4%	-	0.0	0.0	1.0	68.4%	-
Travel and subsistence	9.5	7.2	7.7	6.1	-13.8%	0.4%	10.6	11.4	11.6	24.2%	0.6%
Operating payments	1.1	1.8	1.7	1.4	9.9%	0.1%	0.8	1.8	0.8	-15.9%	0.1%
Venues and facilities	0.5	0.3	0.4	0.5	2.3%	-	0.8	0.9	1.1	28.1%	-

Table 34.11 Industrial Development 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	1 491.5	1 670.6	1 835.0	1 610.4	2.6%	93.8%	1 696.3	1 649.9	1 742.9	2.7%	93.2%
Departmental agencies and accounts	282.4	348.0	368.7	372.8	9.7%	19.5%	411.9	403.2	425.8	4.5%	22.4%
Foreign governments and international organisations	7.3	5.1	7.9	8.5	5.1%	0.4%	8.6	9.1	9.6	4.0%	0.5%
Public corporations and private enterprises	1 106.8	1 188.4	1 310.1	1 067.0	-1.2%	66.3%	1 116.6	1 089.0	1 150.1	2.5%	61.5%
Non-profit institutions	94.8	129.0	147.9	162.1	19.6%	7.6%	159.3	148.6	157.5	-1.0%	8.7%
Households	0.2	0.1	0.5	0.0	-59.5%	-	-	-	-	-100.0%	-
Payments for capital assets	0.4	0.7	0.3	1.4	50.0%	-	0.8	0.9	0.9	-12.9%	0.1%
Machinery and equipment	0.4	0.7	0.3	1.4	50.0%	-	0.8	0.9	0.9	-12.9%	0.1%
Payments for financial assets	-	-	0.1	-	-	-	-	-	-	-	-
Total	1 591.2	1 775.2	1 953.6	1 727.0	2.8%	100.0%	1 819.3	1 775.8	1 869.2	2.7%	100.0%
Proportion of total programme expenditure to vote expenditure	19.1%	20.5%	20.6%	16.6%	-	-	19.6%	17.8%	20.5%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	222.4	237.0	214.1	210.0	-1.9%	12.5%	265.5	280.2	295.8	12.1%	14.6%
South African National Accreditation System	33.5	35.7	26.0	22.2	-12.8%	1.7%	30.3	31.8	33.6	14.8%	1.6%
National Metrology Institute of South Africa: Operations	85.9	91.6	96.3	101.4	5.7%	5.3%	106.5	112.6	119.0	5.5%	6.1%
National Regulator for Compulsory Specifications	103.0	109.7	91.7	86.4	-5.7%	5.5%	128.7	135.7	143.3	18.4%	6.9%
Capital	60.0	111.0	154.6	162.8	39.5%	6.9%	146.3	123.1	130.0	-7.2%	7.8%
National Metrology Institute of South Africa	60.0	111.0	154.6	162.8	39.5%	6.9%	146.3	123.1	130.0	-7.2%	7.8%
Foreign governments and international organisations											
Current	7.3	5.1	7.9	8.5	5.1%	0.4%	8.6	9.1	9.6	4.0%	0.5%
United Nations Industrial Development Organisation	5.9	5.1	6.4	6.5	3.3%	0.3%	6.8	7.2	7.6	5.4%	0.4%
Treaty Organisations for Metrology	1.5	-	1.5	2.1	11.7%	0.1%	1.8	1.9	2.0	-0.8%	0.1%
Non-profit institutions											
Current	94.8	129.0	147.9	162.1	19.6%	7.6%	159.3	148.6	157.5	-1.0%	8.7%
Intsimbi national tooling initiative	54.4	67.7	70.4	74.1	10.8%	3.8%	75.8	82.3	86.9	5.5%	4.4%
Automotive supply chain competitiveness initiative	-	-	14.0	15.0	-	0.4%	13.1	8.0	8.8	-16.2%	0.6%
Trade and industrial policy strategies	6.0	14.6	20.8	22.7	55.8%	0.9%	21.4	12.1	12.8	-17.5%	1.0%
Centurion Aerospace Village	15.8	16.7	17.5	18.4	5.3%	1.0%	19.4	15.5	16.4	-3.9%	1.0%
Proudly South African campaign	18.6	30.0	25.2	31.9	19.8%	1.5%	29.6	30.7	32.6	0.8%	1.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1 041.9	1 164.2	1 288.5	1 049.2	0.2%	64.5%	1 097.6	1 068.6	1 128.5	2.5%	60.4%
Industrial Development Corporation of South Africa	822.8	878.2	1 000.9	758.3	-2.7%	49.1%	723.4	697.5	736.5	-1.0%	40.5%
Council for Scientific and Industrial Research: National Cleaner Production Centre	-	51.7	55.0	58.9	-	2.3%	63.0	63.0	66.6	4.2%	3.5%
South African Bureau of Standards	205.0	220.1	216.2	212.4	1.2%	12.1%	285.5	280.7	296.4	11.8%	14.9%
Council for Scientific and Industrial Research: National foundry technology network	14.1	14.2	16.4	19.7	11.7%	0.9%	25.7	27.5	29.0	13.8%	1.4%
Capital	64.9	24.1	21.5	17.8	-35.1%	1.8%	19.0	20.4	21.6	6.6%	1.1%
Council for Scientific and Industrial Research: Aerospace industry	21.2	22.5	21.5	17.8	-5.7%	1.2%	19.0	20.4	21.6	6.6%	1.1%
South African Bureau of Standards: Upgrading of vehicle testing facility	43.7	-	-	-	-100.0%	0.6%	-	-	-	-	-
South African Bureau of Standards	-	1.6	-	-	-	-	-	-	-	-	-

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

Programme 5: Consumer and Corporate Regulation

Programme purpose

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

Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged citizens by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and certainty in South African business regulation by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Create a business regulatory environment that promotes competitive, fair and efficient markets by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Provide access to redress for economic citizens to increase confidence in markets by conducting research on the impact of the current legislation on economic citizens; developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting capacity building sessions, workshops, and education and awareness campaigns by 31 March 2020.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and more effective regulatory solutions by holding consultations, seminars and conferences on policy issues by 31 March 2020.

Subprogrammes

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

Expenditure trends and estimates

Table 34.12 Consumer and Corporate Regulation 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		2013/14 - 2016/17	Average: Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)
R million											
Policy and Legislative Development	19.2	17.6	14.7	14.9	-8.0%	5.9%	17.4	20.1	19.2	8.8%	5.8%
Enforcement and Compliance	23.2	31.4	39.3	41.6	21.6%	12.1%	40.3	42.9	41.5	-0.1%	13.4%
Regulatory Services	214.3	232.0	233.4	237.8	3.5%	82.0%	240.9	257.9	268.4	4.1%	80.8%
Total	256.7	281.1	287.4	294.3	4.7%	100.0%	298.6	320.9	329.2	3.8%	100.0%
Change to 2016 Budget estimate				(19.2)			(28.3)	(24.9)	(35.9)		
Economic classification											
Current payments	68.7	70.3	68.2	71.7	1.4%	24.9%	71.9	80.8	75.6	1.8%	24.1%
Compensation of employees	48.7	57.2	54.5	62.8	8.9%	19.9%	53.8	61.6	55.4	-4.1%	18.8%
Goods and services ¹	20.0	13.1	13.8	8.9	-23.7%	5.0%	18.1	19.1	20.2	31.6%	5.3%
of which:											
Advertising	3.3	2.0	2.0	0.5	-46.7%	0.7%	2.1	1.7	1.8	55.2%	0.5%
Catering: Departmental activities	0.6	0.3	0.1	0.2	-32.4%	0.1%	0.4	0.8	0.9	63.4%	0.2%
Consultants: Business and advisory services	2.5	1.8	1.5	1.5	-16.7%	0.7%	4.3	5.2	5.5	55.1%	1.3%
Travel and subsistence	7.5	4.1	6.2	4.7	-14.3%	2.0%	8.8	8.4	8.8	23.5%	2.5%
Operating payments	0.7	0.6	0.7	-	-100.0%	0.2%	0.7	0.8	0.8	-	0.2%
Venues and facilities	1.1	0.9	0.8	0.3	-35.8%	0.3%	0.8	1.0	1.1	57.0%	0.3%

Table 34.12 Consumer and Corporate Regulation 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	186.8	210.5	219.1	222.5	6.0%	74.9%	226.8	240.1	253.5	4.4%	75.9%
Departmental agencies and accounts	182.4	205.5	213.6	217.6	6.1%	73.2%	221.6	234.6	247.8	4.4%	74.1%
Foreign governments and international organisations	4.2	4.4	5.3	4.9	5.3%	1.7%	5.2	5.5	5.8	5.5%	1.7%
Households	0.2	0.7	0.3	0.0	-59.0%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.6	0.3	0.1	0.1	-39.1%	0.1%	-	-	-	-100.0%	-
Machinery and equipment	0.6	0.1	0.1	0.1	-39.1%	0.1%	-	-	-	-100.0%	-
Software and other intangible assets	-	0.2	-	-	-	-	-	-	-	-	-
Payments for financial assets	0.6	-	0.0	-	-100.0%	0.1%	-	-	-	-	-
Total	256.7	281.1	287.4	294.3	4.7%	100.0%	298.6	320.9	329.2	3.8%	100.0%
Proportion of total programme expenditure to vote expenditure	3.1%	3.2%	3.0%	2.8%	-	-	3.2%	3.2%	3.6%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	182.4	205.5	213.6	217.6	6.1%	73.2%	221.6	234.6	247.8	4.4%	74.1%
National Credit Regulator	63.7	68.8	66.7	69.6	3.0%	24.0%	73.1	77.3	81.6	5.5%	24.3%
National Gambling Board	27.7	29.8	32.0	30.1	2.8%	10.7%	31.6	33.5	35.3	5.5%	10.5%
National Consumer Tribunal	36.1	40.2	46.0	46.2	8.5%	15.0%	48.5	51.3	54.1	5.5%	16.1%
National Consumer Commission	44.5	53.4	54.6	56.6	8.4%	18.7%	52.6	55.9	59.0	1.4%	18.0%
Companies Tribunal	10.3	13.3	14.2	15.1	13.4%	4.7%	15.8	16.7	17.7	5.5%	5.3%
Foreign governments and international organisations											
Current	4.2	4.4	5.3	4.9	5.3%	1.7%	5.2	5.5	5.8	5.5%	1.7%
World Intellectual Property Organisation	4.2	4.4	5.3	4.9	5.3%	1.7%	5.2	5.5	5.8	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 6: Incentive Development and Administration

Programme purpose

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

Objectives

- Stimulate and facilitate the development of sustainable and competitive enterprises by providing effective and accessible incentive measures that support national priorities, in accordance with government's 2014-2019 medium-term strategic framework, over the medium term.
- Support industrial development that will enhance productivity and bolster competitiveness through designing, administering, monitoring and evaluating the manufacturing incentives programme based on industrial policies and sector strategies developed by providing financial support in labour-intensive sectors on an ongoing basis.
- Contribute to the accelerated growth of manufacturing and internationally traded services over the long term by administering the Special Economic Zones Fund through the provision of incentives for industrial infrastructure development to:
 - attract foreign direct investment
 - develop growth-oriented domestic businesses, leading to increased employment, exports and regional development.

Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment

scheme, the export marketing and investment assistance scheme, the sector specific assistance scheme, and the section 12I tax incentive scheme.

- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for two industrial infrastructure initiatives: the special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value-added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

Expenditure trends and estimates

Table 34.13 Incentive Development and Administration 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		2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/ Total (%)
R million											
Broadening Participation Incentives	129.3	2.4	26.6	65.3	-20.4%	1.0%	68.3	72.3	76.4	5.4%	1.2%
Manufacturing Incentives	3 338.6	3 612.3	3 983.5	4 467.0	10.2%	67.1%	3 963.2	3 949.1	2 811.0	-14.3%	62.2%
Services Investment Incentives	564.4	728.1	803.2	613.8	2.8%	11.8%	708.6	749.1	722.7	5.6%	11.4%
Infrastructure Investment Support	1 038.6	801.4	949.7	1 711.4	18.1%	19.6%	965.0	1 601.7	1 691.6	-0.4%	24.5%
Product and Systems Development	13.0	15.0	14.9	15.9	6.9%	0.3%	19.4	20.5	22.0	11.6%	0.3%
Strategic Partnership and Customer Care	17.9	17.5	17.9	18.3	0.8%	0.3%	22.1	23.3	25.0	10.9%	0.4%
Total	5 101.9	5 176.7	5 795.8	6 891.7	10.5%	100.0%	5 746.5	6 416.0	5 348.8	-8.1%	100.0%
Change to 2016 Budget estimate				(30.7)			(26.4)	1 320.8	(31.8)		
Economic classification											
Current payments	150.8	206.9	151.2	151.6	0.2%	2.9%	165.4	172.3	174.7	4.8%	2.7%
Compensation of employees	112.5	125.8	126.5	131.0	5.2%	2.2%	126.6	131.6	138.0	1.8%	2.2%
Goods and services ¹	38.4	81.1	24.8	20.6	-18.7%	0.7%	38.8	40.7	36.7	21.2%	0.6%
of which:											
Communication	0.5	0.6	0.6	0.2	-21.2%	-	0.6	0.7	0.7	42.6%	-
Consultants: Business and advisory services	15.0	62.2	5.1	5.4	-28.7%	0.4%	16.5	17.7	12.4	31.7%	0.2%
Legal services	2.7	4.1	3.9	3.2	6.0%	0.1%	3.6	3.8	4.0	7.6%	0.1%
Operating leases	0.8	0.8	0.8	0.6	-9.0%	-	0.9	0.9	1.0	17.5%	-
Travel and subsistence	14.8	11.3	9.7	10.3	-11.4%	0.2%	14.9	15.1	15.9	15.6%	0.2%
Venues and facilities	1.7	0.1	0.4	-	-100.0%	-	0.8	0.9	0.9	-	-
Transfers and subsidies¹	4 943.5	4 969.1	5 641.3	6 732.8	10.8%	97.0%	5 573.5	6 236.4	5 160.0	-8.5%	97.1%
Departmental agencies and accounts	-	-	-	256.0	-	1.1%	84.0	-	-	-100.0%	1.4%
Public corporations and private enterprises	4 943.2	4 968.5	5 640.6	6 476.0	9.4%	95.9%	5 488.7	6 235.5	5 159.1	-7.3%	95.7%
Households	0.3	0.6	0.7	0.8	34.3%	-	0.8	0.8	0.9	3.7%	-
Payments for capital assets	7.5	0.8	3.3	7.3	-0.7%	0.1%	7.6	7.3	14.1	24.4%	0.1%
Machinery and equipment	1.8	0.8	0.7	2.0	4.7%	-	2.1	2.2	2.3	5.2%	-
Software and other intangible assets	5.7	-	2.6	5.3	-2.4%	0.1%	5.5	5.1	11.7	30.4%	0.1%
Total	5 101.9	5 176.7	5 795.8	6 891.7	10.5%	100.0%	5 746.5	6 416.0	5 348.8	-8.1%	100.0%
Proportion of total programme expenditure to vote expenditure	61.3%	59.8%	61.2%	66.3%	-	-	62.0%	64.4%	58.7%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	-	256.0	-	1.1%	84.0	-	-	-100.0%	1.4%
National Research Foundation	-	-	-	256.0	-	1.1%	84.0	-	-	-100.0%	1.4%

Table 34.13 Incentive Development and 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		
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	887.4	608.2	735.6	1 410.0	16.7%	15.9%	695.4	1 391.0	1 557.3	3.4%	20.7%
Coega Development Corporation	308.2	–	–	–	-100.0%	1.3%	–	–	–	–	–
Various institutions: Special economic zones	449.2	608.2	735.6	1 310.0	42.9%	13.5%	605.4	1 300.0	1 457.3	3.6%	19.1%
Various institutions: Critical infrastructure programme	–	–	–	100.0	–	0.4%	90.0	91.0	100.0	–	1.6%
East London industrial development zone	100.0	–	–	–	-100.0%	0.4%	–	–	–	–	–
Richards Bay industrial development zone	30.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	400.6	329.5	304.1	285.3	-10.7%	5.7%	276.4	295.4	311.9	3.0%	4.8%
Broadening participation development incentives	72.9	–	–	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: Support programme for industrial innovation	53.9	–	22.8	60.9	4.2%	0.6%	63.9	67.6	71.4	5.5%	1.1%
Various institutions: Export market and investment assistance	273.8	329.5	281.2	224.4	-6.4%	4.8%	212.5	227.7	240.5	2.3%	3.7%
Capital	140.0	81.3	74.2	190.0	10.7%	2.1%	119.5	120.1	122.9	-13.5%	2.3%
Various institutions: Critical infrastructure programme	140.0	81.3	74.2	190.0	10.7%	2.1%	119.5	120.1	122.9	-13.5%	2.3%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	3 515.3	3 949.4	4 526.7	4 590.7	9.3%	72.2%	4 397.4	4 429.1	3 167.0	-11.6%	68.0%
Various institutions: Services sector development incentives	555.0	715.0	789.7	600.0	2.6%	11.6%	692.5	732.1	704.4	5.5%	11.2%
Various institutions: Manufacturing development incentives	2 960.3	3 134.8	3 607.0	3 890.7	9.5%	59.2%	3 564.9	3 617.0	2 462.6	-14.1%	55.5%
Various institutions: Industrial development zones (other)	–	99.6	130.0	100.0	–	1.4%	140.0	80.0	–	-100.0%	1.3%

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 7: Trade and Investment South Africa

Programme purpose

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

Objectives

- Promote the export of South African value-added goods and services in targeted high-growth markets, and sustain market share in traditional markets through the implementation of the integrated national export strategy and the market and product diversification strategy by participating in 17 national pavilions and 22 trade missions by March 2018.
- Facilitate markets for South African manufactured goods and services by promoting export and investment projects in high-yield targeted countries such as the Brazil-Russia-India-China-South Africa group of countries, African countries, and other developing countries by March 2018.
- Enhance the ongoing promotion of exports and investment by placing 48 foreign economic representatives in foreign economic missions to promote South Africa's comparative advantage in goods and services internationally over the medium term.
- Develop new and existing South African export capabilities to grow manufactured exports by providing appropriate information, financial support and practical assistance to sustain organic growth in traditional markets, and penetrate new high-growth markets on an ongoing basis.

- Manage and administer the foreign office network effectively through a highly experienced team that has a close partnership with the Department of International Relations and Cooperation on an ongoing basis.

Subprogrammes

- *African Bilateral Economic Relations* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration.
- *Export Promotion and Marketing* promotes the export of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the *department's* foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to *positioning* South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Expenditure trends and estimates

Table 34.14 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
African Bilateral Economic Relations	18.5	18.7	18.5	22.3	6.4%	5.2%	22.5	23.1	24.8	3.5%	5.6%
Export Promotion and Marketing	18.7	39.1	41.5	42.9	31.9%	9.4%	41.5	42.6	45.7	2.1%	10.5%
Trade and Investment South Africa (TISA) Executive Management Unit	243.4	264.1	386.0	328.5	10.5%	80.9%	306.8	299.8	365.4	3.6%	79.2%
Export Development and Support	26.0	7.7	17.0	17.1	-13.0%	4.5%	17.7	20.1	21.5	7.8%	4.7%
Total	306.6	329.6	462.9	410.9	10.2%	100.0%	388.5	385.5	457.3	3.6%	100.0%
Change to 2016				74.4			49.1	51.8	105.0		
Budget estimate											
Economic classification											
Current payments	221.9	216.0	260.9	237.3	2.3%	62.0%	205.8	192.2	253.2	2.2%	54.1%
Compensation of employees	135.1	147.7	177.8	159.6	5.7%	41.1%	157.5	143.4	201.6	8.1%	40.3%
Goods and services ¹	86.9	68.3	83.1	77.7	-3.7%	20.9%	48.3	48.8	51.6	-12.7%	13.8%
of which:											
Communication	2.2	1.9	2.5	1.5	-10.7%	0.5%	1.1	1.1	1.1	-9.8%	0.3%
Consultants: Business and advisory services	1.5	1.2	1.5	2.4	15.6%	0.4%	2.1	2.1	2.2	-2.5%	0.5%
Operating leases	23.0	19.5	23.6	25.4	3.3%	6.1%	6.9	6.9	6.9	-35.3%	2.8%
Travel and subsistence	26.9	23.8	24.0	21.0	-7.8%	6.3%	15.1	15.0	15.3	-10.1%	4.0%
Operating payments	18.1	7.7	14.8	12.4	-11.8%	3.5%	9.7	9.9	11.7	-1.9%	2.7%
Venues and facilities	5.4	4.3	4.6	7.1	9.3%	1.4%	7.9	8.4	9.0	8.5%	2.0%
Transfers and subsidies¹	83.2	110.5	200.3	171.6	27.3%	37.5%	180.6	191.0	201.7	5.5%	45.4%
Foreign governments and international organisations	9.8	-	-	-	-100.0%	0.6%	2.9	3.1	3.3	-	0.6%
Public corporations and private enterprises	73.3	110.4	200.0	171.6	32.8%	36.8%	177.6	187.9	198.5	5.0%	44.8%
Households	0.1	0.1	0.3	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	1.5	2.0	1.8	2.1	10.5%	0.5%	2.1	2.2	2.3	4.5%	0.5%
Machinery and equipment	1.5	2.0	1.8	2.1	10.5%	0.5%	2.1	2.2	2.3	4.5%	0.5%
Payments for financial assets	0.0	1.1	0.0	-	-100.0%	0.1%	-	-	-	-	-
Total	306.6	329.6	462.9	410.9	10.2%	100.0%	388.5	385.5	457.3	3.6%	100.0%
Proportion of total programme expenditure to vote expenditure	3.7%	3.8%	4.9%	4.0%	-	-	4.2%	3.9%	5.0%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	9.8	-	-	-	-100.0%	0.6%	2.9	3.1	3.3	-	0.6%
Export consultancy trust funds:											
International Bank for Reconstruction and Development (World Bank)	4.9	-	-	-	-100.0%	0.3%	1.5	1.5	1.6	-	0.3%
Export consultancy trust funds:											
International Finance Corporation	4.9	-	-	-	-100.0%	0.3%	1.5	1.5	1.6	-	0.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	73.3	110.4	200.0	171.6	32.8%	36.8%	177.6	187.9	198.5	5.0%	44.8%
Export Credit Insurance Corporation	73.3	110.4	200.0	171.6	32.8%	36.8%	177.6	187.9	198.5	5.0%	44.8%

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

Programme 8: Investment South Africa

Programme purpose

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

Objectives

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

Subprogrammes

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

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Investment Promotion	25.5	30.7	31.9	39.8	16.0%	81.8%	42.6	43.0	44.5	3.8%	83.1%
Investment and Interdepartmental Clearing House	6.5	7.1	6.1	4.0	-14.8%	15.1%	4.2	4.5	4.6	4.7%	8.4%
Investment Support and After Care	0.4	0.1	0.3	4.0	114.9%	3.1%	4.2	4.5	4.6	4.6%	8.4%
Total	32.4	38.0	38.3	47.8	13.9%	100.0%	50.9	52.0	53.7	3.9%	100.0%
Change to 2016 Budget estimate				(0.3)			2.4	0.8	(0.4)		

Table 34.15 Investment South Africa 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					2016/17 - 2019/20	
Current payments	32.1	37.7	38.1	47.4	14.0%	99.3%	50.5	51.5	53.2	3.9%	99.2%
Compensation of employees	22.4	26.6	27.4	31.0	11.4%	68.6%	33.2	33.4	34.1	3.2%	64.4%
Goods and services ¹	9.6	11.1	10.8	16.4	19.5%	30.7%	17.2	18.2	19.2	5.3%	34.7%
<i>of which:</i>											
Communication	0.1	0.2	0.2	0.2	7.2%	0.4%	0.2	0.2	0.2	5.1%	0.4%
Consultants: Business and advisory services	0.3	0.6	0.0	0.4	1.8%	0.8%	0.4	0.4	0.4	5.5%	0.7%
Contractors	–	0.0	–	6.3	–	4.0%	6.4	6.7	7.1	4.1%	13.0%
Travel and subsistence	6.0	5.8	7.9	6.6	3.3%	16.8%	7.0	7.4	7.8	5.7%	14.0%
Operating payments	0.7	0.9	0.5	0.7	-1.9%	1.8%	0.7	0.7	0.8	5.3%	1.4%
Venues and facilities	1.8	2.9	1.4	2.0	3.3%	5.2%	2.2	2.3	2.4	6.6%	4.3%
Transfers and subsidies¹	0.0	0.0	0.1	–	-100.0%	0.1%	–	–	–	–	–
Households	0.0	0.0	0.1	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	0.3	0.3	0.0	0.4	8.5%	0.6%	0.4	0.4	0.5	6.3%	0.8%
Machinery and equipment	0.3	0.3	0.0	0.4	8.5%	0.6%	0.4	0.4	0.5	6.3%	0.8%
Total	32.4	38.0	38.3	47.8	13.9%	100.0%	50.9	52.0	53.7	3.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.4%	0.4%	0.5%	–	–	0.5%	0.5%	0.6%	–	–

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

Entity¹

National Gambling Board

Mandate

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

Selected performance indicators

Table 34.16 National Gambling Board 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
Number of research reports on impact of gambling presented to the accounting authority per year	Stakeholder and liaison	Entity mandate	– ¹	1	1	1	1	1	1
Number of consolidated three-tier compliance evaluation assessment reports produced per year	Compliance monitoring		– ¹	9	9	9	9	9	9
Number of reports on intervention and support provided to regulators and law enforcement agencies per year	Compliance monitoring		– ¹	8	8	8	8	8	8
Number of reports on illegal gambling produced per year	Compliance monitoring		– ¹	4	4	4	4	4	4

1. No historical data available.

Expenditure analysis

The National Gambling Board's primary focus over the medium term will be on providing oversight and regulation of the gambling industry, creating a fair regulatory environment that promotes equitable and socially responsible behaviour, monitoring the industry's market share and behaviour patterns, and eradicating illegal gambling. The national gambling policy was approved by Cabinet in 2016 as a response to hindrances to the

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

effectiveness of the National Gambling Act (2004). The National Gambling Amendment Bill has been approved for wider public consultation, and proposes reforming the regulatory structural framework to strengthen control mechanisms to minimise the abuse of gambling.

As part of providing oversight and regulation of the industry, the board plans to continue monitoring and evaluating the issuance of national and provincial licenses. This entails reviewing the revenue collection and audits of licensing authorities, ensuring their machines are certified and approved, and inspecting the compliance of licensees through provincial licensing authorities. The compliance monitoring programme is allocated R208 million over the medium term for this purpose. The allocation will fund the production of nine compliance evaluation assessment reports per year over the medium term. The staff complement is set to remain at 27 over the medium term to maintain the capacity of the compliance unit, with expenditure on compensation of employees projected to grow by 9.9 per cent, from R21.3 million in 2016/17 to R28.2 million in 2019/20.

The board plans to develop a national register of illegal gambling operators at a projected cost of R2 million. The register will become a central repository for all gambling operations, and allow the board to collaborate with law enforcement agencies to eradicate illegal gambling activities. To develop and roll out the register, the board aims to produce 12 reports on illegal gambling over the medium term. A national central electronic monitoring system, which manages and monitors the limited payout machine industry in South Africa, will allow the board to collect data on revenue made by machines, and ensure the industry is effectively monitored. The national central electronic monitoring system is projected to cost R159.3 million. Expenditure on goods and services is expected to increase from R24 million in 2016/17 to R127.7 million in 2019/20 as a result of the establishment of the national central electronic monitoring system and the national illegal gambling operators register, which are expected to account for 67.5 per cent of total spending on goods and services over the medium term.

To inform the public about legal and illegal forms of gambling, and address problem gambling, the board is planning to run five public awareness campaigns in each year over the MTEF period. The board will further conduct socioeconomic research on the benefits and dangers of gambling to inform and guide policy on gambling-related matters in the country. These activities are funded in the stakeholder and liaison programme, which has an allocation of R47.3 million over the medium term.

A projected 45.8 per cent, or R100.4 million, of the board's revenue over the medium term will come from transfers from the department. This will be supplemented by revenue from the national central electronic monitoring system. Revenue is projected to grow by 49.2 per cent over the medium term, from R47.8 million in 2016/17 to R158.8 million in 2019/20, because of the revised revenue model for the national central electronic monitoring system, which will allow for monitoring fees from limited payout machines to accrue to the board.

Programmes/objectives/activities

Table 34.17 National Gambling Board 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 (%) 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		
Administration	19.2	22.0	19.6	23.3	6.5%	63.2%	22.5	24.6	24.2	1.3%	33.8%
Stakeholder and liaison	8.1	5.1	2.8	13.1	17.5%	19.9%	12.5	20.6	14.2	2.8%	20.4%
Compliance monitoring	6.3	2.1	5.1	11.0	20.3%	16.9%	9.2	79.0	119.8	121.4%	45.8%
Total	33.7	29.2	27.5	47.4	12.1%	100.0%	44.3	124.2	158.2	49.5%	100.0%

Statements of historical financial performance and position

Table 34.18 National Gambling Board 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	0.4	2.3	2.7	2.7	8.8	8.7	13.6	17.7	123.1%
Other non-tax revenue	0.4	2.3	2.7	2.7	8.8	8.7	13.6	17.7	123.1%
Transfers received	27.7	27.7	29.8	29.8	32.0	32.0	30.1	30.1	100.0%
Total revenue	28.1	30.0	32.5	32.5	40.8	40.7	43.7	47.8	104.1%

Table 34.18 National Gambling Board 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		2015/16		2016/17		2013/14 - 2016/17
Expenses									
Current expenses	28.1	33.7	27.5	29.2	39.0	27.5	42.5	47.4	100.4%
Compensation of employees	15.2	11.4	12.3	9.2	11.3	8.9	22.9	21.3	82.0%
Goods and services	12.8	20.2	14.4	18.1	25.5	16.5	17.4	24.0	112.5%
Depreciation	0.2	2.1	0.9	1.9	2.2	2.2	2.2	2.1	153.6%
Total expenses	28.1	33.7	27.5	29.2	39.0	27.5	42.5	47.4	100.4%
Surplus/(Deficit)	-	(4.0)	5.0	3.0	2.0	13.0	1.0	-	
Statement of financial position									
Carrying value of assets	5.0	14.3	15.3	12.9	13.7	11.8	14.5	14.5	110.3%
<i>of which:</i>									
Acquisition of assets	-	(0.0)	-	(0.5)	(1.6)	(0.6)	(0.1)	(2.4)	210.2%
Inventory	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	43.8%
Receivables and prepayments	0.2	0.6	0.2	1.4	1.5	1.1	1.5	1.5	138.1%
Cash and cash equivalents	4.7	0.0	2.1	9.2	9.8	26.4	10.4	10.4	171.1%
Total assets	9.9	14.9	17.6	23.5	24.9	39.3	26.4	26.4	132.0%
Accumulated surplus/(deficit)	3.8	5.7	8.6	9.0	9.6	22.2	10.2	10.2	146.2%
Borrowings	-	0.1	-	-	-	-	-	-	-
Finance lease	-	5.7	-	-	-	-	-	-	-
Deferred income	-	-	-	6.5	-	8.0	-	-	-
Trade and other payables	5.7	2.7	6.5	7.1	14.3	7.3	15.2	15.2	77.5%
Provisions	0.5	0.7	2.5	0.9	1.0	1.8	1.0	1.0	89.4%
Total equity and liabilities	9.9	14.9	17.6	23.5	24.9	39.3	26.4	26.4	132.0%

Statements of estimates of financial performance and position**Table 34.19 National Gambling Board statements of estimates of financial performance and position**

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	2019/20	2016/17 - 2019/20	
Revenue								
Non-tax revenue	17.7	97.9%	18.6%	12.6	93.4	123.4	91.2%	54.2%
Other non-tax revenue	17.7	97.9%	18.6%	12.6	93.4	123.4	91.2%	54.2%
Transfers received	30.1	2.8%	81.4%	31.6	33.5	35.3	5.5%	45.8%
Total revenue	47.8	16.8%	100.0%	44.3	126.9	158.8	49.2%	100.0%
Expenses								
Current expenses	47.4	12.1%	100.0%	44.3	124.2	158.2	49.5%	303.3%
Compensation of employees	21.3	23.3%	35.6%	24.3	26.7	28.2	9.9%	34.8%
Goods and services	24.0	5.9%	58.1%	17.8	95.3	127.7	74.6%	62.0%
Depreciation	2.1	0.7%	6.3%	2.2	2.2	2.3	2.9%	3.2%
Total expenses	47.4	12.1%	100.0%	44.3	124.2	158.2	49.5%	100.0%
Surplus/(Deficit)	-	(1.0)		-	3.0	-	-	
Carrying value of assets	14.5	0.6%	58.9%	15.4	16.3	17.2	5.9%	54.9%
<i>of which:</i>								
Acquisition of assets	(2.4)	377.8%	-3.2%	-	-	-	-100.0%	-2.3%
Receivables and prepayments	1.5	39.0%	4.6%	1.6	1.7	1.8	5.9%	5.8%
Cash and cash equivalents	10.4	593.8%	36.5%	11.0	11.6	12.3	5.9%	39.2%
Total assets	26.4	21.1%	100.0%	28.0	29.7	31.3	5.9%	100.0%
Accumulated surplus/(deficit)	10.2	21.4%	42.9%	10.8	11.5	12.1	5.9%	38.6%
Trade and other payables	15.2	78.7%	31.0%	16.1	17.1	18.0	5.9%	57.5%
Provisions	1.0	12.9%	4.3%	1.1	1.2	1.2	5.9%	3.9%
Total equity and liabilities	26.4	21.1%	100.0%	28.0	29.7	31.3	5.9%	100.0%

Personnel information

Table 34.20 National Gambling Board 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							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
National Gambling Board		27	22	8.9	0.4	27	21.3	0.8	27	24.3	0.9	27	26.7	1.0	27	28.2	1.0	9.9%	100.0%
Salary level																			
1 – 6	1	1	4	0.4	0.1	1	0.2	0.2	–	–	–	–	–	–	–	–	–	-100.0%	0.9%
7 – 10	10	10	8	2.3	0.3	10	4.3	0.4	11	4.9	0.4	10	4.6	0.5	10	4.9	0.5	4.1%	38.0%
11 – 12	7	7	5	2.1	0.4	7	5.2	0.7	6	4.9	0.8	7	6.0	0.9	7	6.3	0.9	6.9%	25.0%
13 – 16	9	9	5	4.1	0.8	9	11.5	1.3	10	14.5	1.4	10	16.1	1.6	10	17.0	1.7	13.9%	36.1%

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 **Companies and Intellectual Property Commission** was established in terms of section 185 of the Companies Act (2008) to function as an organ of state within the public administration but outside the public service. The commission regulates companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforces rules and regulations. The commission's total budget for 2017/18 is R544.7 million.
- The **Companies Tribunal** was established in 2011 as a juristic entity in terms of the Companies Act (2008) and became operational in 2012. It is mandated to adjudicate and mediate disputes, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice. The tribunal's total budget for 2017/18 is R23.9 million.
- The **Export Credit Insurance Corporation of South Africa** was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks; provide export credit and foreign investment insurance cover on behalf of the South African government; and manage the interest make-up scheme for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad. The corporation's total budget for 2017/18 is R820.1 million.
- The **National Consumer Commission** was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative framework. The commission's total budget for 2017/18 is R54.3 million.
- The **National Consumer Tribunal** was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). The tribunal's total budget for 2017/18 is R63.3 million.
- The **National Credit Regulator** was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It enforces the act, and carries out education, research, policy development, the registration of industry participants and the investigation of complaints. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged and low-income individuals, and remote, isolated or low-density communities. The regulator's total budget for 2017/18 is R130.7 million.

- The **National Empowerment Fund** was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions: SMMEs, rural development, venture capital, corporate finance, and women empowerment funds. The fund's total budget for 2017/18 is R470.3 million.
- The **National Lotteries Commission** was established in terms of the Lotteries Act (1997), and is mandated to regulate the national lottery and other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade and Industry on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lotteries Distribution Trust Fund, and disburses funds for good causes to the distributing agencies in an equitable and expeditious manner. The commission's total budget for 2017/18 is R498.2 million.
- The **National Metrology Institute of South Africa** is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, trade, health and safety, and law enforcement. To fulfil this mandate, the institute: develops and maintains national measurement standards for South Africa; ensures that these are traceable to the primary international system of units; benchmarks these measurement standards against the measurement standards of other countries; submits the calibration and measurement capabilities to the international database as the entry for South Africa; and distributes the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa. The institute's total budget for 2017/18 is R171.1 million.
- The **National Regulator for Compulsory Specifications** was established in terms of the Measurement Unit and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance. The regulator's total budget for 2017/18 is R403.2 million.
- The **South African Bureau of Standards** was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan. Its total budget for 2017/18 is R962.4 million.
- The **South African National Accreditation System** was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor for compliance with good laboratory practice; promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and bring about economic transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of good laboratory practice facilities compliant with the act. The entity's total budget for 2017/18 is R100.1 million.

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
R million										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Coega Development Corporation	Development of infrastructure developments to enable investment in the zone	Various	5 689.0	308.2	–	–	–	–	–	–
East London industrial development zone	Development of infrastructure developments to enable investment in the zone	Various	1 817.5	100.0	–	–	–	–	–	–
Critical infrastructure programme	Development of infrastructure projects to supporting investment in mining, tourism, manufacturing and services	Various	1 473.2	140.0	81.3	74.2	290.0	209.5	211.1	222.9
Special economic zones: Investment incentives	Development of infrastructure for special economic zone	Feasibility	3 719.5	449.2	608.2	735.6	1 310.0	605.4	1 300.0	1 457.3
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Richards Bay industrial development zone	Development of infrastructure to enable investment in the zone	Various	672.0	30.0	–	–	–	–	–	–
Centurion Aerospace Village	Construction of aerospace industry infrastructure	Construction	407.3	15.8	16.7	17.5	18.4	19.4	15.5	16.4
Industrial development zone: Other	Development of infrastructure for industrial zone	Feasibility	–	–	99.6	130.0	50.0	140.0	80.0	–
Total			13 778.5	1 043.2	805.9	957.3	1 668.4	974.3	1 606.6	1 696.5

