

Estimates of National Expenditure 2023

Vote 34: Mineral Resources and Energy

**National Treasury
Republic of South Africa**



Vote 34

Mineral Resources and Energy

Budget summary

R million	2023/24				2024/25	2025/26
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	675.1	5.9	14.4	695.4	684.4	713.4
Minerals and Petroleum Regulation	353.1	158.6	–	511.7	540.3	562.9
Mining, Minerals and Energy Policy Development	198.2	882.8	–	1 081.0	1 223.2	1 280.7
Mine Health and Safety Inspectorate	229.2	4.7	–	233.9	243.5	255.7
Mineral and Energy Resources Programmes and Projects	642.2	6 376.1	–	7 018.3	7 348.5	7 674.7
Nuclear Energy Regulation and Management	45.6	1 115.4	–	1 160.9	1 193.3	1 248.3
Total expenditure estimates	2 143.4	8 543.5	14.4	10 701.2	11 233.3	11 735.6

Executive authority Minister of Mineral Resources and Energy
Accounting officer Director-General of Mineral Resources and Energy
Website www.dmre.gov.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Regulate the minerals and mining sector for transformation, growth and development. Formulate energy policies, regulatory frameworks and legislation to ensure energy security, environmentally friendly carriers, and access to affordable and reliable energy.

Mandate

The Department of Mineral Resources and Energy is mandated to ensure the transparent and efficient regulation of South Africa's mineral resources and minerals industry, and the secure and sustainable provision of energy in support of socioeconomic development. Several acts regulate the mining, minerals and energy sectors. Key among these are:

- the Petroleum Products Act (1977), which regulates the petroleum industry at the manufacturing, wholesale and retail levels
- the Mine Health and Safety Act (1996), which governs mine health and safety
- the Mineral and Petroleum Resources Development Act (2002), which provides the regulatory framework for equitable access to and the sustainable development of mineral resources and related matters
- the Electricity Regulation Act (2006), which establishes a national regulatory framework for the electricity supply industry, including registration and licensing
- the National Energy Act (2008), which empowers the minister to plan for and ensure security of supply for the energy sector.

The 1998 White Paper on Energy Policy, alongside the 2003 White Paper on Renewable Energy, sets out government's overarching position on the supply and consumption of energy. Other applicable policies include the National Development Plan, the integrated energy plan, integrated resource plans, the electricity pricing policy, the Paris Agreement on Climate Change, the National Environmental Management: Air Quality Act (2004) and the National Energy Act (2008).

Selected performance indicators

Table 34.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of new petroleum retail site inspections per year	Minerals and Petroleum Regulation	Departmental mandate	1 367	448	1 317	1 500	1 500	1 500	1 500
Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year	Minerals and Petroleum Regulation		0	125	206	120	200	200	200
Number of social and labour plan verification inspections per year	Minerals and Petroleum Regulation		228	204	243	212	212	212	212
Number of environmental verification inspections conducted per year	Minerals and Petroleum Regulation		1 381	968	1 374	1 275	1 374	1 374	1 374
Number of mine economic verification inspections per year	Minerals and Petroleum Regulation		0	289	464	425	500	500	500
Number of mineral legislation compliance inspections conducted per year	Minerals and Petroleum Regulation		148	134	192	150	150	150	150
Number of mine inspections conducted per year	Mine Health and Safety Inspectorate		8 250	6 036	8 399	8 000	8 000	8 000	8 000
Number of small-scale mining companies supported per year	Programmes and Projects		– ¹	– ¹	– ¹	30	3	3	3
Number of derelict and ownerless mines rehabilitated per year	Programmes and Projects		0	0	3	3	3	3	3
Amount of energy savings realised and verified from energy efficiency and demand-side management grant per year (terawatt-hours)	Programmes and Projects		6.3 TWh	1.58 TWh	0.61 TWh	0.5 TWh	0.5 TWh	0.5 TWh	0.5 TWh
Number of additional households electrified with grid electrification per year	Programmes and Projects	Priority 5: Spatial integration, human settlements and local government	214 517	166 888	147 013	200 000	220 000	220 000	220 000
Number of bulk substations built per year	Programmes and Projects		3	2	0	2	2	2	2
Number of additional substations upgraded per year	Programmes and Projects		3	3	0	3	3	3	3
Kilometres of new medium-voltage power lines constructed per year	Programmes and Projects		175	50	0	50	50	50	50
Kilometres of existing medium-voltage power lines upgraded per year	Programmes and Projects		15	0	0	50	50	50	50
Number of additional households electrified with non-grid electrification per year	Programmes and Projects		0	0	23 738	15 000	15 000	15 000	15 000

1. No historical data available.

Expenditure overview

Over the medium term, the department will continue to focus on regulating the petroleum sector; ensuring mine health, safety and equity; rehabilitating mines and the environment; extending access to electricity; enhancing energy efficiency; and managing nuclear energy in accordance with international commitments. This is intended to ensure that South Africa has an adequate supply of electricity and liquid fuels to maintain economic activity and prevent disruptions, and to give effect to a mining sector that prioritises the welfare of its human resources and the environment.

Transfers and subsidies to public entities and municipalities account for an estimated 79.3 per cent (R27 billion) of the department's planned spending over the MTEF period. Most of this is allocated for the integrated national electrification programme, which receives R19.9 billion through allocations in the subprogramme of the same name. Total expenditure is expected to increase at an average annual rate of 4 per cent, from R10.4 billion in

2022/23 to R11.7 billion in 2025/26.

The department's regulatory and oversight work requires inspections to ensure that mining companies and petroleum licence holders comply with legislative requirements and that electricity connections are verified through the integrated national electrification programme. As such, expenditure on compensation of employees accounts for an estimated 10 per cent (R3.3 billion) of the department's budget over the medium term.

Regulating the petroleum sector

The department will continue to enforce compliance with regulatory standards and transformation objectives in the petroleum sector. It plans to inspect 4 500 petroleum retail sites and issue mining rights or permits to 600 historically disadvantaged South Africans over the period ahead. In improving the quality and security of petroleum fuels, the department plans to sample fuel and test petroleum products at 3 240 petroleum retail sites over the MTEF period to ensure that fuel meets quality standards. Expenditure for these activities is within allocations of R1.6 billion over the medium term to the *Minerals and Petroleum Regulation* programme.

This programme's budget includes transfer payments amounting to R288.8 million over the medium term to Petroleum Agency South Africa, which regulates exploration and production activities, and acts as the custodian of the national petroleum exploration and production database.

Ensuring mine health, safety and equity

The *Mine Health and Safety Inspectorate* programme promotes mine health and safety, and aims to contribute to skills development and transformation. The inspectorate engages with mine management and executives, and analyses the outcomes of inspection and audits. Through the programme, the department expects to conduct 24 000 mine inspections over the medium term. An amount of R733.2 million, 2.2 per cent of the department's budget, is set aside over the MTEF period to carry out these inspections.

To accelerate transformation in the mining sector, the department aims to monitor and enforce compliance with the mining charter by conducting 636 social and labour plan verification inspections and 1 500 mine economic verification inspections over the MTEF period. These activities are funded through the *Minerals and Petroleum Regulation* programme, which is allocated R1.6 billion over the medium term.

Small-scale mining projects facilitate and develop the artisanal and small-scale mining sector, and provide an opportunity for previously disadvantaged communities to enter and participate in mining. To help realise the potential of this sector, the department aims to provide financial and non-financial support to 12 new artisanal and small-scale mining companies over the medium term at a projected cost of R27 million per year. These funds are made available through the *Mineral and Energy Resources Programmes and Projects* programme.

Rehabilitating mines and the environment

To promote the health and safety of mine employees and surrounding communities, the department will intensify its efforts to rehabilitate dangerous, derelict and ownerless mining sites. With the Council for Mineral Technology and Research (Mintek) as the implementing agent, the department aims to rehabilitate 9 mines and seal 360 shafts or holings over the medium term. The projected cost of these activities is R387 million within the *Mineral and Energy Resources Programmes and Projects* programme.

Extending access to electricity

Government's policy to extend access to electricity to all South Africans is carried out primarily through the integrated national electrification programme, through which an additional 660 000 households are expected to be connected to the electricity grid over the medium term. This will require 6 new substations to be built and 9 substations to be upgraded over the next 3 years. For this purpose, transfers to Eskom are expected to increase at an average annual rate of 5.2 per cent, from R3.6 billion in 2022/23 to R4.2 billion in 2025/26, while transfers to municipalities are expected to increase at an average annual rate of 4.4 per cent, from R2.1 billion in 2022/23 to R2.4 billion in 2025/26.

A further 15 000 households in each year over the MTEF period are expected to be provided with non-grid electricity connections. Expenditure for this is projected to increase at an average annual rate of 5.2 per cent, from R233.5 million in 2022/23 to R271.9 million in 2025/26. The bulk of these connections are in sparsely populated rural areas (mostly in Eastern Cape, KwaZulu-Natal and Limpopo) and high-density informal

settlements. This expenditure is within the *Integrated National Electrification Programme* subprogramme in the *Mineral and Energy Resources Programmes and Projects* programme.

Enhancing energy efficiency

To realise a target of 1.5 terawatt-hours of energy savings over the medium term, allocations to the *energy efficiency and demand-side management grant* are expected to increase at an average annual rate of 4.3 per cent, from R223.2 million in 2022/23 to R253.4 million in 2025/26. This will enable municipalities to undertake initiatives to upgrade municipal infrastructure that is not energy efficient, such as replacing old street and traffic lights with greener technology.

Managing nuclear energy

The *Nuclear Energy Regulation and Management* programme accounts for an estimated 10.9 per cent (R3.6 billion) of the department's budget over the medium term, mainly comprising transfers to entities. The South African Nuclear Energy Corporation is allocated R3.1 billion, of which R2.4 billion is for its operational costs and R664.7 million is for the decontamination and decommissioning of old nuclear facilities. An additional R20 million is earmarked in 2023/24 for preparatory work to procure a multipurpose reactor to replace the 58-year-old SAFARI-1 research reactor, which is approaching the end of its useful life. The reactor is used for research and development, and to manufacture medical isotopes.

Expenditure trends and estimates

Table 34.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Minerals and Petroleum Regulation											
3. Mining, Minerals and Energy Policy Development											
4. Mine Health and Safety Inspectorate											
5. Mineral and Energy Resources Programmes and Projects											
6. Nuclear Energy Regulation and Management											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2025/26
Programme 1	631.3	566.6	562.5	729.6	4.9%	7.0%	695.4	684.4	713.4	-0.7%	6.4%
Programme 2	526.0	508.4	526.9	512.3	-0.9%	5.8%	511.7	540.3	562.9	3.2%	4.8%
Programme 3	850.4	899.4	768.7	880.0	1.1%	9.6%	1 081.0	1 223.2	1 280.7	13.3%	10.1%
Programme 4	221.7	196.3	205.4	236.6	2.2%	2.4%	233.9	243.5	255.7	2.6%	2.2%
Programme 5	5 650.6	3 912.6	5 716.6	6 917.1	7.0%	62.6%	7 018.3	7 348.5	7 674.7	3.5%	65.6%
Programme 6	1 035.5	1 101.6	1 123.4	1 172.0	4.2%	12.5%	1 160.9	1 193.3	1 248.3	2.1%	10.8%
Total	8 915.5	7 184.9	8 903.5	10 447.5	5.4%	100.0%	10 701.2	11 233.3	11 735.6	4.0%	100.0%
Change to 2022				101.9			47.8	28.1	28.5		
Budget estimate											
Economic classification											
Current payments	1 568.3	1 531.0	1 829.8	2 401.1	15.3%	20.7%	2 143.4	2 205.2	2 303.1	-1.4%	20.5%
Compensation of employees	1 007.1	956.9	978.0	1 066.1	1.9%	11.3%	1 066.6	1 113.6	1 162.6	2.9%	10.0%
Goods and services ¹	561.2	574.1	851.8	1 334.9	33.5%	9.4%	1 076.8	1 091.6	1 140.5	-5.1%	10.5%
of which:											
Computer services	33.0	40.6	44.9	125.6	56.2%	0.7%	89.5	47.0	49.1	-26.9%	0.7%
Consultants: Business and advisory services	40.4	234.3	503.2	762.1	166.2%	4.3%	556.7	590.5	617.5	-6.8%	5.7%
Operating leases	128.5	129.9	120.8	156.1	6.7%	1.5%	160.7	167.8	175.2	3.9%	1.5%
Property payments	15.2	23.7	20.9	16.2	2.2%	0.2%	16.1	16.9	17.7	2.9%	0.2%
Travel and subsistence	131.7	45.9	73.5	97.0	-9.7%	1.0%	85.2	92.6	96.6	-0.1%	0.8%
Operating payments	102.3	33.9	5.2	50.8	-20.8%	0.5%	47.9	50.3	52.5	1.1%	0.5%
Transfers and subsidies¹	7 342.7	5 645.1	7 066.7	8 033.0	3.0%	79.2%	8 543.5	9 005.6	9 409.1	5.4%	79.3%
Provinces and municipalities	2 086.9	1 551.3	2 223.0	2 342.9	3.9%	23.1%	2 436.1	2 553.9	2 668.3	4.4%	22.7%
Departmental agencies and accounts	647.9	691.9	565.4	605.2	-2.2%	7.1%	809.6	937.0	979.0	17.4%	7.5%
Foreign governments and international organisations	24.6	25.9	29.5	32.9	10.2%	0.3%	37.1	38.8	40.6	7.3%	0.3%
Public corporations and private enterprises	4 575.3	3 370.3	4 241.9	5 049.7	3.3%	48.6%	5 258.1	5 473.4	5 718.6	4.2%	48.7%
Households	8.0	5.6	6.9	2.4	-32.9%	0.1%	2.4	2.5	2.6	3.1%	0.0%
Payments for capital assets	4.5	4.2	6.8	13.5	44.4%	0.1%	14.4	22.4	23.4	20.3%	0.2%
Buildings and other fixed structures	0.3	-	0.2	2.4	106.1%	0.0%	2.5	2.6	2.8	4.4%	0.0%
Machinery and equipment	4.2	4.2	6.6	11.0	38.5%	0.1%	11.8	19.8	20.7	23.3%	0.1%
Software and other intangible assets	0.0	-	-	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Payments for financial assets	0.1	4.7	0.3	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Total	8 915.5	7 184.9	8 903.5	10 447.5	5.4%	100.0%	10 701.2	11 233.3	11 735.6	4.0%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 34.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R thousand											
Households											
Social benefits											
Current	6 740	5 355	6 161	1 971	-33.6%	0.1%	1 978	2 067	2 160	3.1%	–
Employee social benefits	6 740	5 355	6 161	1 971	-33.6%	0.1%	1 978	2 067	2 160	3.1%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	643 928	687 715	561 013	604 637	-2.1%	8.9%	809 628	937 007	978 986	17.4%	9.5%
Energy and Water Sector Education and Training Authority	1 170	–	–	911	-8.0%	–	1 263	1 320	1 379	14.8%	–
Mining Qualifications Authority	1 996	–	2 151	2 209	3.4%	–	2 217	2 317	2 421	3.1%	–
South African Diamond and Precious Metals Regulator	61 544	76 054	62 027	62 894	0.7%	0.9%	63 136	65 971	68 927	3.1%	0.7%
Council for Geoscience	410 553	448 331	322 337	355 761	-4.7%	5.5%	559 458	675 602	705 869	25.7%	6.6%
Mine Health and Safety Council	4 386	344	4 581	4 717	2.5%	–	4 736	4 949	5 171	3.1%	0.1%
South African National Energy Development Institute	74 151	73 615	75 182	81 072	3.0%	1.1%	81 383	85 038	88 848	3.1%	1.0%
National Nuclear Regulator	42 629	39 974	45 569	46 769	3.1%	0.6%	46 949	49 057	51 255	3.1%	0.6%
National Radioactive Waste Disposal Institute	47 499	49 397	49 166	50 304	1.9%	0.7%	50 486	52 753	55 116	3.1%	0.6%
Capital	3 976	4 195	4 426	539	-48.6%	–	–	–	–	-100.0%	–
Council for Geoscience	3 509	3 702	3 906	–	-100.0%	–	–	–	–	–	–
National Nuclear Regulator	467	493	520	539	4.9%	–	–	–	–	-100.0%	–
Households											
Other transfers to households											
Current	1 240	247	727	436	-29.4%	–	438	458	479	3.2%	–
Employee social benefits	–	81	90	–	–	–	–	–	–	–	–
Employee ex-gratia payment	1 240	166	637	436	-29.4%	–	438	458	479	3.2%	–
Provinces and municipalities											
Municipal bank accounts											
Current	227 065	192 597	220 874	223 204	-0.6%	3.1%	224 092	242 515	253 380	4.3%	2.7%
Energy efficiency and demand-side management grant	227 065	192 597	220 874	223 204	-0.6%	3.1%	224 092	242 515	253 380	4.3%	2.7%
Capital	1 859 820	1 358 752	2 002 157	2 119 668	4.5%	26.1%	2 212 046	2 311 388	2 414 938	4.4%	25.9%
Integrated national electrification programme grant	1 859 820	1 358 752	2 002 157	2 119 668	4.5%	26.1%	2 212 046	2 311 388	2 414 938	4.4%	25.9%
Foreign governments and international organisations											
Current	24 588	25 929	29 452	32 867	10.2%	0.4%	37 147	38 814	40 554	7.3%	0.4%
African Petroleum Producers' Association	2 554	3 598	–	3 333	9.3%	–	3 346	3 496	3 653	3.1%	–
International Energy Forum	–	396	344	395	–	–	397	415	434	3.2%	–
Generation IV International Forum	631	627	593	867	11.2%	–	–	–	–	-100.0%	–
International Renewable Energy Agency	1 336	1 106	–	1 331	-0.1%	–	1 337	1 397	1 460	3.1%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	–	–	–	1 467	1 533	1 602	–	–
International Atomic Energy Agency	20 067	20 202	20 479	22 460	3.8%	0.3%	25 051	26 176	27 349	6.8%	0.3%
African Diamond Producers Association	–	–	8 036	4 481	–	–	4 679	4 888	5 106	4.4%	0.1%
Generation IV International Forum	–	–	–	–	–	–	870	909	950	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 159 896	1 213 073	1 239 455	1 277 903	3.3%	17.4%	1 272 699	1 308 957	1 367 598	2.3%	14.9%
Mintek	370 208	263 140	280 055	287 417	-8.1%	4.3%	288 522	301 479	314 985	3.1%	3.4%
South African Nuclear Energy Corporation	789 688	949 933	959 400	990 486	7.8%	13.1%	984 177	1 007 478	1 052 613	2.0%	11.5%
Capital	163 925	57 012	53 302	55 244	-30.4%	1.2%	37 979	39 684	41 462	-9.1%	0.5%
Mintek	63 182	40 794	36 192	37 538	-15.9%	0.6%	30 157	31 511	32 923	-4.3%	0.4%
South African Nuclear Energy Corporation	100 743	16 218	17 110	17 706	-44.0%	0.5%	7 822	8 173	8 539	-21.6%	0.1%
Public corporations and private enterprises											
Subsidies on products and production											
Current	127 448	91 318	98 590	101 076	-7.4%	1.5%	98 903	103 345	107 975	2.2%	1.2%
Petroleum Agency South Africa	127 448	91 318	93 076	94 284	-9.6%	1.4%	92 085	96 221	100 532	2.2%	1.1%
Various institutions: Water management solutions subsidies for marginal mines	–	–	5 514	6 792	–	–	6 818	7 124	7 443	3.1%	0.1%
Public corporations and private enterprises											
Subsidies on products and production											
Current	–	25 924	26 267	27 293	–	0.3%	27 398	28 628	29 911	3.1%	0.3%
Industrial Development Corporation	–	25 924	26 267	27 293	–	0.3%	27 398	28 628	29 911	3.1%	0.3%
Capital	3 124 053	1 982 985	2 824 257	3 588 162	4.7%	41.0%	3 821 156	3 992 762	4 171 638	5.2%	44.5%
Eskom - integrated national electrification programme grant	3 124 053	1 982 985	2 824 257	3 588 162	4.7%	41.0%	3 821 156	3 992 762	4 171 638	5.2%	44.5%
Total	7 342 679	5 645 102	7 066 681	8 033 000	3.0%	100.0%	8 543 464	9 005 625	9 409 081	5.4%	100.0%

Personnel information

Table 34.4 Vote personnel numbers and cost by salary level and programme¹

Programmes			Number and cost ² of personnel posts filled/planned for on funded establishment														Average	Average:		
Number of posts estimated for 31 March 2023			Actual		Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Salary level/ Total (%)						
Number of funded posts	Number of posts additional to the establishment		2021/22			2022/23			2023/24			2024/25		2025/26		2022/23 - 2025/26				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Mineral Resources and Energy			1 462	1 576	978.0	0.6	1 518	1 052.3	0.7	1 555	1 066.6	0.7	1 535	1 113.6	0.7	1 569	1 162.6	0.7	1.1%	100.0%
Salary level	1 462	17	1 576	978.0	0.6	1 518	1 052.3	0.7	1 555	1 066.6	0.7	1 535	1 113.6	0.7	1 569	1 162.6	0.7	1.1%	100.0%	
1 – 6	354	–	320	105.7	0.3	330	113.7	0.3	359	121.3	0.3	356	127.0	0.4	360	131.7	0.4	2.9%	22.7%	
7 – 10	628	3	679	394.0	0.6	712	433.3	0.6	713	433.8	0.6	703	452.1	0.6	719	473.8	0.7	0.3%	46.1%	
11 – 12	329	5	313	289.6	0.9	325	314.0	1.0	330	317.7	1.0	325	331.7	1.0	337	348.7	1.0	1.2%	21.3%	
13 – 16	149	9	145	177.8	1.2	150	191.2	1.3	152	193.6	1.3	150	202.7	1.3	152	208.2	1.4	0.4%	9.8%	
Other	2	–	120	10.9	0.1	1	0.1	0.1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	–	0.1%	
Programme	1 462	17	1 576	978.0	0.6	1 518	1 052.3	0.7	1 555	1 066.6	0.7	1 535	1 113.6	0.7	1 569	1 162.6	0.7	1.1%	100.0%	
Programme 1	518	11	542	302.0	0.6	538	323.8	0.6	549	326.4	0.6	540	337.9	0.6	548	351.3	0.6	0.6%	35.2%	
Programme 2	426	2	462	276.6	0.6	438	297.6	0.7	440	298.2	0.7	437	313.5	0.7	446	325.9	0.7	0.6%	28.5%	
Programme 3	129	–	144	99.3	0.7	127	102.9	0.8	133	106.5	0.8	129	110.6	0.9	136	118.2	0.9	2.2%	8.5%	
Programme 4	237	–	249	171.1	0.7	254	190.5	0.7	268	194.1	0.7	264	202.0	0.8	270	212.3	0.8	2.1%	17.1%	
Programme 5	120	1	142	100.5	0.7	123	103.5	0.8	126	105.5	0.8	126	111.7	0.9	126	113.7	0.9	0.8%	8.1%	
Programme 6	32	3	37	28.5	0.8	37	34.0	0.9	39	35.9	0.9	39	38.0	1.0	42	41.2	1.0	4.3%	2.6%	

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

2. Rand million.

Departmental receipts

Table 34.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2019/20	2020/21	2021/22					2022/23				
Departmental receipts	43 206	280 929	100 018	48 978	48 978	4.3%	99.5%	51 354	53 665	54 201	3.4%	100.0%
Sales of goods and services produced by department	15 241	12 732	16 633	16 620	16 620	2.9%	12.9%	17 451	18 236	18 419	3.5%	34.0%
Sales by market establishments of which:	568	549	530	626	626	3.3%	0.5%	657	687	694	3.5%	1.3%
Market establishment: Rental parking: Covered and open	568	549	530	626	626	3.3%	0.5%	657	687	694	3.5%	1.3%
Administrative fees of which:	13 706	11 040	15 094	15 121	15 121	3.3%	11.6%	15 878	16 592	16 758	3.5%	30.9%
Application fees in relation to the Mineral and Petroleum Resources Development Act (2002)	1 213	1 099	1 138	1 602	1 602	9.7%	1.1%	1 682	1 758	1 776	3.5%	3.3%
Requested information: Promotion of Access to Information Act (2000)	44	25	25	30	30	-12.0%	–	32	33	33	3.2%	0.1%
Environmental Authorisation application fees	8 618	6 224	8 516	9 679	9 679	3.9%	6.9%	10 163	10 620	10 726	3.5%	19.8%
Administrative fees: Petroleum licence fees	3 831	3 692	5 415	3 810	3 810	-0.2%	3.5%	4 001	4 181	4 223	3.5%	7.8%
Other sales of which:	967	1 143	1 009	873	873	-3.4%	0.8%	916	957	967	3.5%	1.8%
Services rendered: Commission on insurance and garnishee	406	414	408	410	410	0.3%	0.3%	431	450	455	3.5%	0.8%
Services rendered: Marking of exam papers	520	712	561	424	424	-6.6%	0.5%	445	465	470	3.5%	0.9%
Services rendered: Photocopies and faxes	40	17	39	37	37	-2.6%	–	39	41	41	3.5%	0.1%
Replacement of lost office property	1	–	1	2	2	26.0%	–	1	1	1	-20.6%	–
Sales of scrap, waste, arms and other used current goods	5	–	–	–	–	-100.0%	–	2	2	2	–	–
of which:												
Sales: Scrap	5	–	–	–	–	-100.0%	–	2	2	2	–	–
Transfers received	764	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
Fines, penalties and forfeits	3 129	2 878	1 716	1 494	1 494	-21.8%	1.9%	1 494	1 561	1 576	1.8%	2.9%
Interest, dividends and rent on land	21 253	10 668	13 178	28 105	28 105	9.8%	15.4%	29 510	30 838	31 146	3.5%	57.4%
Interest	93	1 256	143	227	227	34.6%	0.4%	238	249	251	3.4%	0.5%
Rent on land	21 160	9 412	13 035	27 878	27 878	9.6%	15.0%	29 272	30 589	30 895	3.5%	57.0%
Sales of capital assets	2 379	–	–	–	–	-100.0%	0.5%	–	–	–	–	–
Transactions in financial assets and liabilities	435	254 651	68 491	2 759	2 759	85.1%	68.6%	2 897	3 028	3 058	3.5%	5.6%
National Revenue Fund receipts	2 379	–	–	–	–	-100.0%	0.5%	–	–	–	–	–
of which:												
Other capital assets	2 379	–	–	–	–	-100.0%	0.5%	–	–	–	–	–
Total	45 585	280 929	100 018	48 978	48 978	2.4%	100.0%	51 354	53 665	54 201	3.4%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 34.6 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 (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million											
Ministry	57.3	27.5	28.2	35.2	-15.0%	6.0%	40.9	42.5	44.3	7.9%	5.8%
Departmental Management	29.8	32.9	31.3	40.2	10.6%	5.4%	41.1	42.9	44.8	3.7%	6.0%
Audit Services	19.7	18.6	21.9	23.0	5.2%	3.3%	22.0	23.0	24.0	1.5%	3.3%
Financial Administration	88.6	86.9	85.9	94.9	2.3%	14.3%	98.3	106.5	111.2	5.4%	14.6%
Corporate Services	374.2	275.9	283.8	379.1	0.4%	52.7%	335.5	304.8	317.0	-5.8%	47.3%
Office Accommodation	61.6	124.7	111.5	157.2	36.6%	18.3%	157.6	164.7	172.1	3.1%	23.1%
Total	631.3	566.6	562.5	729.6	4.9%	100.0%	695.4	684.4	713.4	-0.7%	100.0%
Change to 2022				-			0.3	(2.8)	(4.6)		
Budget estimate											
Economic classification											
Current payments	617.7	555.4	546.9	711.5	4.8%	97.7%	675.1	655.8	683.5	-1.3%	96.6%
Compensation of employees	333.9	305.9	302.0	327.9	-0.6%	51.0%	326.4	337.9	351.3	2.3%	47.6%
Goods and services	283.8	249.5	244.9	383.7	10.6%	46.7%	348.8	317.9	332.2	-4.7%	49.0%
<i>of which:</i>											
<i>Audit costs: External</i>	12.4	9.4	9.6	10.2	-6.3%	1.7%	10.2	10.7	11.2	3.1%	1.5%
<i>Computer services</i>	28.5	38.1	44.2	121.7	62.2%	9.3%	86.7	44.0	46.0	-27.7%	10.6%
<i>Operating leases</i>	127.6	129.1	116.0	155.5	6.8%	21.2%	154.2	161.2	168.4	2.7%	22.6%
<i>Property payments</i>	15.2	23.7	20.7	16.2	2.1%	3.0%	16.1	16.9	17.7	2.9%	2.4%
<i>Travel and subsistence</i>	37.8	8.8	16.3	18.6	-21.1%	3.3%	18.1	19.1	19.8	2.1%	2.7%
<i>Training and development</i>	4.4	0.2	1.1	9.0	27.0%	0.6%	8.3	8.6	9.2	0.5%	1.2%
Transfers and subsidies	9.2	5.4	8.9	5.5	-15.5%	1.2%	5.9	6.2	6.4	5.2%	0.9%
Departmental agencies and accounts	1.2	-	2.2	3.1	38.7%	0.3%	3.5	3.6	3.8	6.8%	0.5%
Households	8.0	5.4	6.7	2.4	-32.9%	0.9%	2.4	2.5	2.6	3.1%	0.4%
Payments for capital assets	4.4	4.1	6.6	12.6	41.8%	1.1%	14.4	22.4	23.4	23.1%	2.6%
Buildings and other fixed structures	0.3	-	0.2	2.4	106.1%	0.1%	2.5	2.6	2.8	4.4%	0.4%
Machinery and equipment	4.1	4.1	6.5	10.1	35.4%	1.0%	11.8	19.8	20.7	26.8%	2.2%
Software and other intangible assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.0	1.7	0.1	-	-100.0%	0.1%	-	-	-	-	-
Total	631.3	566.6	562.5	729.6	4.9%	100.0%	695.4	684.4	713.4	-0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	7.1%	7.9%	6.3%	7.0%	-	-	6.5%	6.1%	6.1%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	6.7	5.2	6.1	2.0	-33.6%	0.8%	2.0	2.1	2.2	3.1%	0.3%
Employee social benefits	6.7	5.2	6.1	2.0	-33.6%	0.8%	2.0	2.1	2.2	3.1%	0.3%
Households											
Other transfers to households											
Current	1.2	0.2	0.6	0.4	-29.4%	0.1%	0.4	0.5	0.5	3.2%	0.1%
Employee ex-gratia payment	1.2	0.2	0.6	0.4	-29.4%	0.1%	0.4	0.5	0.5	3.2%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.2	-	2.2	3.1	38.7%	0.3%	3.5	3.6	3.8	6.8%	0.5%
Energy and Water Sector Education and Training Authority	1.2	-	-	0.9	-8.0%	0.1%	1.3	1.3	1.4	14.8%	0.2%
Mining Qualifications Authority	-	-	2.2	2.2	-	0.2%	2.2	2.3	2.4	3.1%	0.3%

Personnel information

Table 34.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023			Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)			
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		Number	Cost	Unit cost	
Administration	518	11	542	302.0	0.6	538	323.8	0.6	549	326.4	0.6	540	337.9	0.6	548	351.3	0.6	0.6%	100.0%
1 – 6	194	–	183	61.5	0.3	190	66.2	0.3	208	70.6	0.3	207	74.1	0.4	208	76.4	0.4	3.1%	37.4%
7 – 10	207	1	216	113.7	0.5	227	124.7	0.5	217	120.0	0.6	213	124.2	0.6	216	128.9	0.6	-1.6%	40.1%
11 – 12	64	2	67	62.4	0.9	70	68.5	1.0	72	70.2	1.0	70	72.4	1.0	72	75.5	1.0	0.9%	13.1%
13 – 16	51	8	49	60.7	1.3	50	64.2	1.3	51	65.4	1.3	49	66.9	1.4	51	70.3	1.4	0.6%	9.2%
Other	2	–	28	3.8	0.1	1	0.1	0.1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	–	0.2%

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

2. Rand million.

Programme 2: Minerals and Petroleum Regulation

Programme purpose

Regulate the mining, minerals and petroleum sectors to promote economic growth, employment, transformation and sustainable development.

Objectives

- Improve the participation of historically disadvantaged South Africans in the mining sector and contribute to its transformation by:
 - issuing mining rights and permits to 600 historically disadvantaged South Africans over the medium term
 - monitoring and enforcing compliance with procurement requirements that relate to historically disadvantaged South Africans, as prescribed by the mining charter, on an ongoing basis.
- Monitor and enforce compliance with the statutory obligations of the Mineral and Petroleum Resources Development Act (2002) and the mining charter by conducting 636 social and labour plan verification inspections, 1 500 mine economic verification audits and 4 122 environmental verification inspections over the medium term.
- Ensure the development and transformation of the liquid fuels industry, and the security of supply of petroleum and petroleum products, by monitoring and enforcing technical and economic compliance with legislation, specifications, standards and licence conditions annually.
- Facilitate the orderly operation of the petroleum sector by analysing fuel supply and efficiently adjudicating licences for manufacturing, wholesaling and retailing activities on an ongoing basis.
- Strengthen the regulatory framework in the liquid fuels petroleum industry by implementing an accounting system to introduce a transparent fuel pricing mechanism that will provide appropriate returns to investors in the liquid fuels sector across the value chain on an ongoing basis.

Subprogrammes

- *Minerals and Petroleum Management* provides overall management to the programme.
- *Mineral Regulation and Administration* administers and evaluates prospecting and mining rights and licensing. This subprogramme also makes transfers to the South African Diamond and Precious Metals Regulator, which implements and enforces the provisions of the Precious Metals Act (2005); and to Petroleum Agency South Africa, which regulates onshore and offshore oil and gas exploration and production activities.
- *Environmental Enforcement and Compliance* ensures that mining activities comply with the prescripts of the National Environmental Management Act (1998).
- *Petroleum Compliance Monitoring, Enforcement and Fuel Pricing* ensures technical, economic and legal compliance by the petroleum industry with the prescripts of the Petroleum Products Act (1977) and its regulations through monitoring and enforcement.

- *Petroleum Licensing and Fuel Supply* manages petroleum licensing, regulates import and export permits for petroleum products, monitors fuel stock levels, and ensures the security of fuel supply.

Expenditure trends and estimates

Table 34.8 Minerals and Petroleum Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2019/20	2020/21	2021/22				2022/23	2019/20	2022/23			2023/24
R million												
Minerals and Petroleum Management	14.3	11.6	13.6	17.3	6.5%	2.7%	16.9	17.7	18.4	2.1%	3.3%	
Mineral Regulation and Administration	414.6	406.1	418.8	381.2	-2.8%	78.2%	379.1	399.4	415.9	2.9%	74.1%	
Environmental Enforcement and Compliance	16.4	18.4	19.9	20.3	7.3%	3.6%	22.8	23.8	24.9	7.0%	4.3%	
Petroleum Compliance Monitoring, Enforcement and Fuel Pricing	18.6	20.1	17.2	25.7	11.3%	3.9%	28.1	31.8	33.2	8.9%	5.6%	
Petroleum Licensing and Fuel Supply	62.1	52.3	57.4	67.9	3.0%	11.6%	64.8	67.6	70.6	1.3%	12.7%	
Total	526.0	508.4	526.9	512.3	-0.9%	100.0%	511.7	540.3	562.9	3.2%	100.0%	
Change to 2022 Budget estimate				19.2			19.4	22.1	21.5			
Economic classification	334.4	337.4	371.7	351.8	1.7%	67.3%	353.1	374.6	389.8	3.5%	69.1%	
Current payments												
Compensation of employees	269.2	264.0	276.6	298.0	3.5%	53.4%	298.2	313.5	325.9	3.0%	58.1%	
Goods and services	65.2	73.4	95.1	53.7	-6.2%	13.9%	54.9	61.2	63.9	5.9%	11.0%	
<i>of which:</i>												
Communication	3.5	2.5	5.2	4.7	10.0%	0.8%	4.8	5.0	5.2	3.3%	0.9%	
Consultants: Business and advisory services	6.5	50.0	52.7	11.9	22.3%	5.8%	12.0	14.4	15.1	8.3%	2.5%	
Consumables: Stationery, printing and office supplies	1.4	0.3	0.6	2.3	19.0%	0.2%	1.9	1.9	2.0	-4.1%	0.4%	
Operating leases	0.8	0.8	4.4	0.4	-19.8%	0.3%	3.5	3.6	3.6	104.3%	0.5%	
Travel and subsistence	33.5	9.8	17.0	19.5	-16.4%	3.9%	20.1	22.9	23.9	7.0%	4.1%	
Venues and facilities	0.7	0.0	0.0	2.8	62.1%	0.2%	3.3	3.5	3.6	8.8%	0.6%	
Transfers and subsidies	191.5	171.1	155.2	160.5	-5.7%	32.7%	158.6	165.7	173.1	2.6%	30.9%	
Departmental agencies and accounts	61.5	76.1	62.0	62.9	0.7%	12.7%	63.1	66.0	68.9	3.1%	12.3%	
Foreign governments and international organisations	2.6	3.6	-	3.3	9.3%	0.5%	3.3	3.5	3.7	3.1%	0.7%	
Public corporations and private enterprises	127.4	91.3	93.1	94.3	-9.6%	19.6%	92.1	96.2	100.5	2.2%	18.0%	
Households	-	0.1	0.1	-	-	-	-	-	-	-	-	
Payments for capital assets	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-	
Machinery and equipment	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-	
Payments for financial assets	0.0	-	0.0	-	-100.0%	-	-	-	-	-	-	
Total	526.0	508.4	526.9	512.3	-0.9%	100.0%	511.7	540.3	562.9	3.2%	100.0%	
Proportion of total programme expenditure to vote expenditure	5.9%	7.1%	5.9%	4.9%	-	-	4.8%	4.8%	4.8%	-	-	
Details of transfers and subsidies												
Households												
Other transfers to households												
Current	-	0.1	0.1	-	-	-	-	-	-	-	-	
Employee social benefits	-	0.1	0.1	-	-	-	-	-	-	-	-	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	61.5	76.1	62.0	62.9	0.7%	12.7%	63.1	66.0	68.9	3.1%	12.3%	
South African Diamond and Precious Metals Regulator	61.5	76.1	62.0	62.9	0.7%	12.7%	63.1	66.0	68.9	3.1%	12.3%	
Foreign governments and international organisations												
Current	2.6	3.6	-	3.3	9.3%	0.5%	3.3	3.5	3.7	3.1%	0.7%	
African Petroleum Producers' Association	2.6	3.6	-	3.3	9.3%	0.5%	3.3	3.5	3.7	3.1%	0.7%	
Public corporations and private enterprises												
Private enterprises												
Private enterprises (subsidies on products and production)												
Current	127.4	91.3	93.1	94.3	-9.6%	19.6%	92.1	96.2	100.5	2.2%	18.0%	
Petroleum Agency South Africa	127.4	91.3	93.1	94.3	-9.6%	19.6%	92.1	96.2	100.5	2.2%	18.0%	

Personnel information

Table 34.9 Minerals and Petroleum Regulation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22			2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26					
Minerals and Petroleum Regulation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	426	2	462	276.6	0.6	438	297.6	0.7	440	298.2	0.7	437	313.5	0.7	446	325.9	0.7	0.6%	100.0%
1 – 6	91	–	84	27.5	0.3	84	28.8	0.3	84	28.4	0.3	84	29.9	0.4	87	31.9	0.4	1.2%	19.3%
7 – 10	255	–	262	164.1	0.6	269	176.4	0.7	271	177.5	0.7	268	185.7	0.7	273	193.7	0.7	0.6%	61.4%
11 – 12	52	1	49	46.6	1.0	57	56.5	1.0	57	56.4	1.0	57	59.7	1.0	58	61.6	1.1	0.6%	13.0%
13 – 16	28	1	29	35.5	1.2	28	35.9	1.3	28	36.0	1.3	28	38.1	1.4	28	38.7	1.4	–	6.4%
Other	–	–	39	3.0	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Programme 3: Mining, Minerals and Energy Policy Development

Programme purpose

Formulate, maintain and implement integrated minerals and energy policies to promote and encourage investment in the mining and energy industry.

Objectives

- Promote investment in the mining, minerals and upstream petroleum sectors over the medium term by:
 - hosting 24 promotional and awareness activities or events for local and foreign investors
 - participating in local and international mining and petroleum conferences and events, engaging with stakeholders in various forums, and leading the implementation of key government priorities
 - ensuring the full implementation of plans for developing the oceans economy for oil and gas exploration through Operation Phakisa
 - ensuring the full implementation of the shale gas action plan through consultations, advocacy, research and promotional activities for shale gas exploration
 - publishing various mining and energy reports and publications on an ongoing basis.
- Manage diplomatic imperatives and relations with foreign countries to benefit South Africa by establishing and implementing bilateral and multilateral partnerships for mining and upstream petroleum development on an ongoing basis.
- Improve energy security over the medium term by amending the Electricity Regulation Amendment Act (2007) and its regulations, the National Radioactive Waste Disposal Institute Act (2008) and its regulations, and the Gas Amendment Act (2021).
- Enable transformed, competitive and sustainable minerals and petroleum sectors by:
 - amending the Petroleum Products Act (2006) by 2024/25
 - amending the Mine Health and Safety Act (1996), the Mineral and Petroleum Resources Development Act (2002) and the Diamonds Amendment Act (2005) over the MTEF period.
- Transform and grow the mining and energy sectors by enabling the revision of the integrated resources plan by 2023/24.
- Contribute to a reduction in greenhouse gas emissions by approving and registering 12 carbon offset projects over the medium term.

Subprogrammes

- Mining, Minerals and Energy Policy Development Management* provides overall management to the programme.
- Minerals and Petroleum Policy* develops and reviews policy and legislative frameworks for the mining, minerals and petroleum sectors; conducts research; and monitors the impact of policy implementation.
- Nuclear, Electricity and Gas Policy* develops and reviews policy and legislative frameworks for the nuclear,

electricity and gas sectors; conducts research; and monitors the impact of policy implementation.

- *Economic Analysis and Statistics* conducts research, compiles and collates data, and advises the department on local and international economic trends in the mineral and energy sectors.
- *Economic Growth, Promotion and Global Relations* promotes economic growth and investment in the mineral and energy sectors. This subprogramme also makes transfers to the Council for Geoscience and Mintek.
- *Mineral and Energy Planning* ensures the secure supply of mineral and energy resources through evidence-based planning, manages the development of minerals and energy plans, and undertakes research and analysis of market trends that inform and influence the minerals and energy economy.

Expenditure trends and estimates

Table 34.10 Mining, Minerals and Energy Policy Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
R million											
Mining, Minerals and Energy Policy Development Management	12.0	11.4	19.1	61.4	72.2%	3.1%	67.7	72.1	75.1	6.9%	6.2%
Minerals and Petroleum Policy	23.8	23.9	21.3	24.2	0.5%	2.7%	25.2	26.5	30.7	8.2%	2.4%
Nuclear, Electricity and Gas Policy	13.0	10.8	14.9	20.1	15.5%	1.7%	15.4	16.2	16.9	-5.5%	1.5%
Economic Analysis and Statistics	46.8	40.8	40.6	45.4	-1.0%	5.1%	49.4	52.7	55.2	6.7%	4.5%
Economic Growth, Promotion and Global Relations	735.9	803.6	664.0	711.2	-1.1%	85.8%	907.4	1 039.0	1 085.3	15.1%	83.8%
Mineral and Energy Planning	18.9	8.8	8.8	17.8	-1.9%	1.6%	16.0	16.7	17.5	-0.6%	1.5%
Total	850.4	899.4	768.7	880.0	1.1%	100.0%	1 081.0	1 223.2	1 280.7	13.3%	100.0%
Change to 2022 Budget estimate				-			(0.6)	(1.3)	1.3		
Economic classification											
Current payments	139.9	142.7	117.5	193.9	11.5%	17.5%	198.2	209.7	221.8	4.6%	18.4%
Compensation of employees	108.2	96.7	99.3	106.2	-0.6%	12.1%	106.5	110.6	118.2	3.6%	9.9%
Goods and services	31.7	45.9	18.2	87.7	40.4%	5.4%	91.7	99.1	103.6	5.7%	8.6%
<i>of which:</i>											
<i>Administrative fees</i>	0.6	0.1	0.1	1.2	24.6%	0.1%	3.6	3.8	4.0	50.6%	0.3%
<i>Consultants: Business and advisory services</i>	2.0	29.0	1.0	53.8	197.9%	2.5%	57.9	60.5	63.2	5.5%	5.3%
<i>Contractors</i>	1.0	0.0	-	2.4	35.1%	0.1%	2.6	3.7	3.8	16.9%	0.3%
<i>Travel and subsistence</i>	13.4	2.4	2.9	11.6	-4.8%	0.9%	12.4	14.0	14.6	8.2%	1.2%
<i>Operating payments</i>	3.6	8.6	1.4	4.8	9.4%	0.5%	2.1	3.5	3.7	-7.9%	0.3%
<i>Venues and facilities</i>	5.4	0.4	4.8	3.2	-15.4%	0.4%	4.2	4.4	4.5	11.9%	0.4%
Transfers and subsidies	710.5	756.7	651.1	686.1	-1.2%	82.5%	882.8	1 013.5	1 058.9	15.6%	81.6%
Departmental agencies and accounts	414.1	452.0	326.2	355.8	-4.9%	45.6%	559.5	675.6	705.9	25.7%	51.4%
Foreign governments and international organisations	0.6	0.6	8.6	5.3	103.9%	0.4%	4.7	4.9	5.1	-1.5%	0.4%
Public corporations and private enterprises	295.8	303.9	316.2	325.0	3.2%	36.5%	318.7	333.0	347.9	2.3%	29.7%
Households	-	0.1	-	-	-	-	-	-	-	-	-
Payments for capital assets	0.0	-	0.1	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	0.0	-	0.1	-	-100.0%	-	-	-	-	-	-
Total	850.4	899.4	768.7	880.0	1.1%	100.0%	1 081.0	1 223.2	1 280.7	13.3%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	12.5%	8.6%	8.4%	-	-	10.1%	10.9%	10.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	-	0.1	-	-	-	-	-	-	-	-	-
Employee social benefits	-	0.1	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	410.6	448.3	322.3	355.8	-4.7%	45.2%	559.5	675.6	705.9	25.7%	51.4%
Council for Geoscience	410.6	448.3	322.3	355.8	-4.7%	45.2%	559.5	675.6	705.9	25.7%	51.4%
Capital	3.5	3.7	3.9	-	-100.0%	0.3%	-	-	-	-	-
Council for Geoscience	3.5	3.7	3.9	-	-100.0%	0.3%	-	-	-	-	-
Foreign governments and international organisations											
Current	0.6	0.6	8.6	5.3	103.9%	0.4%	4.7	4.9	5.1	-1.5%	0.4%
Generation IV International Forum	0.6	0.6	0.6	0.9	11.2%	0.1%	-	-	-	-100.0%	-
African Diamond Producers Association	-	-	8.0	4.5	-	0.4%	4.7	4.9	5.1	4.4%	0.4%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	232.6	263.1	280.1	287.4	7.3%	31.3%	288.5	301.5	315.0	3.1%	26.7%
Mintek	232.6	263.1	280.1	287.4	7.3%	31.3%	288.5	301.5	315.0	3.1%	26.7%
Capital	63.2	40.8	36.2	37.5	-15.9%	5.2%	30.2	31.5	32.9	-4.3%	3.0%
Mintek	63.2	40.8	36.2	37.5	-15.9%	5.2%	30.2	31.5	32.9	-4.3%	3.0%

Personnel information

Table 34.11 Mining, Minerals and Energy Policy Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									2022/23 - 2025/26	
		2021/22		2022/23		2023/24			2024/25			2025/26						
Mining, Minerals and Energy Policy Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	129	144	99.3	0.7	127	102.9	0.8	133	106.5	0.8	129	110.6	0.9	136	118.2	0.9	2.2%	100.0%
1 – 6	12	9	3.0	0.3	9	3.2	0.4	9	3.1	0.3	7	2.6	0.4	7	2.6	0.4	-8.0%	6.1%
7 – 10	61	64	37.2	0.6	65	39.7	0.6	71	43.5	0.6	69	44.6	0.6	74	49.1	0.7	4.2%	53.0%
11 – 12	33	36	34.0	0.9	30	29.2	1.0	30	29.1	1.0	30	30.8	1.0	32	33.3	1.0	2.2%	23.4%
13 – 16	23	18	23.8	1.3	23	30.9	1.3	23	30.9	1.3	23	32.7	1.4	23	33.2	1.4	–	17.5%
Other	–	16	1.2	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

Programme 4: Mine Health and Safety Inspectorate

Programme purpose

Ensure the health and safety of employees in the mining sector.

Objectives

- Promote health and safety by:
 - reducing occupational fatalities by 10 per cent, occupational injuries by 5 per cent and occupational diseases by 10 per cent over the medium term
 - implementing the occupational and health and safety improvement strategy, and enforcing guidelines on an ongoing basis
 - conducting investigations, inspections and audits on an ongoing basis
 - 80 per cent adherence to prescribed timeframes for resolving medical appeals
 - 100 per cent adherence to timelines for appeals to the chief inspector of mines
 - 80 per cent adherence to timelines for applications in terms of the Mineral and Petroleum Resources Development Act (2002).
- Contribute to skills development in the mining sector by implementing, monitoring and evaluating the certificate of competency model on an ongoing basis.

Subprogrammes

- Mine Health and Safety Management* provides overall management to the programme.
- Mine Health and Safety Regions* develops strategies to reduce occupational diseases and injuries in the mining sector, and conducts audits and inspections.
- Occupational Health* makes transfers to the Mine Health and Safety Council, which is tasked with promoting a culture of health and safety in the mining sector.

Expenditure trends and estimates

Table 34.12 Mine Health and Safety Inspectorate 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 (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Mine Health and Safety Management	10.1	4.1	9.7	10.5	1.4%	4.0%	9.1	9.5	10.0	-1.7%	4.0%
Mine Health and Safety Regions	197.1	180.0	181.7	209.2	2.0%	89.3%	210.2	218.8	229.9	3.2%	89.5%
Occupational Health	14.6	12.2	14.0	16.9	5.1%	6.7%	14.6	15.2	15.9	-2.1%	6.5%
Total	221.7	196.3	205.4	236.6	2.2%	100.0%	233.9	243.5	255.7	2.6%	100.0%
Change to 2022 Budget estimate				–			(2.7)	(3.7)	(2.6)		

Table 34.12 Mine Health and Safety Inspectorate expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)	
	2019/20	2020/21	2021/22				2022/23	2019/20	2022/23			2023/24
R million												
Current payments	215.3	193.0	200.5	231.0	2.4%	97.6%	229.2	238.6	250.5	2.7%	97.9%	
Compensation of employees	184.2	171.9	171.1	195.0	1.9%	84.0%	194.1	202.0	212.3	2.9%	82.8%	
Goods and services	31.1	21.1	29.4	36.0	5.0%	13.7%	35.1	36.6	38.3	2.1%	15.0%	
<i>of which:</i>												
Communication	0.0	0.0	1.1	1.4	550.0%	0.3%	1.4	1.4	1.5	3.1%	0.6%	
Consultants: Business and advisory services	0.1	0.0	0.5	2.3	178.6%	0.3%	2.4	2.5	2.6	4.3%	1.0%	
Legal services	0.5	–	1.9	1.0	29.8%	0.4%	1.0	1.0	1.1	3.1%	0.4%	
Consumables: Stationery, printing and office supplies	0.7	0.2	0.3	2.5	55.3%	0.4%	2.6	2.7	2.8	4.4%	1.1%	
Operating leases	0.0	0.0	0.2	0.2	131.4%	0.1%	2.9	3.1	3.2	143.3%	1.0%	
Travel and subsistence	27.2	19.0	24.3	21.8	-7.1%	10.7%	20.7	21.7	22.6	1.3%	9.0%	
Transfers and subsidies	6.4	0.4	4.7	4.7	-9.6%	1.9%	4.7	4.9	5.2	3.1%	2.0%	
Departmental agencies and accounts	6.4	0.3	4.6	4.7	-9.6%	1.9%	4.7	4.9	5.2	3.1%	2.0%	
Households	–	0.1	0.1	–	–	–	–	–	–	–	–	
Payments for capital assets	0.0	–	–	0.9	405.8%	0.1%	–	–	–	-100.0%	0.1%	
Machinery and equipment	0.0	–	–	0.9	405.8%	0.1%	–	–	–	-100.0%	0.1%	
Payments for financial assets	0.0	3.0	0.2	–	-100.0%	0.4%	–	–	–	–	–	
Total	221.7	196.3	205.4	236.6	2.2%	100.0%	233.9	243.5	255.7	2.6%	100.0%	
Proportion of total programme expenditure to vote expenditure	2.5%	2.7%	2.3%	2.3%	–	–	2.2%	2.2%	2.2%	–	–	
Details of transfers and subsidies												
Households												
Social benefits												
Current	–	0.1	0.0	–	–	–	–	–	–	–	–	
Employee social benefits	–	0.1	0.0	–	–	–	–	–	–	–	–	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	6.4	0.3	4.6	4.7	-9.6%	1.9%	4.7	4.9	5.2	3.1%	2.0%	
Mining Qualifications Authority	2.0	–	–	–	-100.0%	0.2%	–	–	–	–	–	
Mine Health and Safety Council	4.4	0.3	4.6	4.7	2.5%	1.6%	4.7	4.9	5.2	3.1%	2.0%	

Personnel information

Table 34.13 Mine Health and Safety Inspectorate personnel numbers and cost by salary level¹

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 (%)	Average Salary level/Total (%)				
		Actual		Revised estimate			Medium-term expenditure estimate												
		2021/22		2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26						
Mine Health and Safety Inspectorate		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	237	–	249	171.1	0.7	254	190.5	0.7	268	194.1	0.7	264	202.0	0.8	270	212.3	0.8	2.1%	100.0%
1–6	50	–	41	13.2	0.3	44	14.7	0.3	55	18.5	0.3	55	19.5	0.4	55	20.0	0.4	7.7%	19.8%
7–10	36	–	64	32.8	0.5	71	40.3	0.6	71	37.9	0.5	70	39.4	0.6	72	41.9	0.6	0.2%	26.8%
11–12	133	–	115	105.7	0.9	121	116.1	1.0	124	118.3	1.0	121	122.5	1.0	126	129.6	1.0	1.4%	46.6%
13–16	18	–	18	18.5	1.0	18	19.4	1.1	18	19.4	1.1	18	20.5	1.1	18	20.8	1.2	–	6.8%
Other	–	–	11	0.9	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Programme 5: Mineral and Energy Resources Programmes and Projects

Programme purpose

Manage, coordinate and monitor programmes and projects focused on access to mineral and energy resources.

Objectives

- Increase access to electricity by managing the funding and monitoring of the implementation of the integrated national electrification programme on an ongoing basis.
- Increase public awareness on energy issues while empowering disadvantaged and vulnerable groups by identifying, implementing, managing and coordinating upliftment programmes and projects on an ongoing basis.

- Ensure the efficient management of electricity supply on an ongoing basis by:
 - enhancing the application of business principles for project management to assist programme and project managers
 - coordinating, monitoring and reporting on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement, transmission and distribution industry and its infrastructure.
- Promote the sustainable use and management of mineral and energy resources over the medium term by:
 - rehabilitating 9 derelict and ownerless mines
 - providing marginal mines with subsidies for water management solutions
 - managing the funding and monitoring of the *energy efficiency and demand-side management grant* to municipalities
 - promoting and facilitating access for and the development of artisanal and small-scale mining activities within the industry.

Subprogrammes

- *Programmes and Projects Management* provides overall management to the programme.
- *Integrated National Electrification Programme* oversees and manages financing and implementation processes for the electrification programme, and makes transfers to Eskom, municipalities and private providers.
- *Regional Programmes and Projects Management Office* provides specialised assistance to management to apply management principles, coordinate project information and report on projects. This subprogramme has been discontinued as its functions have been absorbed by the *Integrated National Electrification Programme* subprogramme.
- *Electricity Infrastructure and Industry Transformation* oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector, and independent power producers.
- *Energy Efficiency Projects* advances energy efficiency in South Africa through planning and coordinating initiatives and interventions focused on the energy efficiency market. This subprogramme also makes transfers to municipal energy efficiency programmes.
- *Renewable Energy Projects* ensures the integration of renewable energy into South Africa’s mainstream energy supply through planning and coordinating initiatives and interventions focused on the renewable energy market. This subprogramme also makes transfers to the South African National Energy Development Institute.
- *Environmental Management Projects* provides strategic guidance on environmental management and climate change. This subprogramme also assists mines to prevent the uncontrolled movement of water into and out of underground mine openings and holings.

Expenditure trends and estimates

Table 34.14 Mineral and Energy Resources Programmes and Projects 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 (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million											
Programmes and Projects Management	3.8	4.6	3.3	4.1	2.5%	0.1%	6.2	6.6	6.9	18.7%	0.1%
Integrated National Electrification Programme	5 019.0	3 378.4	5 091.2	6 070.8	6.5%	88.1%	6 327.7	6 618.6	6 912.2	4.4%	89.5%
Programmes and Projects Management Office	34.5	59.1	63.1	70.2	26.7%	1.0%	68.1	71.1	74.3	1.9%	1.0%
Regional Programmes and Projects Management Office	20.9	0.1	–	–	-100.0%	0.1%	–	–	–	–	–
Electricity Infrastructure and Industry Transformation	5.8	5.7	5.6	120.6	174.2%	0.6%	6.3	6.6	6.9	-61.4%	0.5%
Energy Efficiency Projects	333.7	228.9	231.8	292.3	-4.3%	4.9%	253.5	273.0	285.2	-0.8%	3.8%
Renewable Energy Projects	80.1	78.7	129.3	158.9	25.7%	2.0%	159.1	166.5	174.0	3.1%	2.3%
Environmental Management Projects	152.8	157.2	192.2	200.3	9.4%	3.2%	197.2	206.0	215.3	2.4%	2.8%
Total	5 650.6	3 912.6	5 716.6	6 917.1	7.0%	100.0%	7 018.3	7 348.5	7 674.7	3.5%	100.0%
Change to 2022 Budget estimate				76.7			2.6	4.2	1.3		

Table 34.14 Mineral and Energy Resources Programmes and Projects expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome			Adjusted appropriation 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
	R million										
Current payments	226.6	277.2	562.0	869.1	56.5%	8.7%	642.2	677.7	705.0	-6.7%	10.0%
Compensation of employees	89.4	96.4	100.5	105.0	5.5%	1.8%	105.5	111.7	113.7	2.7%	1.5%
Goods and services	137.2	180.9	461.5	764.1	77.3%	7.0%	536.7	566.0	591.4	-8.2%	8.5%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	20.9	151.1	443.0	681.0	219.5%	5.8%	469.2	496.8	519.3	-8.6%	7.5%
<i>Legal services</i>	–	–	0.1	–	–	–	3.0	3.0	3.0	–	–
<i>Contractors</i>	2.0	0.1	0.4	3.3	18.6%	–	3.3	3.4	3.6	2.9%	–
<i>Travel and subsistence</i>	17.2	5.7	12.2	24.1	11.9%	0.3%	12.6	13.2	13.8	-16.9%	0.2%
<i>Operating payments</i>	90.3	20.5	0.0	35.5	-26.8%	0.7%	37.0	37.5	39.0	3.2%	0.5%
<i>Venues and facilities</i>	2.4	0.3	1.0	4.4	22.2%	–	3.8	3.9	4.1	-2.4%	0.1%
Transfers and subsidies	5 424.0	3 635.4	5 154.6	6 047.9	3.7%	91.3%	6 376.1	6 670.8	6 969.7	4.8%	90.0%
Provinces and municipalities	2 086.9	1 551.3	2 223.0	2 342.9	3.9%	37.0%	2 436.1	2 553.9	2 668.3	4.4%	34.5%
Departmental agencies and accounts	74.2	73.6	75.2	81.1	3.0%	1.4%	81.4	85.0	88.8	3.1%	1.2%
Foreign governments and international organisations	1.3	1.5	0.3	1.7	8.9%	–	3.2	3.3	3.5	26.5%	–
Public corporations and private enterprises	3 261.6	2 008.9	2 856.0	3 622.2	3.6%	52.9%	3 855.4	4 028.5	4 209.0	5.1%	54.3%
Payments for capital assets	–	–	0.0	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	0.0	–	–	–	–	–	–	–	–
Payments for financial assets	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Total	5 650.6	3 912.6	5 716.6	6 917.1	7.0%	100.0%	7 018.3	7 348.5	7 674.7	3.5%	100.0%
Proportion of total programme expenditure to vote expenditure	63.4%	54.5%	64.2%	66.2%	–	–	65.6%	65.4%	65.4%	–	–
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	227.1	192.6	220.9	223.2	-0.6%	3.9%	224.1	242.5	253.4	4.3%	3.3%
Energy efficiency and demand-side management grant	227.1	192.6	220.9	223.2	-0.6%	3.9%	224.1	242.5	253.4	4.3%	3.3%
Capital	1 859.8	1 358.8	2 002.2	2 119.7	4.5%	33.1%	2 212.0	2 311.4	2 414.9	4.4%	31.3%
Integrated national electrification programme grant	1 859.8	1 358.8	2 002.2	2 119.7	4.5%	33.1%	2 212.0	2 311.4	2 414.9	4.4%	31.3%
Households											
Other transfers to households											
Current	–	–	–	–	–	–	–	–	–	–	–
Employee social benefits	–	–	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	74.2	73.6	75.2	81.1	3.0%	1.4%	81.4	85.0	88.8	3.1%	1.2%
South African National Energy Development Institute	74.2	73.6	75.2	81.1	3.0%	1.4%	81.4	85.0	88.8	3.1%	1.2%
Foreign governments and international organisations											
Current	1.3	1.5	0.3	1.7	8.9%	–	3.2	3.3	3.5	26.5%	–
International Energy Forum	–	0.4	0.3	0.4	–	–	0.4	0.4	0.4	3.2%	–
International Renewable Energy Agency	1.3	1.1	–	1.3	-0.1%	–	1.3	1.4	1.5	3.1%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	–	–	–	1.5	1.5	1.6	–	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	137.6	–	–	–	-100.0%	0.6%	–	–	–	–	–
Mintek	137.6	–	–	–	-100.0%	0.6%	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	–	–	5.5	6.8	–	0.1%	6.8	7.1	7.4	3.1%	0.1%
Various institutions: Water management solutions subsidies for marginal mines	–	–	5.5	6.8	–	0.1%	6.8	7.1	7.4	3.1%	0.1%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	–	25.9	26.3	27.3	–	0.4%	27.4	28.6	29.9	3.1%	0.4%
Industrial Development Corporation	–	25.9	26.3	27.3	–	0.4%	27.4	28.6	29.9	3.1%	0.4%
Capital	3 124.1	1 983.0	2 824.3	3 588.2	4.7%	51.9%	3 821.2	3 992.8	4 171.6	5.2%	53.8%
Eskom - integrated national electrification programme (Eskom) grant	3 124.1	1 983.0	2 824.3	3 588.2	4.7%	51.9%	3 821.2	3 992.8	4 171.6	5.2%	53.8%

Personnel information

Table 34.15 Mineral and Energy Resources Programmes and Projects personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22			2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26					
Mineral and Energy Resources Programmes and Projects		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	120	1	142	100.5	0.7	123	103.5	0.8	126	105.5	0.8	126	111.7	0.9	126	113.7	0.9	0.8%	100.0%
1 – 6	6	–	2	0.6	0.3	3	0.9	0.3	3	0.9	0.3	3	0.9	0.3	3	0.9	0.3	-0.3%	2.4%
7 – 10	60	–	64	41.3	0.6	66	44.4	0.7	69	46.5	0.7	69	49.2	0.7	69	50.3	0.7	1.4%	54.3%
11 – 12	35	1	35	32.1	0.9	34	33.1	1.0	34	33.0	1.0	34	34.9	1.0	34	35.5	1.0	–	27.4%
13 – 16	19	–	21	24.9	1.2	20	25.1	1.3	20	25.1	1.3	20	26.6	1.3	20	27.0	1.4	–	15.9%
Other	–	–	20	1.6	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Programme 6: Nuclear Energy Regulation and Management

Programme purpose

Manage the South African nuclear energy industry and control nuclear materials in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

Objectives

- Ensure compliance with international nuclear obligations by applying relevant statutory frameworks and following the best practice guidelines of the International Atomic Energy Agency on an ongoing basis.
- Regulate the security of nuclear material, related equipment and facilities by developing and publishing appropriate regulations on an ongoing basis.
- Create public awareness and increase the understanding of nuclear technology through the implementation of the nuclear communications strategy on an ongoing basis.

Subprogrammes

- *Nuclear Energy Management* provides overall management to the programme.
- *Nuclear Safety and Technology* manages and implements all matters related to nuclear safety and technology as required by legislation and international agreements; implements nuclear energy policy in line with the requirements of the integrated resource plan; and administers all matters related to nuclear technology, safety, liability and emergency management with the aim of improving the governance of the nuclear sector. This subprogramme also makes transfers to the South African Nuclear Energy Corporation, the National Nuclear Regulator and the National Radioactive Waste Disposal Institute, and is responsible for paying membership fees to international organisations.
- *Nuclear Non-proliferation and Radiation Security* manages and implements all matters related to nuclear non-proliferation and radiation security, as required by legislation and international agreements. This subprogramme also administers the use of nuclear material, related equipment and facilities, including nuclear technology, to ensure compliance with legislation and international agreements.

Expenditure trends and estimates

Table 34.16 Nuclear Energy Regulation and Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million											
Nuclear Energy Management	3.7	3.2	4.8	6.9	22.8%	0.4%	9.3	10.4	12.6	22.2%	0.8%
Nuclear Safety and Technology	1 021.8	1 089.1	1 107.4	1 151.7	4.1%	98.6%	1 136.2	1 166.7	1 219.0	1.9%	97.9%
Nuclear Non-proliferation and Radiation Security	10.0	9.3	11.3	13.4	10.2%	1.0%	15.5	16.2	16.8	7.7%	1.3%
Total	1 035.5	1 101.6	1 123.4	1 172.0	4.2%	100.0%	1 160.9	1 193.3	1 248.3	2.1%	100.0%
Change to 2022 Budget estimate				6.0			28.7	9.6	11.6		
Economic classification											
Current payments	34.4	25.4	31.2	43.7	8.3%	3.0%	45.6	48.8	52.5	6.3%	4.0%
Compensation of employees	22.2	22.1	28.5	34.0	15.3%	2.4%	35.9	38.0	41.2	6.6%	3.1%
Goods and services	12.2	3.3	2.7	9.7	-7.4%	0.6%	9.7	10.8	11.3	5.2%	0.9%
<i>of which:</i>											
Administrative fees	0.2	0.0	0.0	0.1	-10.6%	-	0.1	0.1	0.1	1.6%	-
Advertising	0.2	0.2	0.1	0.2	-0.5%	-	0.2	0.2	0.2	2.6%	-
Communication	0.3	0.2	0.3	0.3	-1.4%	-	0.3	0.3	0.4	3.1%	-
Consultants: Business and advisory services	6.9	2.1	0.9	7.1	1.0%	0.4%	7.3	7.9	8.3	5.2%	0.6%
Travel and subsistence	2.7	0.2	0.7	1.4	-19.3%	0.1%	1.3	1.7	1.7	6.7%	0.1%
Venues and facilities	1.1	0.1	0.4	0.3	-36.4%	-	0.3	0.3	0.3	5.9%	-
Transfers and subsidies	1 001.1	1 076.2	1 092.2	1 128.3	4.1%	97.0%	1 115.4	1 144.5	1 195.8	2.0%	96.0%
Departmental agencies and accounts	90.6	89.9	95.3	97.6	2.5%	8.4%	97.4	101.8	106.4	2.9%	8.4%
Foreign governments and international organisations	20.1	20.2	20.5	22.5	3.8%	1.9%	25.9	27.1	28.3	8.0%	2.2%
Public corporations and private enterprises	890.4	966.2	976.5	1 008.2	4.2%	86.7%	992.0	1 015.7	1 061.2	1.7%	85.4%
Total	1 035.5	1 101.6	1 123.4	1 172.0	4.2%	100.0%	1 160.9	1 193.3	1 248.3	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.6%	15.3%	12.6%	11.2%	-	-	10.8%	10.6%	10.6%	-	-
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	90.1	89.4	94.7	97.1	2.5%	8.4%	97.4	101.8	106.4	3.1%	8.4%
National Nuclear Regulator	42.6	40.0	45.6	46.8	3.1%	3.9%	46.9	49.1	51.3	3.1%	4.1%
National Radioactive Waste Disposal Institute	47.5	49.4	49.2	50.3	1.9%	4.4%	50.5	52.8	55.1	3.1%	4.4%
Capital	0.5	0.5	0.5	0.5	4.9%	-	-	-	-	-100.0%	-
National Nuclear Regulator	0.5	0.5	0.5	0.5	4.9%	-	-	-	-	-100.0%	-
Foreign governments and international organisations											
Current	20.1	20.2	20.5	22.5	3.8%	1.9%	25.9	27.1	28.3	8.0%	2.2%
Generation IV International Forum	-	-	-	-	-	-	0.9	0.9	1.0	-	0.1%
International Atomic Energy Agency	20.1	20.2	20.5	22.5	3.8%	1.9%	25.1	26.2	27.3	6.8%	2.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	789.7	949.9	959.4	990.5	7.8%	83.2%	984.2	1 007.5	1 052.6	2.0%	84.5%
South African Nuclear Energy Corporation	789.7	949.9	959.4	990.5	7.8%	83.2%	984.2	1 007.5	1 052.6	2.0%	84.5%
Capital	100.7	16.2	17.1	17.7	-44.0%	3.4%	7.8	8.2	8.5	-21.6%	0.9%
South African Nuclear Energy Corporation	100.7	16.2	17.1	17.7	-44.0%	3.4%	7.8	8.2	8.5	-21.6%	0.9%

Personnel information

Table 34.17 Nuclear Energy Regulation and Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023			Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26	
Nuclear Energy Regulation and Management			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	32	3	37	28.5	0.8	37	34.0	0.9	39	35.9	0.9	39	38.0	1.0	42	41.2	1.0	4.3%	100.0%
1 – 6	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 – 10	9	2	10	5.0	0.5	14	7.7	0.6	15	8.4	0.6	15	8.9	0.6	16	9.8	0.6	4.6%	37.9%
11 – 12	12	1	10	8.7	0.9	12	10.6	0.9	12	10.7	0.9	12	11.3	0.9	14	13.4	1.0	5.3%	31.6%
13 – 16	10	–	11	14.4	1.3	11	15.6	1.4	12	16.8	1.4	12	17.8	1.4	12	18.1	1.5	2.8%	30.5%
Other	–	–	6	0.4	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Entities

Central Energy Fund

Selected performance indicators

Table 34.18 Central Energy Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of crude oil barrels maintained as per ministerial directive per year	Strategic stock and oil pollution control	Entity mandate	0	0	10.3 million	10.3 million	10.3 million	10.3 million	10.3 million
Number of megatons (Mt) of coal produced/sold at Vlakfontein by the African Exploration Mining and Finance Corporation per year	Mining, coal		1.74 Mt	2.5 Mt	2.54 Mt	4.35 Mt	4.35 Mt	4.35 Mt	4.35 Mt
Number of reportable environmental incidents at the African Exploration Mining and Finance Corporation per year	Mining, coal		2	2	2	2	2	2	2

Entity overview

The Central Energy Fund is listed in schedule 2 of the Public Finance Management Act (1999), and is governed by the Central Energy Fund Act (1977) and the Companies Act (2008). Its mandate is to research, finance, develop and exploit appropriate energy solutions to contribute to South Africa's security of energy supply. Through its subsidiaries, the fund is also mandated to finance and promote the acquisition of coal; exploit coal deposits; manufacture liquid fuel, oil and other products from coal; market these products; and acquire, generate, manufacture, market, distribute or research any other form of energy. The fund's subsidiaries are the Petroleum Oil and Gas Corporation of South Africa (PetroSA), the South African Gas Development Company (iGas), Petroleum Agency South Africa, Oil Pollution Control South Africa, the Strategic Fuel Fund, the African Exploration Mining and Finance Corporation, ETA Energy Solutions and CCE Solutions.

Over the medium term, the entity will continue its efforts to stabilise PetroSA financially and strategically through implementing the corporation's turnaround plan. It will also support and implement the consolidation of PetroSA, the Strategic Fuel Fund and iGas into a national oil company. The proposal for this has been approved by Cabinet and the consolidation process is under way. During this process, the entity will consider ways to increase organisational efficiency and productivity across the group by optimising business processes through interventions such as the development of automated and digital solutions.

Total expenditure is expected to increase at an average annual rate of 6.5 per cent, from R29.3 billion in 2022/23 to R35.4 billion in 2025/26. The *oil and gas (national oil company)* programme, which among other things involves exploration, production, refining and trading, accounts for 92.1 per cent (R92.1 billion) of the entity's expenditure over the medium term, as most of its activities are in these sectors. Spending on compensation of employees accounts for an estimated 5.7 per cent (R5.6 billion) of total expenditure, increasing at an average

annual rate of 6.8 per cent over the medium term. As the entity will need to obtain external funding for its capital investments, interest payments during the period ahead are expected to amount to R1.1 billion.

The fund expects to generate 95.7 per cent (R97.1 billion) of its revenue over the period ahead through commercial activities and the balance through other sources such as dividends and interest. Total revenue is expected to increase at an average annual rate of 8.2 per cent, from R29 billion in 2022/23 to R36.7 billion in 2025/26, mostly driven by PetroSA's anticipated recovery as a result of the implementation of the turnaround plan; and dividends from the investment in the Republic of Mozambique Pipeline Company.

Programmes/Objectives/Activities

Table 34.19 Central Energy Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	Average Expenditure/Total (%)
R million											
Administration	168.5	473.7	234.0	659.9	57.6%	2.1%	308.5	326.5	341.4	-19.7%	1.3%
Clean and renewable energy	1.6	1.6	9.0	45.8	207.6%	0.1%	40.0	105.1	105.2	32.0%	0.2%
Oil and gas, national oil company	21 113.1	10 664.7	13 930.6	26 553.5	7.9%	89.4%	28 200.4	30 963.9	32 912.7	7.4%	92.1%
Strategic stock and oil pollution control	419.2	922.9	487.6	516.3	7.2%	3.5%	459.2	475.2	487.7	-1.9%	1.5%
Mining, coal	640.8	444.0	733.2	1 038.9	17.5%	3.6%	1 044.1	1 051.2	1 082.8	1.4%	3.3%
Gas and gas infrastructure	27.7	44.4	79.2	268.1	113.2%	0.5%	333.5	323.9	290.4	2.7%	0.9%
Promotion, licensing and regulation	123.6	146.2	152.0	212.3	19.8%	0.8%	206.4	181.2	183.5	-4.7%	0.6%
Total	22 494.5	12 697.6	15 625.5	29 294.8	9.2%	100.0%	30 591.9	33 426.9	35 403.7	6.5%	100.0%

Statements of financial performance, cash flow and financial position

Table 34.20 Central Energy Fund statements of financial performance, cash flow and financial position

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	Average Expenditure/Total (%)
R million											
Revenue											
Non-tax revenue	17 264.2	13 161.1	15 688.0	28 974.2	18.8%	99.0%	30 040.8	34 755.9	36 703.8	8.2%	100.0%
Sale of goods and services other than capital assets	14 948.0	11 999.6	14 642.6	27 755.8	22.9%	90.9%	28 681.1	33 282.9	35 144.2	8.2%	95.7%
Other non-tax revenue	2 316.2	1 161.5	1 045.5	1 218.4	-19.3%	8.2%	1 359.6	1 473.0	1 559.6	8.6%	4.3%
Transfers received	589.4	76.7	-	-	-100.0%	1.0%	-	-	-	-	-
Total revenue	17 853.6	13 237.8	15 688.0	28 974.2	17.5%	100.0%	30 040.8	34 755.9	36 703.8	8.2%	100.0%
Expenses											
Current expenses	22 494.5	12 656.3	15 360.2	29 230.2	9.1%	99.4%	30 525.5	33 344.9	35 324.4	6.5%	99.8%
Compensation of employees	599.8	884.6	1 458.9	1 643.6	39.9%	6.1%	1 757.5	1 870.6	1 999.9	6.8%	5.7%
Goods and services	21 204.8	10 464.7	13 204.6	27 182.1	8.6%	88.5%	28 271.6	30 907.7	32 800.9	6.5%	92.6%
Depreciation	77.4	583.4	95.1	109.2	12.1%	1.5%	144.0	180.2	182.9	18.8%	0.5%
Interest, dividends and rent on land	612.4	723.5	601.6	295.3	-21.6%	3.3%	352.4	386.4	340.8	4.9%	1.1%
Transfers and subsidies	-	41.2	265.3	64.6	-	0.6%	66.5	82.0	79.3	7.0%	0.2%
Total expenses	22 494.5	12 697.6	15 625.5	29 294.8	9.2%	100.0%	30 591.9	33 426.9	35 403.7	6.5%	100.0%
Surplus/(Deficit)	(4 640.9)	540.2	62.6	(320.6)	-59.0%		(551.2)	1 329.0	1 300.1	-259.5%	

Table 34.20 Central Energy Fund statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Cash flow from operating activities	1 333.2	(4 263.6)	1 465.3	(304.5)	-161.1%	100.0%	(304.5)	2 184.3	2 005.5	-287.4%	100.0%
Receipts											
Non-tax receipts	18 634.6	11 759.6	15 164.2	29 021.2	15.9%	100.0%	30 144.3	34 953.2	36 922.5	8.4%	100.0%
Sales of goods and services other than capital assets	17 131.4	10 651.3	14 283.1	27 755.8	17.5%	93.1%	28 681.1	33 282.9	35 144.2	8.2%	95.3%
Other tax receipts	1 503.2	1 108.3	881.2	1 265.4	-5.6%	6.9%	1 463.1	1 670.3	1 778.3	12.0%	4.7%
Total receipts	18 634.6	11 759.6	15 164.2	29 021.2	15.9%	100.0%	30 144.3	34 953.2	36 922.5	8.4%	100.0%
Payment											
Current payments	17 185.0	15 800.0	13 524.0	29 261.0	19.4%	99.1%	30 382.3	32 686.9	34 837.8	6.0%	99.8%
Compensation of employees	1 015.0	852.2	466.7	866.5	-5.1%	4.4%	918.0	940.4	977.8	4.1%	2.9%
Goods and services	16 002.2	14 817.7	12 976.7	28 111.5	20.7%	93.9%	29 079.1	31 261.8	33 403.4	5.9%	95.6%
Interest and rent on land	167.8	130.2	80.6	283.0	19.0%	0.8%	385.2	484.7	456.6	17.3%	1.3%
Transfers and subsidies	116.4	223.2	174.9	64.6	-17.8%	0.9%	66.5	82.0	79.3	7.0%	0.2%
Total payments	17 301.4	16 023.2	13 699.0	29 325.7	19.2%	100.0%	30 448.8	32 768.9	34 917.1	6.0%	100.0%
Net cash flow from investing activities	(509.1)	(359.9)	(537.3)	(4 543.1)	107.4%	100.0%	(849.0)	(396.9)	(91.0)	-72.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	(446.5)	(201.7)	(238.4)	(1 390.9)	46.0%	54.7%	(882.9)	(745.8)	(432.8)	-32.2%	199.5%
Investment property	-	(9.6)	-	-	-	0.7%	-	-	-	-	-
Acquisition of software and other intangible assets	(128.5)	(54.4)	(31.1)	(51.2)	-26.4%	11.8%	(2.0)	(2.0)	-	-100.0%	0.5%
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	1.7	304.6	-	-1.8%	-	-	-	-100.0%	-1.7%
Other flows from investing activities	66.0	(94.2)	(269.4)	(3 405.6)	-472.4%	34.6%	35.9	350.9	341.8	-146.5%	-98.3%
Net cash flow from financing activities	(151.8)	(775.8)	(431.9)	3 180.3	-375.7%	100.0%	0.1	(64.1)	(22.8)	-119.3%	100.0%
Borrowing activities	(88.6)	(674.0)	2.6	3 176.0	-429.7%	61.1%	(59.4)	(154.3)	(116.4)	-133.2%	-10 549.8%
Repayment of finance leases	(87.1)	(101.8)	(108.0)	(134.4)	15.6%	22.8%	(36.8)	(13.6)	(14.9)	-52.0%	-6 656.5%
Other flows from financing activities	23.9	-	(326.5)	138.6	79.6%	16.0%	96.3	103.8	108.5	-7.8%	17 306.3%
Net increase/(decrease) in cash and cash equivalents	672.4	(5 399.3)	496.1	(1 667.4)	-235.4%	-10.5%	(1 153.3)	1 723.3	1 891.7	-204.3%	0.3%
Statement of financial position											
Carrying value of assets	8 279.6	7 706.8	7 131.7	5 868.3	-10.8%	23.3%	6 631.9	7 010.3	7 196.9	7.0%	21.8%
<i>of which:</i>											
Acquisition of assets	(446.5)	(201.7)	(238.4)	(1 390.9)	46.0%	100.0%	(882.9)	(745.8)	(432.8)	-32.2%	100.0%
Investments	4 868.6	4 018.3	4 442.2	9 981.9	27.0%	19.0%	9 767.7	9 416.6	9 074.8	-3.1%	31.3%
Inventory	849.2	626.1	761.2	966.3	4.4%	2.6%	1 014.9	1 058.6	1 097.9	4.3%	3.4%
Loans	80.0	180.6	191.9	576.1	93.1%	0.9%	721.8	721.8	721.8	7.8%	2.2%
Receivables and prepayments	2 376.3	2 220.2	2 082.2	1 410.6	-16.0%	6.5%	1 443.2	1 579.7	1 663.0	5.6%	5.0%
Cash and cash equivalents	20 822.8	13 691.0	14 091.7	10 678.9	-20.0%	46.8%	9 525.6	11 248.9	13 140.6	7.2%	36.3%
Non-current assets held for sale	-	-	159.6	-	-	0.1%	-	-	-	-	-
Taxation	20.2	589.8	394.1	15.9	-7.8%	0.9%	15.9	15.9	15.9	-	0.1%
Total assets	37 296.6	29 032.8	29 254.7	29 498.0	-7.5%	100.0%	29 120.8	31 051.8	32 911.0	3.7%	100.0%
Accumulated surplus/(deficit)	9 174.7	9 604.6	9 636.7	8 796.6	-1.4%	30.1%	8 186.3	9 733.0	11 090.5	8.0%	30.7%
Capital and reserves	1 459.7	975.6	785.4	-	-100.0%	2.5%	-	-	-	-	-
Borrowings	930.8	-	-	3 262.1	51.9%	3.4%	3 120.6	2 920.8	2 770.6	-5.3%	9.9%
Finance lease	1 576.8	1 161.2	1 044.6	266.1	-44.7%	3.2%	241.4	244.9	252.0	-1.8%	0.8%
Deferred income	-	34.7	117.7	54.5	-	0.2%	9.9	4.1	1.3	-71.0%	0.1%
Trade and other payables	8 610.9	2 105.7	2 736.7	2 723.6	-31.9%	12.2%	2 756.3	2 888.8	3 065.7	4.0%	9.3%
Taxation	1 613.1	1 107.1	1 001.8	66.9	-65.4%	2.9%	66.9	66.9	66.9	-	0.2%
Provisions	394.4	13 649.8	13 812.2	14 178.5	230.1%	35.8%	14 585.4	15 031.6	15 494.0	3.0%	48.4%
Derivatives financial instruments	13 536.2	394.1	119.6	149.7	-77.7%	9.6%	154.1	161.8	170.0	4.3%	0.5%
Total equity and liabilities	37 296.6	29 032.8	29 254.7	29 498.0	-7.5%	100.0%	29 120.8	31 051.8	32 911.0	3.7%	100.0%

Council for Geoscience

Selected performance indicators

Table 34.21 Council for Geoscience performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of papers published in conference proceedings per year	Statutory projects	Entity mandate	47	66	32	70	40	55	40
Number of peer-reviewed articles published per year	Statutory projects		41	33	30	32	34	40	40
Number of applied geoscience products for infrastructure, land use, health, groundwater and the environment per year	Statutory projects		0	10	7	6	11	13	14
Percentage of onshore geoscience map coverage per year	Statutory projects		0	9% (173 / 1 916)	10.7% (205 / 1 916)	12%	16%	19%	21%
Percentage of offshore geoscience map coverage per year	Statutory projects		0	0.05% (1/1 828)	0.05% (1/1 828)	0.2%	0.3%	0.5%	0.6%
Number of Council for Geoscience publications per year	Statutory projects		12	10	8	8	10	12	12

Entity overview

The Council for Geoscience was established in terms of the Geoscience Act (1993) to promote the search for and exploitation of minerals in South Africa. Its mandate is to generate, compile, curate and publish world-class geoscience knowledge products, provide geoscience-related services to the South African public and industry, and render advisory services related to geohazards and geo-environmental pollution. The data generated by the council enables key activities such as the assessment of environmental impacts from mining, geohazards and shale gas development.

Total expenditure over the medium term is expected to amount to R2.4 billion, increasing at an average annual rate of 14 per cent, mostly as a result of additional funding of R200 million in 2023/24 and R300 million in 2024/25 for onshore and offshore mapping. Compensation of employees accounts for an estimated 53.3 per cent (R1.2 billion) of this amount because the entity requires highly specialised skills to fulfil its mandate. Spending on compensation of employees is expected to increase at an average annual rate of 8.5 per cent, from R342.1 million in 2022/23 to R436.6 million in 2025/26, to cater for the expected increase in the council's provision of geoscientific mapping and research services. Spending on goods and services, mostly for project costs, accounts for a projected 43.3 per cent (R1.1 billion) of expenditure over the MTEF period.

The council derives 80.6 per cent (R1.9 billion) of its revenue over the medium term through transfers from the department and the balance through fees charged for the provision of geoscientific mapping and research services.

Programmes/Objectives/Activities

Table 34.22 Council for Geoscience expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2022/23 - 2025/26	
Administration	208.3	331.8	326.6	208.7	0.1%	50.3%	210.2	221.7	236.5	4.3%	30.1%
Statutory projects	191.0	192.2	223.4	336.8	20.8%	44.0%	439.2	542.8	567.2	19.0%	63.1%
Foreign commercial	8.8	5.2	11.1	13.4	15.2%	1.8%	14.0	14.4	15.1	4.0%	2.0%
Local commercial	16.1	9.7	34.3	24.8	15.4%	3.9%	31.0	44.1	46.1	22.9%	4.9%
Total	424.2	539.0	595.4	583.7	11.2%	100.0%	694.4	823.0	864.9	14.0%	100.0%

Statements of financial performance, cash flow and financial position**Table 34.23 Council for Geoscience statements of financial performance, cash flow and financial position**

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Revenue												
Non-tax revenue	63.8	44.5	169.8	126.8	25.7%	18.1%	134.9	147.4	159.0	7.8%	19.4%	
Sale of goods and services other than capital assets	29.1	23.2	158.0	123.2	61.8%	14.6%	131.1	143.4	154.8	7.9%	18.8%	
Other non-tax revenue	34.7	21.3	11.8	3.6	-52.9%	3.4%	3.8	3.9	4.1	4.6%	0.5%	
Transfers received	425.5	481.4	413.4	456.9	2.4%	81.9%	559.5	675.6	705.9	15.6%	80.6%	
Total revenue	489.3	525.9	583.2	583.7	6.1%	100.0%	694.4	823.0	864.9	14.0%	100.0%	
Expenses												
Current expenses	424.2	539.0	595.4	583.7	11.2%	100.0%	694.4	823.0	864.9	14.0%	100.0%	
Compensation of employees	280.1	337.3	340.5	342.1	6.9%	61.1%	378.1	408.1	436.6	8.5%	53.3%	
Goods and services	118.1	165.3	218.7	218.1	22.7%	33.2%	291.8	389.2	401.2	22.5%	43.3%	
Depreciation	26.0	36.4	36.2	23.5	-3.4%	5.7%	24.5	25.8	27.0	4.8%	3.5%	
Interest, dividends and rent on land	0.1	-	-	-	-100.0%	-	-	-	-	-	-	
Total expenses	424.2	539.0	595.4	583.7	11.2%	100.0%	694.4	823.0	864.9	14.0%	100.0%	
Surplus/(Deficit)	65.0	(13.1)	(12.2)	-	-100.0%	-	-	-	-	-	-	
Cash flow statement												
Cash flow from operating activities	69.3	173.8	(21.2)	25.5	-28.3%	100.0%	45.9	37.9	34.8	10.9%	100.0%	
Receipts												
Non-tax receipts	50.7	82.3	156.3	99.1	25.0%	18.7%	90.5	96.8	106.4	2.4%	15.3%	
Sales of goods and services other than capital assets	27.4	69.7	146.4	97.7	52.8%	16.6%	89.2	95.3	104.8	2.4%	15.0%	
Other tax receipts	23.3	12.6	9.8	1.3	-61.5%	2.1%	1.4	1.5	1.6	6.5%	0.2%	
Transfers received	504.1	452.0	377.1	355.8	-11.0%	80.0%	559.5	675.6	705.9	25.7%	84.2%	
Financial transactions in assets and liabilities	19.1	4.2	1.6	3.2	-45.1%	1.3%	3.3	3.5	3.8	6.7%	0.5%	
Total receipts	573.9	538.5	534.9	458.0	-7.2%	100.0%	653.3	775.9	816.2	21.2%	100.0%	
Payment												
Current payments	504.6	364.6	556.1	432.5	-5.0%	100.0%	607.4	738.0	781.4	21.8%	100.0%	
Compensation of employees	280.1	337.3	340.5	342.1	6.9%	72.1%	378.1	408.1	436.6	8.5%	63.1%	
Goods and services	224.5	27.3	215.7	90.4	-26.2%	27.9%	229.3	329.9	344.7	56.2%	36.9%	
Interest and rent on land	0.0	0.0	0.0	0.0	-13.4%	-	0.0	0.0	0.0	7.2%	-	
Total payments	504.6	364.6	556.1	432.5	-5.0%	100.0%	607.4	738.0	781.4	21.8%	100.0%	
Net cash flow from investing activities	(90.8)	(47.5)	(44.1)	(15.5)	-44.5%	100.0%	(26.2)	(20.5)	(22.0)	12.4%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(93.8)	(40.8)	(44.6)	(14.3)	-46.6%	95.5%	(24.9)	(19.3)	(20.0)	12.0%	92.9%	
Acquisition of software and other intangible assets	(0.3)	(7.3)	(0.2)	(1.3)	59.9%	6.1%	(1.3)	(1.3)	(2.0)	17.0%	7.1%	
Proceeds from the sale of property, plant, equipment and intangible assets	3.3	0.6	0.6	-	-100.0%	-1.6%	-	-	-	-	-	
Net increase/(decrease) in cash and cash equivalents	(21.6)	126.3	(65.4)	10.0	-177.4%	2.3%	19.7	17.4	12.8	8.6%	2.0%	
Statement of financial position												
Carrying value of assets of which:	348.9	359.4	365.2	371.2	2.1%	55.4%	387.9	406.4	406.2	3.1%	66.2%	
Acquisition of assets	(93.8)	(40.8)	(44.6)	(14.3)	-46.6%	100.0%	(24.9)	(19.3)	(20.0)	12.0%	100.0%	
Inventory	0.0	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-	
Receivables and prepayments	39.3	22.5	69.2	35.0	-3.8%	6.3%	36.6	38.4	38.4	3.1%	6.2%	
Cash and cash equivalents	232.0	358.4	293.0	152.4	-13.1%	38.3%	159.2	167.2	175.5	4.8%	27.5%	
Total assets	620.2	740.3	727.4	558.6	-3.4%	100.0%	583.7	611.9	620.2	3.5%	100.0%	
Accumulated surplus/(deficit)	449.2	436.1	423.9	456.2	0.5%	67.8%	476.7	499.9	503.5	3.3%	81.6%	
Deferred income	108.2	191.3	205.2	69.4	-13.8%	21.0%	72.5	76.1	79.4	4.6%	12.5%	
Trade and other payables	28.4	68.1	52.2	15.0	-19.2%	5.9%	15.7	16.5	17.3	4.8%	2.7%	
Provisions	34.5	44.7	46.1	18.0	-19.5%	5.3%	18.8	19.4	20.1	3.7%	3.2%	
Total equity and liabilities	620.2	740.3	727.4	558.6	-3.4%	100.0%	583.7	611.9	620.2	3.5%	100.0%	

Personnel information**Table 34.24 Council for Geoscience personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Council for Geoscience			473	340.5	0.7	480	342.1	0.7	513	378.1	0.7	513	408.1	0.8	524	436.6	0.8	3.0%	100.0%
Salary level	501	501																	
1 – 6	51	51	51	11.2	0.2	51	11.0	0.2	51	11.1	0.2	51	11.4	0.2	51	10.2	0.2	–	10.1%
7 – 10	315	315	292	159.8	0.5	299	168.1	0.6	330	192.2	0.6	330	213.2	0.6	340	231.8	0.7	4.4%	64.0%
11 – 12	50	50	50	53.1	1.1	50	52.2	1.0	51	59.3	1.2	51	65.1	1.3	51	68.0	1.3	0.7%	10.0%
13 – 16	80	80	74	99.5	1.3	74	95.3	1.3	75	98.8	1.3	75	100.8	1.3	76	107.3	1.4	0.9%	14.8%
17 – 22	5	5	6	16.9	2.8	6	15.6	2.6	6	16.7	2.8	6	17.5	2.9	6	19.3	3.2	–	1.2%

1. Rand million.

Mine Health and Safety Council**Selected performance indicators****Table 34.25 Mine Health and Safety Council performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of council programmes to promote and improve occupational health and safety awareness per year	Promote a health and safety culture in the mining industry	Entity mandate	6	6	5	6	6	6	6
Number of occupational health and safety knowledge programmes to support staff per year	Research, programme promotion and programme improvement in mining		6	6	3	6	5	5	5
Number of training programmes undertaken to upskill and build capacity per year	Research, programme promotion and programme improvement in mining		5	5	3	5	5	5	5
Number of advice notes provided to the minister on occupational health and safety matters in the mining industry per year	Research, programme promotion and programme improvement in mining		6	6	5	6	5	5	5
Number of council programmes promoted in the mining industry per year	Research, programme promotion and programme improvement in mining		5	5	3	5	5	5	5

Entity overview

The Mine Health and Safety Council was established in terms of the Mine Health and Safety Act (1996). It is mandated to advise the Minister of Mineral Resources and Energy on occupational health and safety at mines, develop legislation, conduct research and liaise with other statutory bodies. The council operates through a partnership between organised labour, employers and the Department of Mineral Resources and Energy.

The council will continue to focus on conducting research to provide solutions to occupational health and safety challenges. This entails developing technology to reduce noise in machines, and developing drone technology with a focus on wireless communication systems, surveying, mapping and navigation, health, safety and security, and integration for smart mining.

Expenditure is set to increase at an average annual rate of 4.4 per cent, from R120.6 million in 2022/23 to

R137.4 million in 2025/26. Spending on compensation of employees accounts for 53.9 per cent (R212.1 million) of total expenditure, while spending on goods and services, mostly for research, accounts for 38.3 per cent (R150.2 million). The council derives 95.7 per cent (R377.6 million) of its revenue over the period ahead through levies from mining companies. Transfers from the department account for an estimated 3.8 per cent (R14.9 million) of revenue over the medium term.

Programmes/Objectives/Activities

Table 34.26 Mine Health and Safety Council expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	35.7	32.9	34.9	37.2	1.4%	31.9%	34.4	35.4	36.2	-0.9%	27.9%
Promote a health and safety culture in the mining industry	38.6	39.5	29.1	21.1	-18.2%	29.5%	26.8	26.6	26.9	8.4%	19.7%
Research, programme promotion and programme improvement in mining	38.6	29.8	41.8	62.3	17.3%	38.6%	64.1	69.3	74.3	6.1%	52.4%
Total	112.9	102.1	105.8	120.6	2.2%	100.0%	125.2	131.2	137.4	4.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 34.27 Mine Health and Safety Council statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	88.2	90.2	96.2	115.9	9.5%	96.6%	120.5	126.3	132.2	4.5%	96.2%
Sale of goods and services other than capital assets	78.9	86.0	92.2	115.0	13.4%	91.7%	120.1	125.8	131.8	4.7%	95.7%
Other non-tax revenue	9.4	4.3	3.9	0.9	-54.2%	4.9%	0.5	0.5	0.5	-20.6%	0.4%
Transfers received	4.4	0.3	4.6	4.7	2.5%	3.4%	4.7	4.9	5.2	3.1%	3.8%
Total revenue	92.6	90.6	100.8	120.6	9.2%	100.0%	125.2	131.2	137.4	4.4%	100.0%
Expenses											
Current expenses	112.9	102.1	105.8	120.6	2.2%	100.0%	125.2	131.2	137.4	4.4%	100.0%
Compensation of employees	52.7	58.9	50.4	65.2	7.4%	51.5%	68.4	71.9	71.9	3.3%	53.9%
Goods and services	51.7	39.1	53.4	46.9	-3.2%	43.3%	46.8	48.9	54.5	5.2%	38.3%
Depreciation	8.5	4.1	2.1	8.5	0.3%	5.2%	10.0	10.5	11.0	8.8%	7.8%
Total expenses	112.9	102.1	105.8	120.6	2.2%	100.0%	125.2	131.2	137.4	4.4%	100.0%
Surplus/(Deficit)	(20.2)	(11.5)	(5.1)	-	-100.0%		-	-	-	-	

Personnel information

Table 34.28 Mine Health and Safety Council personnel numbers and cost¹ by salary level

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%) 2022/23 - 2025/26	Average: Salary level/Total (%) 2022/23 - 2025/26						
Number of approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22		2022/23		2023/24		2024/25		2025/26									
Mine Health and Safety Council		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	66	66	63	50.4	0.8	66	65.2	1.0	66	68.4	1.0	66	71.9	1.1	66	71.9	1.1	-	100.0%
1 - 6	3	3	3	0.3	0.1	3	0.4	0.1	3	0.5	0.2	3	0.5	0.2	3	0.5	0.2	-	4.5%
7 - 10	26	26	26	11.6	0.4	26	14.7	0.6	26	15.4	0.6	26	16.2	0.6	26	16.2	0.6	-	39.4%
11 - 12	14	14	12	8.0	0.7	14	13.5	1.0	14	14.1	1.0	14	14.8	1.1	14	14.8	1.1	-	21.2%
13 - 16	21	21	20	24.8	1.2	21	30.6	1.5	21	32.1	1.5	21	33.7	1.6	21	33.7	1.6	-	31.8%
17 - 22	2	2	2	5.6	2.8	2	6.0	3.0	2	6.3	3.2	2	6.6	3.3	2	6.6	3.3	-	3.0%

1. Rand million.

Mintek

Selected performance indicators

Table 34.29 Mintek performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of prototypes, processes and/or models demonstrated/validated in a relevant environment per year	Foster industry establishment and expansion	Entity mandate	– ¹	12	14	15	16	17	17
Number of intellectual property licences issued per year	Foster industry establishment and expansion		– ¹	– ¹	– ¹	1	1	1	2
Number of journal papers produced per year	Conduct relevant, applied research and technological innovation		– ¹	36	61	40	42	44	46
Number of conference papers produced per year	Conduct relevant, applied research and technological innovation		81	24	36	40	40	42	44
Number of invention disclosures made per year	Conduct relevant, applied research and technological innovation		11	13	8	10	11	12	13
Number of patents registered per year	Conduct relevant, applied research and technological innovation		4	5	0	4	4	5	5

1. No historical data available.

Entity overview

Mintek's mandate, as set out in the Mineral Technology Act (1989), is to maximise the value derived from South Africa's mineral resources through, among other things, research and development, technology transfer, and the creation of an enabling environment for the establishment and expansion of mineral industries. To this end, Mintek develops appropriate, innovative technology for transfer to the industry, and provides test work, consultancy, analytical and mineralogical services to clients around the world.

Skilled personnel are key to the execution of meaningful research. As a result, an estimated 52.3 per cent (R926.5 million) of the entity's budget over the medium term is allocated for compensation of employees. Mintek will also continue with programmes to increase the academic qualifications of researchers and provide the necessary platforms to increase experience levels. Spending on goods and services is expected to amount to R693.5 million (39.4 per cent of total expenditure) over the MTEF period, which includes specialised service fees to produce research. An amount of R387 million over the period is allocated for the rehabilitation of ownerless and derelict asbestos mines and holings. Expenditure is expected to increase at an average annual rate of 0.6 per cent, from R587.7 million in 2022/23 to R599.1 million in 2025/26.

The entity derives 48.7 per cent (R869.2 million) of its revenue over the medium term through transfers from the department and 48.3 per cent (R856.3 million) through commercial activities. Revenue is set to increase at an average annual rate of 0.8 per cent, from R590.2 million in 2022/23 to R640.3 in 2025/26. To address low growth, Mintek has established a division for technology transfer, which will facilitate the movement of research projects to commercialise and provide these solutions to industry.

Programmes/Objectives/Activities**Table 34.30 Mintek expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	31.1	27.5	29.6	29.4	-1.8%	5.0%	29.1	29.3	30.0	0.6%	5.0%
Develop and maintain world-class research and development infrastructure	31.1	27.5	29.6	29.4	-1.8%	5.0%	29.1	29.3	30.0	0.6%	5.0%
Foster industry establishment and expansion	186.4	164.9	177.3	176.3	-1.8%	30.0%	174.7	175.7	179.7	0.6%	30.0%
Conduct relevant, applied research and technological innovation	217.4	192.4	206.9	205.7	-1.8%	35.0%	203.9	205.0	209.7	0.6%	35.0%
Ensure financial sustainability	62.1	55.0	59.1	58.8	-1.8%	10.0%	58.2	58.6	59.9	0.6%	10.0%
Develop a capable workforce	93.2	82.4	88.7	88.2	-1.8%	15.0%	87.4	87.9	89.9	0.6%	15.0%
Total	621.3	549.6	591.1	587.7	-1.8%	100.0%	582.5	585.7	599.1	0.6%	100.0%

Statements of financial performance, cash flow and financial position**Table 34.31 Mintek statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	304.8	277.2	331.0	305.2	-	52.9%	307.5	299.9	301.8	-0.4%	51.3%
Sale of goods and services other than capital assets	271.1	255.4	311.3	287.6	2.0%	48.9%	290.0	282.3	284.0	-0.4%	48.3%
Other non-tax revenue	33.7	21.9	19.7	17.5	-19.6%	4.1%	17.5	17.6	17.8	0.6%	3.0%
Transfers received	252.7	275.8	269.2	285.0	4.1%	47.1%	277.1	289.6	302.5	2.0%	48.7%
Total revenue	557.5	553.1	600.2	590.2	1.9%	100.0%	584.7	589.5	604.3	0.8%	100.0%
Expenses											
Current expenses	621.3	549.6	591.1	587.7	-1.8%	100.0%	582.5	585.7	599.1	0.6%	100.0%
Compensation of employees	300.1	284.0	312.9	305.6	0.6%	51.2%	305.8	308.8	311.9	0.7%	52.3%
Goods and services	265.3	236.8	241.0	234.9	-4.0%	41.6%	228.6	227.8	237.1	0.3%	39.4%
Depreciation	54.6	27.8	35.5	46.2	-5.4%	6.9%	47.1	48.1	49.1	2.0%	8.1%
Interest, dividends and rent on land	1.3	1.1	1.6	1.0	-8.5%	0.2%	1.0	1.0	1.0	-	0.2%
Total expenses	621.3	549.6	591.1	587.7	-1.8%	100.0%	582.5	585.7	599.1	0.6%	100.0%
Surplus/(Deficit)	(63.7)	3.4	9.1	2.4	-133.5%		2.2	3.8	5.3	30.2%	

Personnel information**Table 34.32 Mintek personnel numbers and cost by salary level**

Mintek	Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%) 2022/23 - 2025/26	Average: Salary level/ Total (%) 2022/23 - 2025/26	
	Number of funded posts	Number of approved establishment posts	Actual			Revised estimate			Medium-term expenditure estimate											
			2021/22	2022/23		2022/23		2023/24		2024/25		2025/26								
	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	562	562		551	312.9	0.6	561	305.6	0.5	592	305.8	0.5	571	308.8	0.5	571	311.9	0.5	0.6%	100.0%
1 – 6	168	168		168	36.1	0.2	168	34.7	0.2	180	32.0	0.2	167	29.7	0.2	167	31.2	0.2	-0.2%	29.7%
7 – 10	304	304		297	158.8	0.5	304	158.1	0.5	319	158.5	0.5	311	159.2	0.5	315	167.1	0.5	1.2%	54.4%
11 – 12	48	48		45	43.2	1.0	48	43.7	0.9	50	43.4	0.9	50	45.2	0.9	47	41.8	0.9	-0.7%	8.5%
13 – 16	41	41		40	70.2	1.8	40	65.0	1.6	42	67.6	1.6	42	70.3	1.7	41	67.1	1.6	0.8%	7.2%
17 – 22	1	1		1	4.6	4.6	1	4.1	4.1	1	4.3	4.3	1	4.4	4.4	1	4.6	4.6	-	0.2%

1. Rand million.

National Energy Regulator of South Africa

Selected performance indicators

Table 34.33 National Energy Regulator performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of complete licence applications in the piped-gas industry considered by the relevant subcommittee or the regulator within the stated timeframe	Regulatory service delivery		94% (16/17)	80% (8/10)	100% (12)	100%	100%	100%	100%
Percentage of complete applications for the registration of gas activities considered by the relevant subcommittee or the regulator within the stated timeframe	Regulatory service delivery		100% (2)	100% (6)	100% (8)	100%	100%	100%	100%
Percentage of complete maximum price applications considered by the relevant subcommittee or the regulator within the stated timeframe	Regulatory service delivery	Entity mandate	0	100% (6)	100% (5)	100%	100%	100%	100%
Percentage of complete licence applications in the petroleum pipelines industry considered by the relevant subcommittee or the regulator within the stated timeframe	Regulatory service delivery		100% (4)	75% (3/4)	100% (4)	100%	100%	100%	100%
Percentage of complete pipeline, storage and loading facility tariff applications considered by the relevant committee or the regulator within the stated timeframe	Regulatory service delivery		100% (16)	90% (26/29)	96.8% (61/63)	100%	100%	100%	100%

Entity overview

The National Energy Regulator of South Africa was established in terms of the National Energy Regulator Act (2004) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). The entity is mandated to regulate the electricity industry in terms of the Electricity Regulation Act (2006), the piped gas industry in terms of the Gas Act (2001), and the petroleum pipelines industry in terms of the Petroleum Pipelines Act (2003).

The regulator's focus over the medium term will continue to be on ensuring: the security, accessibility and affordability of energy supply; and fair competition and regulatory certainty in the energy sector. It plans to do this by setting and approving energy tariffs, licensing and registering energy service providers, and monitoring and enforcing compliance with regulations. To support these activities, expenditure is expected to increase at an average annual rate of 7.3 per cent, from R396.8 million in 2022/23 to R490.6 million in 2025/26.

The regulator derives its revenue mainly through licence fees and levies on the electricity, piped gas and petroleum pipeline sectors, and through interest earned on investments. Total revenue is expected to increase at an average annual rate of 13.3 per cent, from R337 million in 2022/23 to R490.6 million in 2025/26.

Programmes/Objectives/Activities**Table 34.34 National Energy Regulator expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Administration	160.7	144.8	149.3	167.8	1.4%	44.1%	181.4	191.1	200.3	6.1%	41.4%	
Regulatory service delivery	115.3	114.4	126.2	142.7	7.4%	35.2%	161.7	172.2	182.8	8.6%	36.8%	
Advocacy and engagement	42.1	40.4	44.0	50.9	6.5%	12.5%	57.1	60.7	64.3	8.1%	13.0%	
Innovation	4.0	4.3	4.1	6.8	19.2%	1.4%	6.7	7.1	7.4	2.8%	1.6%	
People and organisational culture	24.2	20.5	24.4	28.7	5.8%	6.9%	31.9	33.9	35.8	7.7%	7.3%	
Total	346.3	324.4	348.1	396.8	4.6%	100.0%	438.8	465.0	490.6	7.3%	100.0%	

Statements of financial performance, cash flow and financial position**Table 34.35 National Energy Regulator statements of financial performance, cash flow and financial position**

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Revenue												
Non-tax revenue	351.2	319.1	344.9	337.0	-1.4%	100.0%	375.8	465.0	490.6	13.3%	100.0%	
Sale of goods and services other than capital assets	335.0	310.3	336.3	330.9	-0.4%	97.1%	364.2	385.7	412.7	7.6%	90.5%	
Other non-tax revenue	16.2	8.8	8.6	6.1	-27.7%	2.9%	11.6	79.3	77.9	133.6%	9.5%	
Total revenue	351.2	319.1	344.9	337.0	-1.4%	100.0%	375.8	465.0	490.6	13.3%	100.0%	
Expenses												
Current expenses	346.3	324.4	348.1	396.8	4.6%	100.0%	438.8	465.0	490.6	7.3%	100.0%	
Compensation of employees	228.1	246.9	264.8	284.0	7.6%	72.4%	320.2	342.1	364.1	8.6%	73.1%	
Goods and services	108.2	71.6	77.8	112.8	1.4%	26.0%	118.7	122.9	126.5	3.9%	26.9%	
Depreciation	10.0	5.8	5.5	-	-100.0%	1.6%	-	-	-	-	-	
Total expenses	346.3	324.4	348.1	396.8	4.6%	100.0%	438.8	465.0	490.6	7.3%	100.0%	
Surplus/(Deficit)	4.9	(5.3)	(3.2)	(59.8)	-330.2%		(63.0)	-	-	-100.0%		

Personnel information**Table 34.36 National Energy Regulator personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Average growth rate of personnel posts (%)	Average: Salary level/Total (%)					
Number of approved funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26							
National Energy Regulator		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	276	276	277	264.8	1.0	276	284.0	1.0	276	320.2	1.2	276	342.1	1.2	276	364.1	1.3	-	100.0%
1-6	30	30	30	6.8	0.2	30	6.7	0.2	24	10.1	0.4	24	10.4	0.4	24	10.8	0.4	-7.2%	9.2%
7-10	98	98	114	73.3	0.6	98	64.6	0.7	97	65.2	0.7	97	69.7	0.7	97	74.4	0.8	-0.3%	35.2%
11-12	59	59	54	55.5	1.0	59	61.9	1.0	50	49.7	1.0	50	53.2	1.1	50	56.8	1.1	-5.4%	18.9%
13-16	89	89	79	129.3	1.6	89	150.8	1.7	95	168.0	1.8	95	179.8	1.9	95	191.8	2.0	2.2%	33.9%
17-22	-	-	-	-	-	-	-	-	10	27.1	2.7	10	28.9	2.9	10	30.3	3.0	-	2.7%

1. Rand million.

National Nuclear Regulator**Selected performance indicators****Table 34.37 National Nuclear Regulator performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of inspections conducted at nuclear power plants per year	Nuclear power plants	Entity mandate	38	7	34	29	35	41	41

Table 34.37 National Nuclear Regulator performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of implementing reviews and assessments undertaken on nuclear power plants per year	Nuclear power plants	Entity mandate	100% (303)	116.4% (970/ 833)	117.9% (467/ 396)	100%	100%	100%	100%
Number of inspections conducted on nuclear technology and naturally occurring radioactive material per year	Nuclear technology and naturally occurring radioactive material		226	175	170	205	210	210	210
Percentage of implementation of reviews and assessments per nuclear installation site licence submission per year	Nuclear technology and naturally occurring radioactive material		100% (778)	115% (246/ 214)	120% (564/ 470)	100%	100%	100%	100%
Percentage of implementation of reviews and assessments per steam generator assessment submission per year	Nuclear power plants		– ¹	– ¹	– ¹	100%	100%	100%	100%

1. No historical data available.

Entity overview

The National Nuclear Regulator derives its mandate from the National Nuclear Regulator Act (1999), which requires it to regulate safety standards for nuclear activities in South Africa. This includes establishing safety standards and regulatory practices, ensuring nuclear installations are safe by enforcing regulatory control, granting nuclear authorisations, conducting compliance inspections, and ensuring that provisions are in place for nuclear emergency planning.

As the regulator relies on personnel with highly specialised skills to fulfil its mandate, compensation of employees is expected to account for 63.5 per cent (R700 million) of total spending over the medium term. Total expenditure is expected to increase at an average annual rate of 5 per cent, from R330.9 million in 2022/23 to R383 million in 2025/26.

The regulator expects to generate 68.2 per cent (R753.3 million) of its revenue over the MTEF period through operator licence fees and 13.6 per cent (R147.3 million) through transfers from the department. To supplement its revenue, the regulator will explore models for charging for the services it provides through its Centre for Nuclear Safety and Security, such as education, training and research.

Programmes/Objectives/Activities

Table 34.38 National Nuclear Regulator expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
Administration	112.3	118.0	144.2	134.1	6.1%	45.1%	142.2	148.6	155.2	5.0%	40.5%
Nuclear power plants	47.9	45.6	46.8	70.0	13.5%	18.5%	74.3	77.6	81.1	5.0%	21.2%
Nuclear technology and nationally occurring radioactive material	42.7	42.1	45.4	54.7	8.6%	16.3%	58.0	60.6	63.3	5.0%	16.5%
Regulatory improvement and technical services	50.9	50.8	54.2	72.0	12.2%	20.1%	76.4	79.8	83.4	5.0%	21.8%
Total	253.8	256.4	290.6	330.9	9.2%	100.0%	351.0	366.6	383.0	5.0%	100.0%

Statements of financial performance, cash flow and financial position**Table 34.39 National Nuclear Regulator statements of financial performance, cash flow and financial position**

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23				2019/20 - 2022/23	2023/24	2024/25		
Revenue												
Non-tax revenue	227.8	240.9	245.3	283.6	7.6%	84.9%	304.0	317.5	331.8	5.4%	86.4%	
Sale of goods and services other than capital assets	196.4	212.7	209.9	223.3	4.4%	71.9%	240.2	250.9	262.2	5.5%	68.2%	
Other non-tax revenue	31.3	28.2	35.4	60.3	24.4%	13.0%	63.8	66.6	69.6	4.9%	18.2%	
Transfers received	43.1	40.5	46.1	47.3	3.2%	15.1%	46.9	49.1	51.3	2.7%	13.6%	
Total revenue	270.9	281.4	291.4	330.9	6.9%	100.0%	351.0	366.6	383.0	5.0%	100.0%	
Expenses												
Current expenses	253.8	256.4	290.6	330.9	9.2%	100.0%	351.0	366.6	383.0	5.0%	100.0%	
Compensation of employees	169.1	170.2	201.8	208.5	7.2%	66.4%	223.2	233.2	243.6	5.3%	63.5%	
Goods and services	70.0	72.7	76.3	106.6	15.0%	28.6%	111.3	116.2	121.5	4.4%	31.8%	
Depreciation	11.6	12.0	11.8	15.7	10.6%	4.5%	16.4	17.2	17.9	4.4%	4.7%	
Interest, dividends and rent on land	3.0	1.5	0.7	0.0	-75.1%	0.5%	-	-	-	-100.0%	-	
Total expenses	253.8	256.4	290.6	330.9	9.2%	100.0%	351.0	366.6	383.0	5.0%	100.0%	
Surplus/(Deficit)	17.0	24.9	-	-	-100.0%		-	-	-	-	-	

Personnel information**Table 34.40 National Nuclear Regulator personnel numbers and cost by salary level**

National Nuclear Regulator	Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)			
	Number of approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22	2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26							
Salary level	191	209	173	201.8	1.2	191	208.5	1.1	191	223.2	1.2	191	233.2	1.2	191	243.6	1.3	-	100.0%
1-6	2	2	2	1.0	0.5	2	1.2	0.6	2	1.3	0.6	2	1.3	0.7	2	1.4	0.7	-	1.0%
7-10	58	69	51	30.4	0.6	58	33.0	0.6	58	35.4	0.6	58	36.9	0.6	58	38.6	0.7	-	30.4%
11-12	71	74	67	77.0	1.1	71	74.3	1.0	71	79.7	1.1	71	83.2	1.2	71	86.9	1.2	-	37.2%
13-16	59	63	52	90.4	1.7	59	97.1	1.6	59	103.8	1.8	59	108.4	1.8	59	113.3	1.9	-	30.9%
17-22	1	1	1	3.0	3.0	1	2.9	2.9	1	3.1	3.1	1	3.3	3.3	1	3.4	3.4	-	0.5%

1. Rand million.

National Radioactive Waste Disposal Institute**Selected performance indicators****Table 34.41 National Radioactive Waste Disposal Institute performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of safety, health, environment and quality licensing and radiation protection inspection audits conducted per year	Radwaste compliance management	Entity mandate	- ¹	- ¹	- ¹	4	4	4	4
Number of research and development focus areas initiated per year	Radwaste, technology and siting		- ¹	- ¹	- ¹	1	2	2	2
Number of compliance assurance audit reports completed per year	Radwaste compliance management		- ¹	- ¹	- ¹	- ¹	2	2	2
Number of inspection reports completed per year	Radwaste compliance management		- ¹	- ¹	- ¹	- ¹	2	2	2

1. No historical data available.

Entity overview

The National Radioactive Waste Disposal Institute was established in terms of the National Radioactive Waste Disposal Institute Act (2008) to manage the disposal of radioactive waste at the national level. The institute is responsible for the long-term care and disposal of radioactive waste in a safe, technically sound, socially acceptable, environmentally responsible and economically feasible manner.

Over the medium term, the institute will focus on finalising the Vaalputs functional shift, in particular the nuclear installation licence, so that it can begin operating and managing the facility, and generate revenue by providing waste disposal and related services to waste generators. The institute will seek to establish an above-ground centralised interim storage facility to address the national inventory of radioactive intermediate-level waste, high-level waste, long-lived waste, spent or used nuclear fuel and disused sealed radioactive sources.

Expenditure is set to increase at an average annual rate of 2.9 per cent, from R51.9 million in 2022/23 to R56.5 million in 2025/26. An estimated 81.4 per cent (R131.8 million) of the institute's spending over the medium term is on compensation of employees, while goods and services constitutes 16.3 per cent (R27.2 million) of its budget. Revenue, which is derived almost entirely from departmental transfers, is expected to increase in line with spending.

Programmes/Objectives/Activities

Table 34.42 National Radioactive Waste Disposal Institute expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23 - 2025/26	2023/24	2024/25	2025/26	2022/23 - 2025/26	2022/23 - 2025/26
Administration	24.4	28.0	30.5	36.1	13.9%	62.4%	35.9	37.7	39.9	3.4%	69.7%
Radwaste operations	3.7	2.4	2.5	2.0	-18.5%	5.7%	2.1	2.2	2.2	2.7%	4.0%
Radwaste, technology and siting	4.6	4.7	4.9	4.7	0.6%	10.0%	4.7	4.8	4.8	0.9%	8.8%
Radwaste compliance management	11.8	10.9	9.3	9.2	-8.1%	21.9%	9.4	9.6	9.6	1.6%	17.6%
Total	44.5	46.0	47.2	51.9	5.3%	100.0%	52.1	54.3	56.5	2.9%	100.0%

Statements of financial performance, cash flow and financial position

Table 34.43 National Radioactive Waste Disposal Institute statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2022/23 - 2025/26	2023/24	2024/25	2025/26	2022/23 - 2025/26
Revenue											
Non-tax revenue	2.5	1.2	1.3	1.6	-13.6%	3.3%	1.6	1.5	1.4	-4.8%	2.9%
Other non-tax revenue	2.5	1.2	1.3	1.6	-13.6%	3.3%	1.6	1.5	1.4	-4.8%	2.9%
Transfers received	47.5	49.4	49.2	50.3	1.9%	96.7%	50.5	52.8	55.1	3.1%	97.1%
Total revenue	50.0	50.6	50.5	51.9	1.3%	100.0%	52.1	54.3	56.5	2.9%	100.0%
Expenses											
Current expenses	44.5	46.0	47.2	51.9	5.3%	100.0%	52.1	54.3	56.5	2.9%	100.0%
Compensation of employees	33.6	36.7	37.5	42.8	8.5%	79.3%	42.8	44.0	44.9	1.6%	81.4%
Goods and services	10.2	8.3	8.6	7.9	-8.3%	18.6%	8.0	8.9	10.2	9.0%	16.3%
Depreciation	0.7	1.0	1.1	1.2	19.5%	2.1%	1.2	1.3	1.4	4.2%	2.4%
Total expenses	44.5	46.0	47.2	51.9	5.3%	100.0%	52.1	54.3	56.5	2.9%	100.0%
Surplus/(Deficit)	5.5	4.5	3.3	-	-100.0%		-	-	-	-	

Personnel information**Table 34.44 National Radioactive Waste Disposal Institute personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)					
Number of approved funded establishment posts	Number of posts on	Actual			Revised estimate			Medium-term expenditure estimate							2022/23 - 2025/26				
		2021/22		2022/23		2023/24		2024/25		2025/26									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
National Radioactive Waste Disposal Institute	38	38	34	37.5	1.1	38	42.8	1.1	38	42.8	1.1	38	44.0	1.2	38	44.9	1.2	-	100.0%
Salary level	38	38	34	37.5	1.1	38	42.8	1.1	38	42.8	1.1	38	44.0	1.2	38	44.9	1.2	-	100.0%
1 – 6	2	2	2	0.2	0.1	2	0.6	0.3	2	0.6	0.3	2	0.4	0.2	2	1.4	0.7	-	5.3%
7 – 10	11	11	11	7.7	0.7	11	7.3	0.7	11	7.3	0.7	11	7.7	0.7	11	7.7	0.7	-	28.9%
11 – 12	2	2	2	1.7	0.9	2	1.8	0.9	2	1.8	0.9	2	1.9	0.9	2	1.9	0.9	-	5.3%
13 – 16	22	22	18	26.6	1.5	22	30.8	1.4	22	30.8	1.4	22	31.7	1.4	22	31.7	1.4	-	57.9%
17 – 22	1	1	1	1.2	1.2	1	2.4	2.4	1	2.4	2.4	1	2.4	2.4	1	2.4	2.4	-	2.6%

1. Rand million.

South African Diamond and Precious Metals Regulator**Selected performance indicators****Table 34.45 South African Diamond and Precious Metals Regulator performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of strategic engagements conducted within the diamond and precious metals sector per year	Administration	Entity mandate	- ¹	7	13	12	12	12	12
Number of companies owned by historically disadvantaged people accessing the Diamond Exchange and Export Centre per year	Diamond trade		- ¹	3	7	12	12	12	12
Number of skills initiatives facilitated for the industry per year	Diamond trade		- ¹	0	5	5	5	5	5
Number of enterprise development initiatives facilitated, including for women and young people, per year	Regulatory compliance		- ¹	5	16	5	5	5	5
Number of compliance inspections conducted per year	Regulatory compliance		- ¹	1 644	1 660	1 700	1 700	1 700	1 700

1. No historical data available.

Entity overview

The South African Diamond and Precious Metals Regulator was established in terms of section 3 of the Diamonds Act (1986), with a mandate to implement and enforce the provisions of that act, the Precious Metals Act (2005), the Diamond Export Levy (Administration) Act (2007) and the Diamond Export Levy Act (2007). The regulator's core functions include facilitating the buying, selling, exporting and importing of diamonds through its Diamond Exchange and Export Centre; and regulating the acquisition, possession, smelting, refining, beneficiation, use and disposal of precious metals.

Expenditure is expected to increase at an average annual rate of 3.3 per cent, from R113.9 million in 2022/23 to R125.6 million in 2025/26. As a regulatory authority, the entity relies on its personnel to perform compliance inspections and audits in the diamond and precious metals industry. Accordingly, compensation of employees constitutes an estimated 73.3 per cent (R266.9 million) of expenditure over the medium term.

Transfers from the department are expected to account for 53.8 per cent (R198 million) of revenue over the medium term, while fees – mostly for licences and permits – are expected to generate 44.2 per cent

(R165.5 million). Revenue is expected to increase at an average annual rate of 4.1 per cent, from R114.5 million in 2022/23 to R129 million in 2025/26.

Programmes/Objectives/Activities

Table 34.46 South African Diamond and Precious Metals Regulator expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Administration	68.2	66.4	73.0	71.8	1.7%	63.8%	74.7	78.9	80.2	3.8%	63.5%
Diamond trade	13.6	13.6	13.3	14.3	1.7%	12.5%	15.0	16.0	16.0	4.0%	12.7%
Regulatory compliance	26.6	24.4	24.7	27.9	1.6%	23.7%	27.5	29.3	29.3	1.8%	23.7%
Total	108.3	104.4	111.0	113.9	1.7%	100.0%	117.3	124.2	125.6	3.3%	100.0%

Statements of financial performance, cash flow and financial position

Table 34.47 South African Diamond and Precious Metals Regulator statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Revenue											
Non-tax revenue	45.9	42.3	60.7	51.6	4.0%	43.0%	54.2	58.8	60.1	5.2%	46.2%
Sale of goods and services other than capital assets	40.9	39.6	57.3	49.1	6.3%	40.1%	51.7	56.3	57.5	5.4%	44.2%
Other non-tax revenue	4.9	2.7	3.4	2.4	-20.8%	2.9%	2.5	2.5	2.6	2.1%	2.1%
Transfers received	64.0	76.1	62.0	62.9	-0.6%	57.0%	63.1	66.0	68.9	3.1%	53.8%
Total revenue	109.9	118.3	122.7	114.5	1.4%	100.0%	117.3	124.8	129.0	4.1%	100.0%
Expenses											
Current expenses	108.3	104.4	111.0	113.9	1.7%	100.0%	117.3	124.2	125.6	3.3%	100.0%
Compensation of employees	79.7	80.7	80.4	85.5	2.3%	74.6%	85.3	90.8	90.8	2.1%	73.3%
Goods and services	27.1	22.4	29.1	27.1	0.1%	24.1%	30.6	31.9	33.3	7.1%	25.5%
Depreciation	1.5	1.3	1.5	1.3	-4.3%	1.3%	1.4	1.4	1.5	2.6%	1.2%
Total expenses	108.3	104.4	111.0	113.9	1.7%	100.0%	117.3	124.2	125.6	3.3%	100.0%
Surplus/(Deficit)	1.6	13.9	11.7	-	-100.0%	-	-	-	3.4	-	-

Personnel information

Table 34.48 South African Diamond and Precious Metals Regulator personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Number of funded posts	Number of approved establishment posts	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
		135	80.4	0.6	136	85.5	0.6	136	85.3	0.6	139	90.8	0.7	139	90.8	0.7	0.7%	100.0%	
Salary level	135	135			136			136			139			139					
1-6	14	14	14	1.7	0.1	14	1.9	0.1	14	1.9	0.1	14	2.0	0.1	14	2.0	0.1	-	10.2%
7-10	81	81	81	36.0	0.4	82	38.1	0.5	82	38.1	0.5	82	40.6	0.5	82	40.6	0.5	-	59.6%
11-12	24	24	24	20.0	0.8	24	21.5	0.9	24	21.5	0.9	27	22.9	0.8	27	22.9	0.8	4.0%	18.5%
13-16	16	16	16	22.7	1.4	16	24.0	1.5	16	23.8	1.5	16	25.4	1.6	16	25.4	1.6	-	11.6%

1. Rand million.

South African National Energy Development Institute

Selected performance indicators

Table 34.49 South African National Energy Development Institute performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Minimum number of energy efficiency-related datasets maintained per year	Energy efficiency programme	Entity mandate	6	6	24	1	1	1	1
Number of energy efficiency performance certificates issued per year	Energy efficiency programme		-1	-1	4	20	20	20	20
Number of energy solutions assessed per year	Smart grids		5	3	4	1	1	1	1
Number of industry roadmaps, sector development plans and industry support tools developed per year	Smart grids		-1	0	1	1	1	1	1
Number of energy solutions for clean energy assessed per year	Clean energy solutions		3	3	3	3	3	3	3
Number of energy solutions for cleaner mobility assessed per year	Cleaner mobility		3	1	1	1	1	1	1
Number of industry knowledge-sharing events and platforms hosted to promote energy-related market/industry development per year	Cleaner mobility		-1	-1	1	1	1	1	1
Number of commercially viable cleantech solutions progressed to active business incubation and/or deployment per year	Cleaner mobility		1	1	1	1	1	1	1

1. No historical data available.

Entity overview

The South African National Energy Development Institute was established in terms of the National Energy Act (2008). It is mandated to direct, monitor and conduct applied energy research and development, and demonstrate and deploy specific measures to promote the uptake of green energy and energy efficiency in South Africa.

Expenditure is expected to amount to R278.7 million over the medium term. It is expected to decrease at an average annual rate of 8.5 per cent, from R125.2 million in 2022/23 to R96 million in 2025/26, due to donor funding for completed projects not carrying over into the medium term.

The institute derives 93.2 per cent (R258.1 million) of its medium-term revenue through transfers from the department and other sources such as donor funding and funding from the Department of Science and Innovation for energy research. Revenue is expected to decrease at an average annual rate of 8.5 per cent, from R125.2 million in 2022/23 to R96 million in 2025/26, due to the receipt of one-off allocations for European Union-funded projects. These include achieving net-zero energy in wastewater treatment plants in South Africa and improving the energy performance of government buildings.

Programmes/Objectives/Activities**Table 34.50 South African National Energy Development Institute expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26		
Administration	57.4	52.5	36.1	50.0	-4.5%	47.7%	50.5	52.7	56.3	4.0%	52.9%
Cleaner fossil fuels	3.6	91.6	-	-	-100.0%	15.1%	-	-	-	-	-
Energy efficiency programme	1.4	2.0	21.7	26.6	168.8%	12.4%	15.0	12.7	12.6	-21.9%	16.2%
Smart grids	2.9	4.6	5.9	9.5	47.6%	5.3%	8.2	8.5	8.2	-4.6%	8.6%
Working for energy	1.7	9.2	-	-	-100.0%	2.0%	-	-	-	-	-
Clean energy solutions	6.6	4.4	15.9	33.0	71.3%	14.1%	11.1	11.6	12.3	-28.1%	16.0%
Centre for energy systems analysis and research	0.7	0.7	3.2	3.2	70.2%	1.9%	3.2	3.4	3.6	3.5%	3.4%
Cleaner mobility	0.3	0.0	2.5	2.9	108.4%	1.4%	2.8	2.9	3.1	1.8%	2.9%
Total	74.6	165.0	85.4	125.2	18.8%	100.0%	90.8	91.8	96.0	-8.5%	100.0%

Statements of financial performance, cash flow and financial position**Table 34.51 South African National Energy Development Institute statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	17.4	8.6	6.4	6.4	-28.5%	9.8%	6.6	6.8	7.2	4.1%	6.8%
Other non-tax revenue	17.4	8.6	6.4	6.4	-28.5%	9.8%	6.6	6.8	7.2	4.1%	6.8%
Transfers received	78.9	80.5	94.6	118.8	14.6%	90.2%	84.2	85.0	88.8	-9.2%	93.2%
Total revenue	96.3	89.0	101.0	125.2	9.1%	100.0%	90.8	91.8	96.0	-8.5%	100.0%
Expenses											
Current expenses	74.6	74.1	85.4	125.2	18.8%	86.2%	90.8	91.8	96.0	-8.5%	100.0%
Compensation of employees	38.2	36.8	33.0	45.0	5.6%	37.0%	46.9	49.0	51.9	4.9%	48.8%
Goods and services	32.6	34.9	52.0	76.2	32.6%	46.7%	39.7	38.4	39.4	-19.7%	46.9%
Depreciation	3.8	2.3	0.4	4.0	1.9%	2.6%	4.2	4.4	4.7	5.0%	4.4%
Transfers and subsidies	-	91.0	-	-	-	13.8%	-	-	-	-	-
Total expenses	74.6	165.0	85.4	125.2	18.8%	100.0%	90.8	91.8	96.0	-8.5%	100.0%
Surplus/(Deficit)	21.7	(76.0)	15.6	-	-100.0%	-	-	-	-	-	-

Personnel information**Table 34.52 South African National Energy Development Institute personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Number of approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22		2022/23		2023/24		2024/25		2025/26									
South African National Energy Development Institute		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	48	48	47	33.0	0.7	48	45.0	0.9	48	46.9	1.0	48	49.0	1.0	48	51.9	1.1	-	100.0%
1 - 6	13	13	11	1.9	0.2	13	3.2	0.2	13	3.3	0.3	13	3.5	0.3	13	3.7	0.3	-	27.1%
7 - 10	17	17	19	10.3	0.5	17	12.6	0.7	17	13.1	0.8	17	13.7	0.8	17	14.4	0.8	-	35.4%
11 - 12	3	3	3	2.7	0.9	3	2.9	1.0	3	3.1	1.0	3	3.2	1.1	3	3.4	1.1	-	6.3%
13 - 16	14	14	13	15.7	1.2	14	23.3	1.7	14	24.3	1.7	14	25.4	1.8	14	27.0	1.9	-	29.2%
17 - 22	1	1	1	2.4	2.4	1	3.0	3.0	1	3.1	3.1	1	3.3	3.3	1	3.5	3.5	-	2.1%

1. Rand million.

South African Nuclear Energy Corporation

Selected performance indicators

Table 34.53 South African Nuclear Energy Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of peer-reviewed publications per year	Research and innovation	Entity mandate	35	34	26	23	20	20	20
Number of days per year that the reactor is operationally available	Business continuity and efficiency		302	299	294	287	287	287	287
Maximum allowable annual radiation dose (microsieverts) in terms of licence conditions	Business continuity and efficiency		2.7 µSv	0.036 µSv	2.5 µSv	2.5 µSv	2.5 µSv	2.5 µSv	2.5 µSv
Number of product and process innovations per year	Business continuity and efficiency		8	8	6	6	6	6	6

Entity overview

The South African Nuclear Energy Corporation derives its mandate from the Nuclear Energy Act (1999), the nuclear energy policy and directives conferred on it by the Minister of Mineral Resources and Energy. It is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). The corporation's subsidiaries include international fluorochemical producer Pelchem; radiopharmaceutical and radioisotope producer Nuclear Technologies Product Radioisotopes; and Pelindaba Enterprises, which specialises in the manufacturing of power-generation components. The corporation operates the SAFARI-1 nuclear reactor for research, technology development and the production of radioisotopes; is responsible for the decommissioning and decontamination of old nuclear facilities; and contributes to South Africa's obligations in terms of international nuclear treaties and agreements.

Over the medium term, the corporation will focus on the production of nuclear medicine and industrial isotopes and fluorochemical products; nuclear and industrial manufacturing; radiation applications; research and development for new products; and the provision of support for nuclear power generation. While doing this, it will seek to rationalise the group to leverage synergies and remove unnecessary duplications. The corporation will continue to provide support for the decommissioning and decontamination of disused nuclear facilities, and work on a replacement for the SAFARI-1 nuclear reactor, which is expected to reach the end of its useful life in 2030. In the meantime, the reactor is expected to be operational for 287 days per year to allow the corporation to comply with international safety requirements and maintain radiation doses within acceptable levels.

Expenditure is set to increase at an average annual rate of 6 per cent, from R2.4 billion in 2022/23 to R2.9 billion in 2025/26. The corporation relies on highly skilled personnel to carry out these activities. Accordingly, compensation of employees accounts for an estimated 47.3 per cent (R3.9 billion) of total expenditure. Spending on goods and services accounts for an estimated 48 per cent (R4 billion), mainly for the production of medical radioisotopes.

The corporation expects to derive 68.7 per cent (R6 billion) of its revenue over the medium term through the sale of nuclear technology products, chemical products and nuclear engineering services, and the balance mostly through departmental transfers. These transfers fund operational requirements and specific activities such as the decommissioning of strategic plants, waste management at all disused nuclear facilities, the production and use of low-enriched uranium fuel, and nuclear safety. Revenue is projected to increase from R2.4 billion in 2022/23 to R3.1 billion in 2025/26, at an average annual rate of 8.3 per cent.

Programmes/Objectives/Activities**Table 34.54 South African Nuclear Energy Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)	2023/24	2024/25	2025/26	2022/23 - 2025/26
Administration	404.6	257.9	252.0	12.1	-69.0%	8.4%	173.4	108.6	120.5	115.2%	3.8%
Financial recovery and sustainability	88.1	151.8	211.3	106.0	6.4%	5.4%	56.1	58.9	61.6	-16.6%	2.7%
Research and innovation	239.0	170.2	139.9	183.0	-8.5%	6.9%	184.3	193.3	202.4	3.4%	7.1%
Profitable commercial enterprises	761.8	1 129.5	1 136.3	1 109.2	13.3%	39.9%	1 188.9	1 267.1	1 331.9	6.3%	45.5%
Business continuity and efficiency	1 535.6	708.8	744.2	940.2	-15.1%	36.3%	986.3	1 034.6	1 083.3	4.8%	37.6%
Talent excellence and high performance culture	80.8	84.2	78.7	85.5	1.9%	3.1%	89.7	94.1	98.5	4.8%	3.4%
Total	3 110.0	2 502.4	2 562.4	2 436.1	-7.8%	100.0%	2 678.7	2 756.6	2 898.2	6.0%	100.0%

Statements of financial performance, cash flow and financial position**Table 34.55 South African Nuclear Energy Corporation statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)	2023/24	2024/25	2025/26	2022/23 - 2025/26
Revenue											
Non-tax revenue	1 934.2	1 404.8	1 755.5	1 669.0	-4.8%	68.2%	1 896.1	2 105.0	2 265.0	10.7%	71.5%
Sale of goods and services other than capital assets	1 097.7	981.1	1 328.6	1 608.7	13.6%	51.1%	1 811.0	2 019.1	2 177.6	10.6%	68.7%
Other non-tax revenue	836.5	423.7	426.9	60.3	-58.4%	17.1%	85.1	85.9	87.4	13.2%	2.9%
Transfers received	984.9	689.7	735.5	744.0	-8.9%	31.8%	831.5	761.6	796.4	2.3%	28.5%
Total revenue	2 919.1	2 094.5	2 491.1	2 412.9	-6.2%	100.0%	2 727.7	2 866.7	3 061.4	8.3%	100.0%
Expenses											
Current expenses	3 028.0	2 493.4	2 537.4	2 427.4	-7.1%	98.9%	2 644.3	2 723.1	2 857.9	5.6%	98.9%
Compensation of employees	960.7	1 150.4	1 106.6	1 182.5	7.2%	42.1%	1 240.4	1 301.2	1 362.3	4.8%	47.3%
Goods and services	2 008.8	1 231.9	1 318.8	1 148.0	-17.0%	53.1%	1 309.9	1 323.4	1 392.4	6.6%	48.0%
Depreciation	52.9	109.7	103.3	96.9	22.3%	3.5%	93.8	98.4	103.1	2.1%	3.7%
Interest, dividends and rent on land	5.6	1.4	8.6	0.1	-73.8%	0.1%	0.1	0.1	0.1	4.8%	-
Transfers and subsidies	82.0	9.0	25.0	8.6	-52.8%	1.1%	34.5	33.5	40.3	67.1%	1.1%
Total expenses	3 110.0	2 502.4	2 562.4	2 436.1	-7.8%	100.0%	2 678.7	2 756.6	2 898.2	6.0%	100.0%
Surplus/(Deficit)	(190.9)	(407.9)	(71.3)	(23.2)	-50.5%		48.9	110.1	163.1	-291.6%	
Cash flow statement											
Cash flow from operating activities	(167.6)	(7.9)	151.0	205.5	-207.0%	100.0%	268.3	120.9	239.1	5.2%	100.0%
Receipts											
Non-tax receipts	1 149.7	1 026.2	1 375.7	1 611.3	11.9%	54.0%	1 835.0	2 038.0	2 195.0	10.9%	63.4%
Sales of goods and services other than capital assets	1 097.7	981.1	1 328.6	1 608.7	13.6%	52.4%	1 811.0	2 019.1	2 177.6	10.6%	62.9%
Other tax receipts	52.0	45.1	47.1	2.6	-63.2%	1.6%	24.0	18.9	17.4	88.7%	0.5%
Transfers received	984.9	965.3	972.6	1 034.3	1.6%	41.9%	1 012.3	1 028.5	1 074.7	1.3%	34.5%
Financial transactions in assets and liabilities	-	283.9	42.5	57.7	-	4.1%	61.1	67.0	70.0	6.7%	2.1%
Total receipts	2 134.6	2 275.3	2 390.8	2 703.3	8.2%	100.0%	2 908.4	3 133.6	3 339.6	7.3%	100.0%
Payment											
Current payments	2 302.1	2 274.1	2 214.8	2 489.2	2.6%	99.5%	2 605.6	2 979.1	3 060.2	7.1%	99.0%
Compensation of employees	1 041.3	1 150.4	1 106.6	1 182.5	4.3%	48.1%	1 240.4	1 301.2	1 362.3	4.8%	45.4%
Goods and services	1 255.6	1 122.4	1 099.6	1 305.3	1.3%	51.3%	1 365.1	1 677.8	1 697.7	9.2%	53.6%
Interest and rent on land	5.1	1.4	8.6	1.4	-35.3%	0.2%	0.1	0.1	0.1	-56.9%	-
Transfers and subsidies	-	9.0	25.0	8.6	-	0.5%	34.5	33.5	40.3	67.1%	1.0%
Total payments	2 302.1	2 283.2	2 239.8	2 497.8	2.8%	100.0%	2 640.1	3 012.6	3 100.5	7.5%	100.0%
Net cash flow from investing activities	(101.9)	(190.3)	(215.5)	(163.8)	17.1%	100.0%	(355.5)	(236.6)	(147.3)	-3.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(48.0)	(40.0)	(67.1)	(159.2)	49.1%	49.1%	(351.0)	(232.1)	(142.7)	-3.6%	97.7%
Proceeds from the sale of property, plant, equipment and intangible assets	0.3	-	-	-	-100.0%	-0.1%	-	-	-	-	-
Other flows from investing activities	(54.2)	(150.4)	(148.4)	(4.5)	-56.2%	50.9%	(4.5)	(4.5)	(4.5)	-	2.3%
Net cash flow from financing activities	119.6	177.0	121.2	(8.8)	-141.9%	100.0%	(1.2)	78.3	(4.8)	-18.3%	100.0%
Deferred income	-	187.9	136.6	-	-	54.7%	-	-	-	-	-
Borrowing activities	-	(3.0)	(2.1)	(8.8)	-	24.2%	(1.2)	78.3	(4.8)	-18.3%	100.0%
Repayment of finance leases	-	(6.2)	(1.1)	-	-	-1.1%	-	-	-	-	-
Other flows from financing activities	119.6	(1.7)	(12.3)	-	-100.0%	22.2%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(149.8)	(21.2)	56.6	32.9	-160.3%	-0.5%	(88.4)	(37.4)	87.0	38.3%	-0.1%

Table 34.55 South African Nuclear Energy Corporation statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		
Carrying value of assets	1 407.6	1 469.9	1 459.0	1 823.6	9.0%	20.9%	1 826.5	1 954.2	1 981.1	2.8%	21.9%
of which:											
Acquisition of assets	(48.0)	(40.0)	(67.1)	(159.2)	49.1%	100.0%	(351.0)	(232.1)	(142.7)	-3.6%	100.0%
Investments	3 601.1	5 512.9	5 865.8	3 914.4	2.8%	62.8%	5 371.6	5 379.3	5 383.4	11.2%	57.4%
Inventory	364.9	364.6	320.5	383.6	1.7%	4.9%	377.8	503.2	566.7	13.9%	5.2%
Receivables and prepayments	322.0	407.5	341.4	236.4	-9.8%	4.4%	111.8	150.3	174.6	-9.6%	2.0%
Cash and cash equivalents	202.9	171.8	228.4	841.3	60.7%	4.9%	1 188.7	1 150.1	1 232.3	13.6%	12.6%
Defined benefit plan assets	4.9	8.3	36.9	-	-100.0%	0.2%	-	-	-	-	-
Taxation	184.4	137.6	120.1	115.0	-14.6%	1.9%	73.3	49.8	44.5	-27.1%	0.9%
Total assets	6 087.7	8 072.5	8 372.0	7 314.3	6.3%	100.0%	8 949.7	9 186.8	9 382.7	8.7%	100.0%
Accumulated surplus/(deficit)	143.8	(268.8)	(333.8)	(640.1)	-264.5%	-3.4%	(728.7)	(634.9)	(480.0)	-9.1%	-7.2%
Capital and reserves	685.6	798.3	838.0	819.1	6.1%	10.6%	976.2	985.2	998.7	6.8%	10.9%
Borrowings	23.9	16.0	14.0	14.0	-16.3%	0.2%	11.8	10.6	5.8	-25.5%	0.1%
Finance lease	4.0	2.2	4.3	70.3	160.7%	0.3%	67.9	71.2	69.4	-0.4%	0.8%
Deferred income	709.9	885.1	1 018.1	1 626.1	31.8%	14.3%	1 665.5	1 697.4	1 730.8	2.1%	19.4%
Trade and other payables	384.6	501.9	439.4	548.9	12.6%	6.3%	424.6	434.0	444.8	-6.8%	5.4%
Taxation	45.4	1.5	1.6	-	-100.0%	0.2%	-	-	-	-	-
Provisions	941.1	1 216.6	1 291.8	609.5	-13.5%	13.6%	527.2	539.0	537.7	-4.1%	6.5%
Derivatives financial instruments	3 149.5	4 919.7	5 098.6	4 266.4	10.6%	58.0%	6 005.1	6 084.3	6 075.6	12.5%	64.1%
Total equity and liabilities	6 087.7	8 072.5	8 372.0	7 314.3	6.3%	100.0%	8 949.7	9 186.8	9 382.7	8.7%	100.0%

Personnel information

Table 34.56 South African Nuclear Energy Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023	Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)		
	Number of approved funded establishment posts	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22	2022/23		2023/24		2024/25		2025/26										
South African Nuclear Energy Corporation	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2022/23 - 2025/26			
Salary level	1 813	1 813	1 813	1 106.6	0.6	1 813	1 182.5	0.7	1 813	1 240.4	0.7	1 813	1 301.2	0.7	1 813	1 362.3	0.8	-	100.0%
1 – 6	437	437	437	87.7	0.2	437	88.5	0.2	437	96.7	0.2	437	105.4	0.2	437	114.1	0.3	-	24.1%
7 – 10	800	800	800	373.6	0.5	800	384.0	0.5	800	405.2	0.5	800	441.5	0.6	800	476.0	0.6	-	44.1%
11 – 12	342	342	342	308.5	0.9	342	360.9	1.1	342	355.4	1.0	342	340.2	1.0	342	352.1	1.0	-	18.9%
13 – 16	221	221	221	299.4	1.4	221	310.1	1.4	221	341.9	1.5	221	370.6	1.7	221	374.3	1.7	-	12.2%
17 – 22	13	13	13	37.4	2.9	13	39.0	3.0	13	41.2	3.2	13	43.5	3.3	13	45.8	3.5	-	0.7%

1. Rand million.

State Diamond Trader

Selected performance indicators

Table 34.57 State Diamond Trader performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Number of diamond producers selling rough diamonds to the trader per year	Administration	Entity mandate	19	14	13	13	19	19	19
Number of clients per year	Administration		38	30	39	42	42	42	42
Number of diamond production inspections per year	Administration		242	164	170	242	242	242	242
Number of trainees employed by the trader per year	Administration		10	15	9	10	10	10	10

Entity overview

The State Diamond Trader’s mandate, as defined in the Diamonds Amendment Act (2005), is to promote equitable access to and local beneficiation for the country’s diamonds. The trader is mandated to conduct research, develop a client base, contribute to the growth of the local diamond beneficiation industry, and

develop efficient ways to market diamonds not suitable for local beneficiation.

Expenditure is set to increase at an average annual rate of 2.1 per cent, from R824.7 million in 2022/23 to R877.9 million in 2025/26. Goods and services account for 97.8 per cent (R2.5 billion) of total expenditure, mostly for the procurement of rough diamonds as the trader will contribute to the growth of the local diamond beneficiation industry and increase the sale of rough diamonds to historically disadvantaged South Africans.

Travel costs are expected to increase over the period ahead due to inspections and participation in local and international diamond trade shows. Revenue is generated entirely from sales, increasing at an average annual rate of 2 per cent, from R829.1 million in 2022/23 to R880 million in 2025/26.

Programmes/Objectives/Activities

Table 34.58 State Diamond Trader expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26		
Administration	250.5	683.6	1 392.9	824.7	48.8%	100.0%	841.8	859.6	877.9	2.1%	100.0%
Total	250.5	683.6	1 392.9	824.7	48.8%	100.0%	841.8	859.6	877.9	2.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 34.59 State Diamond Trader statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	234.0	684.9	1 445.5	829.1	52.5%	100.0%	845.7	862.7	880.0	2.0%	100.0%
Sale of goods and services other than capital assets	231.0	683.9	1 443.5	826.5	52.9%	99.5%	843.0	859.9	877.1	2.0%	99.7%
Other non-tax revenue	3.0	1.0	2.1	2.6	-4.6%	0.5%	2.7	2.8	2.9	3.8%	0.3%
Total revenue	234.0	684.9	1 445.5	829.1	52.5%	100.0%	845.7	862.7	880.0	2.0%	100.0%
Expenses											
Current expenses	250.5	683.6	1 392.9	824.7	48.8%	100.0%	841.8	859.6	877.9	2.1%	100.0%
Compensation of employees	12.1	14.2	13.6	16.4	10.5%	2.5%	17.2	18.1	19.0	5.0%	2.1%
Goods and services	238.0	668.6	1 377.4	807.5	50.3%	97.4%	823.7	840.6	857.9	2.0%	97.8%
Depreciation	0.3	0.9	1.2	–	-100.0%	0.1%	–	–	–	–	–
Interest, dividends and rent on land	0.0	0.0	0.6	0.9	178.8%	–	0.9	1.0	1.0	4.9%	0.1%
Total expenses	250.5	683.6	1 392.9	824.7	48.8%	100.0%	841.8	859.6	877.9	2.1%	100.0%
Surplus/(Deficit)	(16.5)	1.3	52.7	4.3	-163.9%		3.9	3.0	2.1	-21.3%	

Personnel information

Table 34.60 State Diamond Trader personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/Total (%)	
Number of funded posts	Number of approved establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22		2022/23		2023/24			2024/25			2025/26			2022/23 - 2025/26				
State Diamond Trader	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost	–	100.0%	
Salary level	18	18	18	13.6	0.8	18	16.4	0.9	18	17.2	1.0	18	18.1	1.0	18	19.0			1.1
1 – 6	1	1	1	0.2	0.2	1	0.3	0.3	1	0.4	0.4	1	0.5	0.5	1	0.5	0.5	–	5.6%
7 – 10	11	11	11	5.3	0.5	11	6.8	0.6	11	7.6	0.7	11	8.1	0.7	11	8.7	0.8	–	61.1%
11 – 12	2	2	2	1.7	0.8	2	2.1	1.0	2	2.1	1.1	2	2.2	1.1	2	2.3	1.2	–	11.1%
13 – 16	4	4	4	6.5	1.6	4	7.3	1.8	4	7.1	1.8	4	7.2	1.8	4	7.4	1.9	–	22.2%

1. Rand million.

