

# Mineral and Petroleum Resources

## Budget summary

| R million                              | 2025/26   |                         |                             |                | 2026/27        | 2027/28        |
|--|---|-------------------------|-----------------------------|----------------|----------------|----------------|
|  | Current payments                                    | Transfers and subsidies | Payments for capital assets | Total          | Total          | Total          |
| <b>MTEF allocation</b>                 |   |                         |                             |                |                |                |
| Administration                         | 586.7   | 3.0                     | 16.0                        | 605.7          | 630.6          | 654.9          |
| Minerals and Petroleum Regulation      | 602.0   | 189.2                   | –                           | 791.3          | 830.0          | 870.4          |
| Mine Health and Safety Inspectorate    | 234.4   | 4.7                     | –                           | 239.1          | 250.9          | 263.1          |
| Mining and Minerals Policy Development | 262.1   | 961.5                   | –                           | 1 223.6        | 1 155.3        | 1 208.3        |
| <b>Total expenditure estimates</b>     | <b>1 685.2</b>                                      | <b>1 158.5</b>          | <b>16.0</b>                 | <b>2 859.6</b> | <b>2 866.8</b> | <b>2 996.7</b> |
| Executive authority                    | Minister of Mineral and Petroleum Resources         |                         |                             |                |                |                |
| Accounting officer                     | Director-General of Mineral and Petroleum Resources |                         |                             |                |                |                |
| Website                                | www.dmre.gov.za                                     |                         |                             |                |                |                |

The Estimates of National Expenditure is available at [www.treasury.gov.za](http://www.treasury.gov.za). Additional tables in Excel format can be found at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).

## Vote purpose

*Regulate the minerals, mining and petroleum sectors for transformation, growth and development to ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*

## Mandate

The Department of Mineral and Petroleum Resources is mandated to ensure the transparent and efficient regulation of South Africa's mineral resources and minerals industry. Several acts regulate the mining and minerals sectors. These include the:

- Petroleum Products Act (1977), which regulates the petroleum industry at the manufacturing, wholesale and retail levels
- Mine Health and Safety Act (1996), which governs mine health and safety
- 1998 White Paper on Minerals and Mining Policy for South Africa, which ensures the transparent and efficient regulation of the development of South Africa's mineral resources and mineral industry to meet national objectives and bring optimum benefit to the nation
- 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.

## Selected performance indicators

**Table 34.1 Performance indicators by programme and related outcome**

| Indicator   | Programme                           | MTDP outcome  | Audited performance |         |         | Estimated performance | MTEF targets |         |         |
|---|-------------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
|   |                                     |   | 2021/22             | 2022/23 | 2023/24 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| Total number of qualitative audits conducted, including individual audits, per year | Mine Health and Safety Inspectorate | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 8 399               | 9 115   | 8 865   | 8 000                 | 8 000        | 8 000   | 8 000   |
| Number of new petroleum retail site inspections per year                            | Minerals and Petroleum Regulation   | Outcome 20: Safer communities and increased business confidence         | 1 317               | 1 463   | 1 570   | 1 500                 | 1 500        | 1 500   | 1 500   |
| Number of derelict and ownerless mines rehabilitated per year                       | Minerals and Petroleum Regulation   |   | 3                   | 2       | 1       | 3                     | 3            | 3       | 3       |

**Table 34.1 Performance indicators by programme and related outcome (continued)**

| Indicator   | Programme                         | MTDP outcome  | Audited performance |         |         | Estimated performance | MTEF targets |         |         |
|---|-----------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
|   |                                   |   | 2021/22             | 2022/23 | 2023/24 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year | Minerals and Petroleum Regulation | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 206                 | 249     | 290     | 200                   | 200          | 200     | 200     |
| Number of social and labour plan verification inspections per year  | Minerals and Petroleum Regulation |   | 243                 | 237     | 261     | 212                   | 212          | 212     | 212     |
| Number of environmental verification inspections conducted per year   | Minerals and Petroleum Regulation | Outcome 20: Safer communities and increased business confidence         | 1 374               | 1 400   | 1 487   | 1 374                 | 1 374        | 1 374   | 1 374   |
| Number of mine economic verification inspections conducted per year   | Minerals and Petroleum Regulation | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 464                 | 531     | 484     | 500                   | 500          | 500     | 500     |
| Number of mineral legislation compliance inspections conducted per year                                     | Minerals and Petroleum Regulation |   | 192                 | 179     | 151     | 150                   | 150          | 150     | 150     |
| Number of fuel samples tested per year  | Minerals and Petroleum Regulation | Outcome 20: Safer communities and increased business confidence         | 1 197               | 1 083   | 1 080   | 1 080                 | 1 080        | 1 080   | 1 080   |

## Expenditure overview

Over the medium term, the department will focus on ensuring transformation in and the regulation of the mining and petroleum sectors; enforcing, monitoring and evaluating compliance with mine health and safety requirements; rehabilitating derelict and ownerless mines; promoting investment in the mining sector; and improving efficiency and transparency in the granting of mining rights, permits and licences through the implementation of a cadastre mining licensing system. This is intended to oversee a mining sector that prioritises the welfare of its human resources and the environment, and ensures that South Africa has an adequate supply of liquid fuels to maintain economic activity and prevent disruptions.

Of the department's total allocation of R8.7 billion over the medium term, an estimated 40.8 per cent (R3.6 billion) is for transfers to its entities, which carry out a significant portion of its functions. Due to the labour-intensive nature of the department's work, which requires inspections to be conducted to ensure that mining companies comply with legislative requirements, expenditure on compensation of employees accounts for an estimated 32.1 per cent (R2.8 billion) of the total budget over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 3.1 per cent, from R903.4 million in 2024/25 to R990.8 million in 2027/28

### ***Ensuring transformation in and the regulation of mining and petroleum sectors***

Accelerating transformation in the mining sector remains a key priority. To facilitate this, over the medium term, the department will monitor and enforce compliance with the Mineral and Petroleum Resources Development Act (2002) by issuing a targeted 600 mining licences to historically disadvantaged South Africans and conducting a targeted 636 social and labour plan inspections and 1 500 mine economic inspections. Social and labour plans commit companies to investing in the upgrading of human settlements and skills development for mineworkers and surrounding communities, in line with regulation 46 of the act. To enforce compliance with regulatory standards in the petroleum sector, the department plans to inspect 1 500 petroleum retail sites per year over the period ahead. Funding for these activities is within the *Minerals and Petroleum Regulation* programme's allocation of R2.5 billion over the medium term.

### ***Ensuring mine health and safety***

The department plans to continue enforcing compliance with occupational health and safety legislation and regulations over the medium term by conducting investigations, inspections and audits on mines to ensure that

they comply with minimum health and safety requirements. Annually, this is expected to result in a 20 per cent reduction in occupational fatalities, a 20 per cent reduction in occupational injuries and a 10 per cent reduction in occupational diseases. As this work is labour intensive, spending on compensation of employees accounts for an estimated 82.3 per cent (R618.2 million) of the budget in the *Mine Health and Safety Inspectorate* programme over the MTEF period. An amount of R120.1 million over the medium term is allocated to goods and services for inspections, audits, fatal accident inquiries and investigations at mines, and travel and subsistence costs for inspectors.

### ***Rehabilitating derelict mines and protecting the environment***

Through its public entity Mintek, the department aims to protect the environment and rehabilitate 9 dangerous derelict and ownerless mine sites, including asbestos sites, at an estimated cost of R422.8 million over the MTEF period. The department also expects to conduct 4 122 environmental verification management inspections over the same period to ensure compliance with the National Environmental Management Act (1998). Research on mine rehabilitation will be conducted by the Council for Geoscience, which is allocated R70.5 million for this purpose over the medium term. These activities, including transfers to Mintek and the council, are funded through the *Minerals Compliance and Enforcement Management* subprogramme in the *Mineral and Petroleum Regulation* programme, which is allocated R732 million over the medium term.

### ***Promoting investment in the mining sector***

Minerals exploration is crucial for the sustainability and future growth of the mining industry. Recognising this, a dedicated exploration fund has been set up to uncover untapped mineral resources such as rare earth elements, lithium and copper within South Africa's borders. This will be done in partnership with the Council for Geoscience, which will provide technical services; and the Industrial Development Corporation, which will administer the fund and has committed R200 million to co-fund and operationalise it. The department has allocated R120 million for this purpose in 2025/26 in the *Mining and Minerals Policy Development* programme to establish the fund.

To complement this work, Petroleum Agency South Africa will evaluate shale gas resources and investigate geo-environmental baselines in the south-central Karoo Basin at a projected cost of R144.4 million over the medium term, and will receive R286.5 million in operational funding to promote the exploration and optimal development of onshore and offshore oil and gas resources over the same period. These activities are funded through the *Minerals and Petroleum Regulation* programme.

### ***Improving efficiency and transparency in the granting of mining rights***

The department has appointed a service provider for the design, implementation, maintenance and support of a cadastre mining licensing system, which manages and records information about mining licences, permits and mineral rights. This system will replace the current South African mineral resources administration database and is expected to become operational in 2025/26. Ultimately, it will increase transparency and efficiency in the application and processing of mining rights, permits and licences; improve access to information; and shorten processing times, thereby increasing investment. Spending on these activities is through the *Corporate Services* subprogramme, which is allocated R902.3 million over the medium term in the *Administration* programme.

## Expenditure trends and estimates

**Table 34.2 Vote expenditure trends by programme and economic classification<sup>1</sup>**

### Programmes

- Administration
- Minerals and Petroleum Regulation
- Mine Health and Safety Inspectorate
- Mining and Minerals Policy Development

| Programme   | Audited outcome |                |                | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |                |                | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|----------------|----------------|------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| R million   | 2021/22         | 2022/23        | 2023/24        | 2024/25                | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27        | 2027/28        | 2024/25 - 2027/28       |                                 |
| Programme 1   | 481.2           | 553.8          | 575.2          | 597.6                  | 7.5%                    | 22.3%                           | 605.7                            | 630.6          | 654.9          | 3.1%                    | 21.3%                           |
| Programme 2   | 755.1           | 729.5          | 744.6          | 951.1                  | 8.0%                    | 32.1%                           | 791.3                            | 830.0          | 870.4          | -2.9%                   | 29.5%                           |
| Programme 3   | 205.4           | 218.1          | 229.2          | 239.1                  | 5.2%                    | 9.0%                            | 239.1                            | 250.9          | 263.1          | 3.2%                    | 8.5%                            |
| Programme 4   | 723.5           | 802.9          | 963.3          | 1 149.3                | 16.7%                   | 36.7%                           | 1 223.6                          | 1 155.3        | 1 208.3        | 1.7%                    | 40.6%                           |
| <b>Subtotal</b>                                     | <b>2 165.2</b>  | <b>2 304.3</b> | <b>2 512.2</b> | <b>2 937.1</b>         | <b>10.7%</b>            | <b>100.0%</b>                   | <b>2 859.6</b>                   | <b>2 866.8</b> | <b>2 996.7</b> | <b>0.7%</b>             | <b>100.0%</b>                   |
| <b>Total</b>  | <b>2 165.2</b>  | <b>2 304.3</b> | <b>2 512.2</b> | <b>2 937.1</b>         | <b>10.7%</b>            | <b>100.0%</b>                   | <b>2 859.6</b>                   | <b>2 866.8</b> | <b>2 996.7</b> | <b>0.7%</b>             | <b>100.0%</b>                   |
| Change to 2024                                      |                 |                |                | –                      |                         |                                 | 8.0                              | 8.6            | 9.0            |                         |                                 |
| Budget estimate                                     |                 |                |                |                        |                         |                                 |                                  |                |                |                         |                                 |
| <b>Economic classification</b>                      |                 |                |                |                        |                         |                                 |                                  |                |                |                         |                                 |
| <b>Current payments</b>                             | <b>1 309.6</b>  | <b>1 402.8</b> | <b>1 428.5</b> | <b>1 800.5</b>         | <b>11.2%</b>            | <b>59.9%</b>                    | <b>1 685.2</b>                   | <b>1 638.6</b> | <b>1 713.0</b> | <b>-1.6%</b>            | <b>58.6%</b>                    |
| Compensation of employees                           | 788.4           | 819.4          | 855.9          | 903.4                  | 4.6%                    | 33.9%                           | 905.6                            | 947.5          | 990.8          | 3.1%                    | 32.1%                           |
| Goods and services <sup>1</sup>                     | 521.3           | 583.4          | 572.7          | 897.1                  | 19.8%                   | 26.0%                           | 779.6                            | 691.1          | 722.2          | -7.0%                   | 26.5%                           |
| of which:   |                 |                |                |                        | 0.0%                    | 0.0%                            |                                  |                |                | 0.0%                    | 0.0%                            |
| Communication                                       | 16.8            | 15.0           | 11.6           | 13.5                   | -7.0%                   | 0.6%                            | 13.3                             | 14.9           | 15.5           | 4.7%                    | 0.5%                            |
| Computer services                                   | 36.8            | 36.7           | 34.0           | 53.6                   | 13.4%                   | 1.6%                            | 52.6                             | 54.4           | 56.6           | 1.9%                    | 1.9%                            |
| Consultants: Business and advisory services         | 231.4           | 233.3          | 182.3          | 515.7                  | 30.6%                   | 11.7%                           | 383.8                            | 276.3          | 288.7          | -17.6%                  | 12.6%                           |
| Operating leases                                    | 98.8            | 133.7          | 146.8          | 133.4                  | 10.5%                   | 5.2%                            | 138.8                            | 145.1          | 151.6          | 4.4%                    | 4.9%                            |
| Property payments                                   | 17.3            | 23.0           | 23.7           | 17.2                   | -0.2%                   | 0.8%                            | 17.9                             | 19.2           | 20.0           | 5.2%                    | 0.6%                            |
| Travel and subsistence                              | 59.2            | 87.1           | 91.9           | 89.9                   | 15.0%                   | 3.3%                            | 93.4                             | 96.1           | 100.5          | 3.8%                    | 3.3%                            |
| <b>Transfers and subsidies<sup>1</sup></b>          | <b>849.7</b>    | <b>885.4</b>   | <b>1 076.9</b> | <b>1 121.3</b>         | <b>9.7%</b>             | <b>39.7%</b>                    | <b>1 158.5</b>                   | <b>1 212.3</b> | <b>1 267.1</b> | <b>4.2%</b>             | <b>40.8%</b>                    |
| Departmental agencies and accounts                  | 395.0           | 425.6          | 627.3          | 679.2                  | 19.8%                   | 21.4%                           | 709.0                            | 742.0          | 775.6          | 4.5%                    | 24.9%                           |
| Foreign governments and international organisations | 8.0             | 7.8            | 9.3            | 19.7                   | 34.8%                   | 0.5%                            | 8.4                              | 8.8            | 9.2            | -22.5%                  | 0.4%                            |
| Public corporations and private enterprises         | 441.1           | 446.7          | 438.2          | 420.6                  | -1.6%                   | 17.6%                           | 439.2                            | 459.6          | 480.3          | 4.5%                    | 15.4%                           |
| Households  | 5.5             | 5.4            | 2.0            | 1.8                    | -31.2%                  | 0.1%                            | 1.9                              | 2.0            | 2.1            | 4.5%                    | 0.1%                            |
| <b>Payments for capital assets</b>                  | <b>5.6</b>      | <b>15.4</b>    | <b>6.7</b>     | <b>15.4</b>            | <b>40.4%</b>            | <b>0.4%</b>                     | <b>16.0</b>                      | <b>15.9</b>    | <b>16.6</b>    | <b>2.5%</b>             | <b>0.5%</b>                     |
| Buildings and other fixed structures                | 0.2             | 0.9            | 0.0            | 2.4                    | 134.0%                  | 0.0%                            | 2.5                              | 2.6            | 2.7            | 4.5%                    | 0.1%                            |
| Machinery and equipment                             | 5.4             | 14.5           | 6.6            | 13.0                   | 34.4%                   | 0.4%                            | 13.6                             | 13.3           | 13.9           | 2.2%                    | 0.5%                            |
| Software and other intangible assets                | –               | –              | 0.0            | –                      | 0.0%                    | 0.0%                            | –                                | –              | –              | 0.0%                    | 0.0%                            |
| <b>Payments for financial assets</b>                | <b>0.3</b>      | <b>0.6</b>     | <b>0.2</b>     | <b>–</b>               | <b>-100.0%</b>          | <b>0.0%</b>                     | <b>–</b>                         | <b>–</b>       | <b>–</b>       | <b>0.0%</b>             | <b>0.0%</b>                     |
| <b>Total</b>  | <b>2 165.2</b>  | <b>2 304.3</b> | <b>2 512.2</b> | <b>2 937.1</b>         | <b>10.7%</b>            | <b>100.0%</b>                   | <b>2 859.6</b>                   | <b>2 866.8</b> | <b>2 996.7</b> | <b>0.7%</b>             | <b>100.0%</b>                   |

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://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 (%) |
|--|-----------------|---------|---------|------------------------|-------------------------|---------------------------------|----------------------------------|---------|---------|-------------------------|---------------------------------|
| R thousand   | 2021/22         | 2022/23 | 2023/24 | 2024/25                | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27 | 2027/28 | 2024/25 - 2027/28       |                                 |
| <b>Households</b>                                    |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| <b>Social benefits</b>                               |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| <b>Current</b>                                       | 4 952           | 4 502   | 1 944   | 1 479                  | -33.2%                  | 0.3%                            | 1 545                            | 1 617   | 1 690   | 4.5%                    | 0.1%                            |
| Employee social benefits                             | 4 952           | 4 502   | 1 944   | 1 479                  | -33.2%                  | 0.3%                            | 1 545                            | 1 617   | 1 690   | 4.5%                    | 0.1%                            |
| <b>Other transfers to households</b>                 |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| <b>Current</b>                                       | 591             | 858     | 83      | 328                    | -17.8%                  | –                               | 342                              | 358     | 374     | 4.5%                    | –                               |
| Employee ex-gratia payment                           | 591             | 858     | 83      | 328                    | -17.8%                  | –                               | 342                              | 358     | 374     | 4.5%                    | –                               |
| <b>Departmental agencies and accounts</b>            |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| <b>Departmental agencies (non-business entities)</b> |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| <b>Current</b>                                       | 391 096         | 425 581 | 627 330 | 679 150                | 20.2%                   | 54.0%                           | 709 031                          | 742 038 | 775 593 | 4.5%                    | 61.1%                           |
| Mining Qualifications Authority                      | 2 151           | 2 209   | –       | 1 085                  | -20.4%                  | 0.1%                            | 1 133                            | 1 300   | 1 359   | 7.8%                    | 0.1%                            |
| South African Diamond and Precious Metals Regulator  | 62 027          | 62 894  | 63 136  | 59 921                 | -1.1%                   | 6.3%                            | 62 558                           | 65 460  | 68 420  | 4.5%                    | 5.4%                            |
| Mine Health and Safety Council                       | 4 581           | 4 717   | 4 736   | 4 495                  | -0.6%                   | 0.5%                            | 4 693                            | 4 911   | 5 133   | 4.5%                    | 0.4%                            |
| Council for Geoscience                               | 322 337         | 355 761 | 559 458 | 613 649                | 23.9%                   | 47.1%                           | 640 647                          | 670 367 | 700 681 | 4.5%                    | 55.2%                           |
| <b>Capital</b>                                       | 3 906           | –       | –       | –                      | -100.0%                 | 0.1%                            | –                                | –       | –       | –                       | –                               |
| Council for Geoscience                               | 3 906           | –       | –       | –                      | -100.0%                 | 0.1%                            | –                                | –       | –       | –                       | –                               |

**Table 34.3 Vote transfers and subsidies trends and estimates (continued)**

|   |         |         |           | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |           |           | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|---------|---------|-----------|------------------------|-------------------------|---------------------------------|----------------------------------|-----------|-----------|-------------------------|---------------------------------|
| Audited outcome   |         |         |           |                        |                         |                                 | 2025/26                          | 2026/27   | 2027/28   |                         |                                 |
| R thousand  | 2021/22 | 2022/23 | 2023/24   | 2024/25                | 2021/22 -               | 2024/25                         |                                  |           |           | 2024/25 -               | 2027/28                         |
| Foreign governments and international organisations                           |         |         |           |                        |                         |                                 |                                  |           |           |                         |                                 |
| Current   | 8 036   | 7 785   | 9 345     | 19 687                 | 34.8%                   | 1.1%                            | 8 372                            | 8 757     | 9 153     | -22.5%                  | 1.0%                            |
| African Diamond Producers Association   | 8 036   | 4 505   | –         | 16 559                 | 27.3%                   | 0.7%                            | 5 106                            | 5 340     | 5 581     | -30.4%                  | 0.7%                            |
| African Petroleum Producers' Organisation                                     | –       | 3 280   | 9 345     | 3 128                  | –                       | 0.4%                            | 3 266                            | 3 417     | 3 572     | 4.5%                    | 0.3%                            |
| Public corporations and private enterprises                                   |         |         |           |                        |                         |                                 |                                  |           |           |                         |                                 |
| Subsidies on products and production  |         |         |           |                        |                         |                                 |                                  |           |           |                         |                                 |
| Current   | 124 857 | 121 742 | 119 483   | 118 163                | -1.8%                   | 12.3%                           | 123 411                          | 129 147   | 134 987   | 4.5%                    | 10.6%                           |
| Petroleum Agency South Africa   | 93 076  | 94 284  | 92 085    | 87 398                 | -2.1%                   | 9.3%                            | 91 243                           | 95 476    | 99 793    | 4.5%                    | 7.9%                            |
| Industrial Development Corporation  | 26 267  | 27 293  | 27 398    | 28 628                 | 2.9%                    | 2.8%                            | 29 911                           | 31 281    | 32 696    | 4.5%                    | 2.6%                            |
| Various institutions: Water management solutions subsidies for marginal mines | 5 514   | 165     | –         | 2 137                  | -27.1%                  | 0.2%                            | 2 257                            | 2 390     | 2 498     | 5.3%                    | 0.2%                            |
| Other transfers to public corporations  |         |         |           |                        |                         |                                 |                                  |           |           |                         |                                 |
| Current   | 280 055 | 287 417 | 288 522   | 270 944                | -1.1%                   | 28.7%                           | 282 838                          | 295 978   | 309 362   | 4.5%                    | 24.4%                           |
| Mintek  | 280 055 | 287 417 | 288 522   | 270 944                | -1.1%                   | 28.7%                           | 282 838                          | 295 978   | 309 362   | 4.5%                    | 24.4%                           |
| Capital   | 36 192  | 37 538  | 30 157    | 31 511                 | -4.5%                   | 3.4%                            | 32 923                           | 34 431    | 35 988    | 4.5%                    | 2.8%                            |
| Mintek  | 36 192  | 37 538  | 30 157    | 31 511                 | -4.5%                   | 3.4%                            | 32 923                           | 34 431    | 35 988    | 4.5%                    | 2.8%                            |
| Total   | 849 685 | 885 423 | 1 076 864 | 1 121 262              | 9.7%                    | 100.0%                          | 1 158 462                        | 1 212 326 | 1 267 147 | 4.2%                    | 100.0%                          |

## Personnel information

**Table 34.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

### Programmes

- Administration
- Minerals and Petroleum Regulation
- Mine Health and Safety Inspectorate
- Mining and Minerals Policy Development

| Number of posts estimated for 31 March 2025 |   | Number and cost <sup>2</sup> 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 |       |           |         |       |           |         |       |           |                         |                                  |                   |
|   |   | 2023/24  |       |           | 2024/25          |       |           | 2025/26                          |       |           | 2026/27 |       |           | 2027/28 |       |           |                         |                                  | 2024/25 - 2027/28 |
| Mineral and Petroleum Resources             |   | Number   | Cost  | Unit cost | Number           | Cost  | Unit cost | Number                           | Cost  | Unit cost | Number  | Cost  | Unit cost | Number  | Cost  | Unit cost |                         |                                  |                   |
| Salary level                                | 1 129   | 8  | 1 122 | 855.9     | 0.8              | 1 121 | 903.7     | 0.8                              | 1 057 | 905.6     | 0.9     | 1 047 | 947.5     | 0.9     | 1 037 | 990.8     | 1.0                     | -2.6%                            | 100.0%            |
| 1 – 6                                       | 273   | –  | 265   | 108.5     | 0.4              | 265   | 114.5     | 0.4                              | 253   | 116.6     | 0.5     | 251   | 122.1     | 0.5     | 249   | 127.6     | 0.5                     | -2.0%                            | 23.9%             |
| 7 – 10                                      | 493   | –  | 490   | 331.5     | 0.7              | 488   | 348.8     | 0.7                              | 457   | 348.3     | 0.8     | 452   | 364.3     | 0.8     | 446   | 379.6     | 0.9                     | -3.0%                            | 43.2%             |
| 11 – 12                                     | 261   | 4  | 262   | 261.4     | 1.0              | 263   | 277.4     | 1.1                              | 244   | 271.9     | 1.1     | 241   | 283.1     | 1.2     | 240   | 297.6     | 1.2                     | -3.0%                            | 23.2%             |
| 13 – 16                                     | 100   | 4  | 103   | 149.5     | 1.5              | 103   | 157.8     | 1.5                              | 101   | 163.3     | 1.6     | 101   | 172.3     | 1.7     | 100   | 179.9     | 1.8                     | -1.0%                            | 9.5%              |
| Other                                       | 2   | –  | 2     | 4.9       | 2.5              | 2     | 5.2       | 2.6                              | 2     | 5.5       | 2.7     | 2     | 5.8       | 2.9     | 2     | 6.1       | 3.0                     | –                                | 0.2%              |
| Programme                                   | 1 129   | 8  | 1 122 | 855.9     | 0.8              | 1 121 | 903.7     | 0.8                              | 1 057 | 905.6     | 0.9     | 1 047 | 947.5     | 0.9     | 1 037 | 990.8     | 1.0                     | -2.6%                            | 100.0%            |
| Programme 1                                 | 361   | 7  | 353   | 283.6     | 0.8              | 351   | 297.7     | 0.8                              | 327   | 295.5     | 0.9     | 320   | 305.7     | 1.0     | 312   | 315.5     | 1.0                     | -3.8%                            | 30.8%             |
| Programme 2                                 | 447   | 1  | 448   | 324.9     | 0.7              | 449   | 344.7     | 0.8                              | 425   | 347.8     | 0.8     | 424   | 366.1     | 0.9     | 422   | 385.5     | 0.9                     | -2.0%                            | 40.4%             |
| Programme 3                                 | 247   | –  | 247   | 187.1     | 0.8              | 247   | 197.9     | 0.8                              | 233   | 196.1     | 0.8     | 231   | 205.9     | 0.9     | 230   | 216.2     | 0.9                     | -2.4%                            | 22.1%             |
| Programme 4                                 | 74  | –  | 74    | 60.2      | 0.8              | 74    | 63.4      | 0.9                              | 72    | 66.1      | 0.9     | 72    | 69.8      | 1.0     | 72    | 73.6      | 1.0                     | -0.7%                            | 6.8%              |

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

2. Rand million.

## Departmental receipts

**Table 34.5 Departmental receipts by economic classification**

|  | Audited outcome |               |               | Adjusted estimate | Revised estimate | Average growth rate (%) | Average: Receipt item/ Total (%) | Medium-term receipts estimate |               |               | Average growth rate (%) | Average: Receipt item/ Total (%) |
|--|-----------------|---------------|---------------|-------------------|------------------|-------------------------|----------------------------------|-------------------------------|---------------|---------------|-------------------------|----------------------------------|
|  | 2021/22         | 2022/23       | 2023/24       |                   |                  |                         |                                  | 2025/26                       | 2026/27       | 2027/28       |                         |                                  |
| R thousand   |                 |               |               | 2024/25           |                  | 2021/22 - 2024/25       |                                  |                               |               |               | 2024/25 - 2027/28       |                                  |
| <b>Departmental receipts</b>   | <b>86 098</b>   | <b>36 211</b> | <b>48 674</b> | <b>43 966</b>     | <b>57 403</b>    | <b>-12.6%</b>           | <b>100.0%</b>                    | <b>58 967</b>                 | <b>61 170</b> | <b>63 502</b> | <b>3.4%</b>             | <b>100.0%</b>                    |
| <b>Sales of goods and services produced by department</b>                                  | <b>16 440</b>   | <b>19 009</b> | <b>23 632</b> | <b>18 161</b>     | <b>27 056</b>    | <b>18.1%</b>            | <b>37.7%</b>                     | <b>27 254</b>                 | <b>28 032</b> | <b>28 872</b> | <b>2.2%</b>             | <b>46.1%</b>                     |
| Sales by market establishments   | 424             | 403           | 303           | 550               | 194              | -22.9%                  | 0.6%                             | 203                           | 214           | 225           | 5.1%                    | 0.3%                             |
| of which:  |                 |               |               |                   |                  |                         | —                                |                               |               |               |                         | —                                |
| Market establishment: Rental parking: Covered and open                                     | 424             | 403           | 303           | 550               | 194              | -22.9%                  | 0.6%                             | 203                           | 214           | 225           | 5.1%                    | 0.3%                             |
| Administrative fees of which:  | 15 089          | 17 525        | 17 616        | 10 893            | 21 101           | 11.8%                   | 31.2%                            | 21 055                        | 21 553        | 22 098        | 1.6%                    | 35.6%                            |
| Application fees in relation to the Mineral and Petroleum Resources Development Act (2002) | 1 138           | 1 346         | 1 582         | 1 006             | 1 956            | 19.8%                   | 2.6%                             | 1 776                         | 1 856         | 1 949         | -0.1%                   | 3.1%                             |
| Requested information: Promotion of Access to Information Act (2000)                       | 20              | 52            | 60            | 34                | 67               | 49.6%                   | 0.1%                             | 70                            | 73            | 76            | 4.3%                    | 0.1%                             |
| Environmental Authorisation application fees   | 8 516           | 10 298        | 11 168        | 7 808             | 14 765           | 20.1%                   | 19.6%                            | 14 986                        | 15 211        | 15 439        | 1.5%                    | 25.1%                            |
| Administrative fees: Petroleum licence fees  | 5 415           | 5 830         | 4 806         | 2 045             | 4 313            | -7.3%                   | 8.9%                             | 4 223                         | 4 413         | 4 634         | 2.4%                    | 7.3%                             |
| Other sales of which:  | 927             | 1 081         | 5 713         | 6 718             | 5 761            | 83.9%                   | 5.9%                             | 5 996                         | 6 265         | 6 549         | 4.4%                    | 10.2%                            |
| Services rendered: Commission on insurance and garnishee                                   | 326             | 332           | 350           | 360               | 360              | 3.4%                    | 0.6%                             | 364                           | 380           | 399           | 3.5%                    | 0.6%                             |
| Services rendered: Marking of exam paper   | 561             | 697           | 5 310         | 6 304             | 5 349            | 112.0%                  | 5.2%                             | 5 590                         | 5 841         | 6 104         | 4.5%                    | 9.5%                             |
| Services rendered: Photocopies and faxes   | 39              | 51            | 51            | 52                | 49               | 7.9%                    | 0.1%                             | 41                            | 43            | 45            | -2.8%                   | 0.1%                             |
| Replacement of lost office property  | 1               | 1             | 2             | 2                 | 3                | 44.2%                   | —                                | 1                             | 1             | 1             | -30.7%                  | —                                |
| <b>Fines, penalties and forfeits</b>   | <b>1 716</b>    | <b>2 404</b>  | <b>4 315</b>  | <b>5 255</b>      | <b>6 391</b>     | <b>55.0%</b>            | <b>6.5%</b>                      | <b>6 678</b>                  | <b>6 978</b>  | <b>7 292</b>  | <b>4.5%</b>             | <b>11.3%</b>                     |
| <b>Interest, dividends and rent on land</b>  | <b>13 149</b>   | <b>13 577</b> | <b>20 408</b> | <b>17 914</b>     | <b>21 274</b>    | <b>17.4%</b>            | <b>30.0%</b>                     | <b>22 232</b>                 | <b>23 231</b> | <b>24 277</b> | <b>4.5%</b>             | <b>37.8%</b>                     |
| Interest   | 114             | 115           | 1 369         | 56                | 58               | -20.2%                  | 0.7%                             | 61                            | 63            | 66            | 4.4%                    | 0.1%                             |
| Rent on land   | 13 035          | 13 462        | 19 039        | 17 858            | 21 216           | 17.6%                   | 29.2%                            | 22 171                        | 23 168        | 24 211        | 4.5%                    | 37.7%                            |
| <b>Transactions in financial assets and liabilities</b>                                    | <b>54 793</b>   | <b>1 220</b>  | <b>319</b>    | <b>2 636</b>      | <b>2 682</b>     | <b>-63.4%</b>           | <b>25.8%</b>                     | <b>2 803</b>                  | <b>2 929</b>  | <b>3 061</b>  | <b>4.5%</b>             | <b>4.8%</b>                      |
| <b>Total</b>   | <b>86 098</b>   | <b>36 211</b> | <b>48 674</b> | <b>43 966</b>     | <b>57 403</b>    | <b>-12.6%</b>           | <b>100.0%</b>                    | <b>58 967</b>                 | <b>61 170</b> | <b>63 502</b> | <b>3.4%</b>             | <b>100.0%</b>                    |

## 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 (%) |
|--|-----------------|--------------|--------------|------------------------|-------------------------|--------------------------------|----------------------------------|--------------|--------------|-------------------------|--------------------------------|
|  | 2021/22         | 2022/23      | 2023/24      |                        |                         |                                | 2025/26                          | 2026/27      | 2027/28      |                         |                                |
|  | 2021/22         | 2022/23      | 2023/24      |                        |                         |                                | 2025/26                          | 2026/27      | 2027/28      |                         |                                |
| R million  |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| Ministry   | 30.2            | 39.7         | 42.7         | 48.6                   | 17.2%                   | 7.3%                           | 43.1                             | 44.8         | 46.4         | -1.5%                   | 7.4%                           |
| Departmental Management  | 31.7            | 31.7         | 38.2         | 38.2                   | 6.5%                    | 6.3%                           | 37.1                             | 38.9         | 40.7         | 2.1%                    | 6.2%                           |
| Internal Audit   | 17.8            | 18.1         | 19.6         | 18.6                   | 1.4%                    | 3.4%                           | 20.1                             | 20.8         | 21.6         | 5.1%                    | 3.3%                           |
| Finance Administration   | 70.5            | 80.3         | 77.2         | 83.8                   | 5.9%                    | 14.1%                          | 80.0                             | 83.8         | 86.5         | 1.1%                    | 13.4%                          |
| Corporate Services   | 240.3           | 254.9        | 263.1        | 283.8                  | 5.7%                    | 47.2%                          | 289.9                            | 300.7        | 311.7        | 3.2%                    | 47.7%                          |
| Office Accommodation   | 90.7            | 129.1        | 134.4        | 124.6                  | 11.2%                   | 21.7%                          | 135.5                            | 141.6        | 148.0        | 5.9%                    | 22.1%                          |
| <b>Total</b>   | <b>481.2</b>    | <b>553.8</b> | <b>575.2</b> | <b>597.6</b>           | <b>7.5%</b>             | <b>100.0%</b>                  | <b>605.7</b>                     | <b>630.6</b> | <b>654.9</b> | <b>3.1%</b>             | <b>100.0%</b>                  |
| Change to 2024   |                 |              |              | –                      |                         |                                | 2.6                              | 2.8          | 2.9          |                         |                                |
| Budget estimate  |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Economic classification</b>                                       |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Current payments</b>  | <b>468.1</b>    | <b>530.8</b> | <b>566.4</b> | <b>579.3</b>           | <b>7.4%</b>             | <b>97.1%</b>                   | <b>586.7</b>                     | <b>611.4</b> | <b>634.9</b> | <b>3.1%</b>             | <b>96.9%</b>                   |
| Compensation of employees  | 262.1           | 271.6        | 283.6        | 297.4                  | 4.3%                    | 50.5%                          | 295.5                            | 305.7        | 315.5        | 2.0%                    | 48.8%                          |
| Goods and services   | 206.0           | 259.2        | 282.9        | 282.0                  | 11.0%                   | 46.7%                          | 291.2                            | 305.7        | 319.4        | 4.2%                    | 48.1%                          |
| of which:  |                 |              |              |                        |                         | –                              |                                  |              |              |                         | –                              |
| Audit costs: External  | 8.2             | 7.7          | 7.8          | 8.1                    | -0.3%                   | 1.4%                           | 8.4                              | 8.9          | 9.3          | 4.5%                    | 1.4%                           |
| Computer services  | 36.1            | 36.1         | 34.0         | 53.6                   | 14.0%                   | 7.2%                           | 52.6                             | 54.4         | 56.6         | 1.9%                    | 8.7%                           |
| Consultants: Business and advisory services                          | 5.0             | 3.6          | 9.5          | 8.8                    | 20.7%                   | 1.2%                           | 7.8                              | 8.5          | 8.8          | 0.2%                    | 1.4%                           |
| Operating leases   | 94.2            | 129.6        | 141.1        | 129.3                  | 11.2%                   | 22.4%                          | 134.4                            | 140.4        | 146.7        | 4.3%                    | 22.1%                          |
| Property payments  | 17.1            | 23.0         | 23.7         | 17.2                   | 0.3%                    | 3.7%                           | 17.9                             | 19.2         | 20.0         | 5.2%                    | 3.0%                           |
| Travel and subsistence   | 14.9            | 25.7         | 27.2         | 25.3                   | 19.2%                   | 4.2%                           | 24.7                             | 26.0         | 27.2         | 2.4%                    | 4.1%                           |
| <b>Transfers and subsidies</b>                                       | <b>7.5</b>      | <b>7.4</b>   | <b>2.0</b>   | <b>2.9</b>             | <b>-27.3%</b>           | <b>0.9%</b>                    | <b>3.0</b>                       | <b>3.3</b>   | <b>3.4</b>   | <b>5.8%</b>             | <b>0.5%</b>                    |
| Departmental agencies and accounts                                   | 2.2             | 2.2          | –            | 1.1                    | -20.4%                  | 0.2%                           | 1.1                              | 1.3          | 1.4          | 7.8%                    | 0.2%                           |
| Households   | 5.4             | 5.2          | 2.0          | 1.8                    | -30.5%                  | 0.7%                           | 1.9                              | 2.0          | 2.1          | 4.5%                    | 0.3%                           |
| <b>Payments for capital assets</b>                                   | <b>5.4</b>      | <b>15.4</b>  | <b>6.7</b>   | <b>15.4</b>            | <b>41.4%</b>            | <b>1.9%</b>                    | <b>16.0</b>                      | <b>15.9</b>  | <b>16.6</b>  | <b>2.5%</b>             | <b>2.6%</b>                    |
| Buildings and other fixed structures                                 | 0.2             | 0.9          | 0.0          | 2.4                    | 134.0%                  | 0.2%                           | 2.5                              | 2.6          | 2.7          | 4.5%                    | 0.4%                           |
| Machinery and equipment  | 5.3             | 14.5         | 6.6          | 13.0                   | 35.3%                   | 1.8%                           | 13.6                             | 13.3         | 13.9         | 2.2%                    | 2.2%                           |
| Software and other intangible assets                                 | –               | –            | 0.0          | –                      | –                       | –                              | –                                | –            | –            | –                       | –                              |
| <b>Payments for financial assets</b>                                 | <b>0.1</b>      | <b>0.2</b>   | <b>0.1</b>   | <b>–</b>               | <b>-100.0%</b>          | <b>–</b>                       | <b>–</b>                         | <b>–</b>     | <b>–</b>     | <b>–</b>                | <b>–</b>                       |
| <b>Total</b>   | <b>481.2</b>    | <b>553.8</b> | <b>575.2</b> | <b>597.6</b>           | <b>7.5%</b>             | <b>100.0%</b>                  | <b>605.7</b>                     | <b>630.6</b> | <b>654.9</b> | <b>3.1%</b>             | <b>100.0%</b>                  |
| <b>Proportion of total programme expenditure to vote expenditure</b> | <b>22.2%</b>    | <b>24.0%</b> | <b>22.9%</b> | <b>20.3%</b>           | <b>–</b>                | <b>–</b>                       | <b>21.2%</b>                     | <b>22.0%</b> | <b>21.9%</b> | <b>–</b>                | <b>–</b>                       |
| <b>Details of transfers and subsidies</b>                            |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Households</b>  |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Social benefits</b>   |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Current</b>   | 4.8             | 4.4          | 1.9          | 1.5                    | -32.6%                  | 0.6%                           | 1.5                              | 1.6          | 1.7          | 4.5%                    | 0.3%                           |
| Employee social benefits   | 4.8             | 4.4          | 1.9          | 1.5                    | -32.6%                  | 0.6%                           | 1.5                              | 1.6          | 1.7          | 4.5%                    | 0.3%                           |
| <b>Other transfers to households</b>                                 |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Current</b>   | 0.5             | 0.8          | 0.1          | 0.3                    | -15.6%                  | 0.1%                           | 0.3                              | 0.4          | 0.4          | 4.5%                    | 0.1%                           |
| Employee ex-gratia payment   | 0.5             | 0.8          | 0.1          | 0.3                    | -15.6%                  | 0.1%                           | 0.3                              | 0.4          | 0.4          | 4.5%                    | 0.1%                           |
| <b>Departmental agencies and accounts</b>                            |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Departmental agencies (non-business entities)</b>                 |                 |              |              |                        |                         |                                |                                  |              |              |                         |                                |
| <b>Current</b>   | 2.2             | 2.2          | –            | 1.1                    | -20.4%                  | 0.2%                           | 1.1                              | 1.3          | 1.4          | 7.8%                    | 0.2%                           |
| Mining Qualifications Authority                                      | 2.2             | 2.2          | –            | 1.1                    | -20.4%                  | 0.2%                           | 1.1                              | 1.3          | 1.4          | 7.8%                    | 0.2%                           |

## Personnel information

**Table 34.7 Administration personnel numbers and cost by salary level<sup>1</sup>**

| Number of posts estimated for 31 March 2025 |   |         | Number and cost <sup>2</sup> 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 |        |         |           |         |       |                   |                         |                                  |     |       |        |
|   |   | 2023/24 |  |       | 2024/25          |        |       | 2025/26                          |        | 2026/27 |           | 2027/28 |       | 2024/25 - 2027/28 |                         |                                  |     |       |        |
|   |   |         | Number   | Cost  | Unit cost        | Number | Cost  | Unit cost                        | Number | Cost    | Unit cost | Number  | Cost  | Unit cost         |                         |                                  |     |       |        |
| Administration                              |   |         | 353  | 283.6 | 0.8              | 351    | 297.7 | 0.8                              | 327    | 295.5   | 0.9       | 320     | 305.7 | 1.0               | 312                     | 315.5                            | 1.0 | -3.8% | 100.0% |
| Salary level                                | 361   | 7       | 353  | 283.6 | 0.8              | 351    | 297.7 | 0.8                              | 327    | 295.5   | 0.9       | 320     | 305.7 | 1.0               | 312                     | 315.5                            | 1.0 | -3.8% | 100.0% |
| 1 – 6                                       | 128   | –       | 120  | 56.6  | 0.5              | 120    | 59.5  | 0.5                              | 114    | 60.5    | 0.5       | 113     | 63.3  | 0.6               | 111                     | 65.6                             | 0.6 | -2.5% | 35.0%  |
| 7 – 10                                      | 144   | –       | 141  | 98.6  | 0.7              | 139    | 102.7 | 0.7                              | 127    | 100.5   | 0.8       | 123     | 103.2 | 0.8               | 118                     | 104.9                            | 0.9 | -5.3% | 38.7%  |
| 11 – 12                                     | 50  | 3       | 50   | 58.1  | 1.2              | 50     | 61.2  | 1.2                              | 46     | 59.5    | 1.3       | 44      | 60.1  | 1.4               | 44                      | 63.4                             | 1.4 | -4.2% | 14.0%  |
| 13 – 16                                     | 37  | 4       | 40   | 65.4  | 1.6              | 40     | 69.0  | 1.7                              | 38     | 69.5    | 1.8       | 38      | 73.4  | 1.9               | 37                      | 75.5                             | 2.0 | -2.6% | 11.7%  |
| Other                                       | 2   | –       | 2  | 4.9   | 2.5              | 2      | 5.2   | 2.6                              | 2      | 5.5     | 2.7       | 2       | 5.8   | 2.9               | 2                       | 6.1                              | 3.0 | –     | 0.6%   |

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
  - monitoring and enforcing 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 through an analysis of fuel supply and the efficient adjudication of 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.
- *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.
- *Minerals Compliance and Enforcement Management* ensures that mining activities comply with the prescripts of the Mineral and Petroleum Resources Development Act (2002) and 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.



## 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 (%) |               | Medium-term expenditure estimate |              |              | Average growth rate (%) |               |
|---|-----------------|--------------|--------------|------------------------|-------------------------|---------------|----------------------------------|--------------|--------------|-------------------------|---------------|
|   | 2021/22         | 2022/23      | 2023/24      |                        | 2021/22 - 2024/25       | 2024/25       | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       | 2027/28       |
| R million   |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| Minerals and Petroleum Management   | 49.6            | 49.5         | 48.9         | 54.0                   | 2.9%                    | 6.4%          | 59.7                             | 62.6         | 65.6         | 6.7%                    | 7.0%          |
| Mineral Regulation and Administration   | 418.8           | 386.0        | 401.7        | 389.7                  | -2.4%                   | 50.2%         | 399.7                            | 419.6        | 440.4        | 4.2%                    | 47.9%         |
| Petroleum Licensing and Fuel Supply   | 57.4            | 62.0         | 66.2         | 74.2                   | 8.9%                    | 8.2%          | 66.8                             | 70.3         | 73.9         | -0.1%                   | 8.3%          |
| Minerals Compliance and Enforcement Management                                | 212.1           | 210.1        | 202.7        | 407.1                  | 24.3%                   | 32.5%         | 233.0                            | 243.9        | 255.1        | -14.4%                  | 33.1%         |
| Petroleum Compliance Monitoring, Enforcement and Fuel Pricing                 | 17.2            | 21.8         | 25.1         | 26.2                   | 15.1%                   | 2.8%          | 32.2                             | 33.8         | 35.4         | 10.6%                   | 3.7%          |
| <b>Total</b>  | <b>755.1</b>    | <b>729.5</b> | <b>744.6</b> | <b>951.1</b>           | <b>8.0%</b>             | <b>100.0%</b> | <b>791.3</b>                     | <b>830.0</b> | <b>870.4</b> | <b>-2.9%</b>            | <b>100.0%</b> |
| Change to 2024 Budget estimate  |                 |              |              | –                      |                         |               | 3.1                              | 3.3          | 3.5          |                         |               |
| <b>Economic classification</b>  |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current payments</b>   | <b>568.1</b>    | <b>541.2</b> | <b>552.6</b> | <b>769.9</b>           | <b>10.7%</b>            | <b>76.5%</b>  | <b>602.0</b>                     | <b>632.0</b> | <b>663.4</b> | <b>-4.8%</b>            | <b>77.5%</b>  |
| Compensation of employees   | 296.6           | 311.9        | 324.9        | 344.7                  | 5.1%                    | 40.2%         | 347.8                            | 366.1        | 385.5        | 3.8%                    | 41.9%         |
| Goods and services  | 271.5           | 229.3        | 227.7        | 425.2                  | 16.1%                   | 36.3%         | 254.2                            | 265.9        | 277.9        | -13.2%                  | 35.5%         |
| of which:   |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| Communication   | 5.4             | 5.3          | 4.4          | 4.9                    | -2.9%                   | 0.6%          | 4.1                              | 5.3          | 5.5          | 4.0%                    | 0.6%          |
| Consultants: Business and advisory services                                   | 225.8           | 184.1        | 172.7        | 377.4                  | 18.7%                   | 30.2%         | 204.2                            | 213.6        | 223.3        | -16.1%                  | 29.6%         |
| Legal services  | 11.5            | 4.6          | 12.1         | 3.0                    | -35.8%                  | 1.0%          | 2.9                              | 3.5          | 3.6          | 6.0%                    | 0.4%          |
| Fleet services (including government motor transport)                         | 1.0             | 1.5          | 1.3          | 1.4                    | 12.8%                   | 0.2%          | 1.6                              | 1.7          | 1.8          | 9.4%                    | 0.2%          |
| Operating leases  | 4.4             | 4.0          | 5.5          | 3.7                    | -6.0%                   | 0.6%          | 3.7                              | 3.9          | 4.1          | 3.6%                    | 0.4%          |
| Travel and subsistence  | 18.1            | 26.8         | 27.3         | 28.7                   | 16.4%                   | 3.2%          | 31.5                             | 31.4         | 32.8         | 4.6%                    | 3.6%          |
| <b>Transfers and subsidies</b>  | <b>187.0</b>    | <b>188.0</b> | <b>192.0</b> | <b>181.2</b>           | <b>-1.0%</b>            | <b>23.5%</b>  | <b>189.2</b>                     | <b>198.0</b> | <b>207.0</b> | <b>4.5%</b>             | <b>22.5%</b>  |
| Departmental agencies and accounts  | 62.0            | 62.9         | 63.1         | 59.9                   | -1.1%                   | 7.8%          | 62.6                             | 65.5         | 68.4         | 4.5%                    | 7.4%          |
| Foreign governments and international organisations                           | –               | 3.3          | 9.3          | 3.1                    | –                       | 0.5%          | 3.3                              | 3.4          | 3.6          | 4.5%                    | 0.4%          |
| Public corporations and private enterprises                                   | 124.9           | 121.7        | 119.5        | 118.2                  | -1.8%                   | 15.2%         | 123.4                            | 129.1        | 135.0        | 4.5%                    | 14.7%         |
| Households  | 0.1             | 0.1          | –            | –                      | -100.0%                 | –             | –                                | –            | –            | –                       | –             |
| <b>Payments for financial assets</b>  | <b>0.0</b>      | <b>0.2</b>   | <b>0.0</b>   | <b>–</b>               | <b>-100.0%</b>          | <b>–</b>      | <b>–</b>                         | <b>–</b>     | <b>–</b>     | <b>–</b>                | <b>–</b>      |
| <b>Total</b>  | <b>755.1</b>    | <b>729.5</b> | <b>744.6</b> | <b>951.1</b>           | <b>8.0%</b>             | <b>100.0%</b> | <b>791.3</b>                     | <b>830.0</b> | <b>870.4</b> | <b>-2.9%</b>            | <b>100.0%</b> |
| <b>Proportion of total programme expenditure to vote expenditure</b>          | <b>34.9%</b>    | <b>31.7%</b> | <b>29.6%</b> | <b>32.4%</b>           | <b>–</b>                | <b>–</b>      | <b>27.7%</b>                     | <b>29.0%</b> | <b>29.0%</b> | <b>–</b>                | <b>–</b>      |
| <b>Details of transfers and subsidies</b>                                     |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Households</b>   |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Social benefits</b>  |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current</b>  | 0.1             | 0.1          | –            | –                      | -100.0%                 | –             | –                                | –            | –            | –                       | –             |
| Employee social benefits  | 0.1             | 0.1          | –            | –                      | -100.0%                 | –             | –                                | –            | –            | –                       | –             |
| <b>Other transfers to households</b>  |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current</b>  | –               | 0.1          | –            | –                      | –                       | –             | –                                | –            | –            | –                       | –             |
| Employee ex-gratia payment  | –               | 0.1          | –            | –                      | –                       | –             | –                                | –            | –            | –                       | –             |
| <b>Departmental agencies and accounts</b>                                     |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Departmental agencies (non-business entities)</b>                          |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current</b>  | 62.0            | 62.9         | 63.1         | 59.9                   | -1.1%                   | 7.8%          | 62.6                             | 65.5         | 68.4         | 4.5%                    | 7.4%          |
| South African Diamond and Precious Metals Regulator                           | 62.0            | 62.9         | 63.1         | 59.9                   | -1.1%                   | 7.8%          | 62.6                             | 65.5         | 68.4         | 4.5%                    | 7.4%          |
| <b>Foreign governments and international organisations</b>                    |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current</b>  | –               | 3.3          | 9.3          | 3.1                    | –                       | 0.5%          | 3.3                              | 3.4          | 3.6          | 4.5%                    | 0.4%          |
| African Petroleum Producers' Organisation                                     | –               | 3.3          | 9.3          | 3.1                    | –                       | 0.5%          | 3.3                              | 3.4          | 3.6          | 4.5%                    | 0.4%          |
| <b>Public corporations and private enterprises</b>                            |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Subsidies on products and production</b>                                   |                 |              |              |                        |                         |               |                                  |              |              |                         |               |
| <b>Current</b>  | 124.9           | 121.7        | 119.5        | 118.2                  | -1.8%                   | 15.2%         | 123.4                            | 129.1        | 135.0        | 4.5%                    | 14.7%         |
| Petroleum Agency South Africa   | 93.1            | 94.3         | 92.1         | 87.4                   | -2.1%                   | 11.5%         | 91.2                             | 95.5         | 99.8         | 4.5%                    | 10.9%         |
| Industrial Development Corporation  | 26.3            | 27.3         | 27.4         | 28.6                   | 2.9%                    | 3.4%          | 29.9                             | 31.3         | 32.7         | 4.5%                    | 3.6%          |
| Various institutions: Water management solutions subsidies for marginal mines | 5.5             | 0.2          | –            | 2.1                    | -27.1%                  | 0.2%          | 2.3                              | 2.4          | 2.5          | 5.3%                    | 0.3%          |

## Personnel information

**Table 34.9 Minerals and Petroleum Regulation personnel numbers and cost by salary level<sup>1</sup>**

| Number of posts estimated for 31 March 2025 |   |         | Number and cost <sup>2</sup> 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 |        |         |           |         |       |                   |                         |                                  |     |       |        |
|   |   | 2023/24 |  |       | 2024/25          |        |       | 2025/26                          |        | 2026/27 |           | 2027/28 |       | 2024/25 - 2027/28 |                         |                                  |     |       |        |
| Minerals and Petroleum Regulation           |   |         | Number   | Cost  | Unit cost        | Number | Cost  | Unit cost                        | Number | Cost    | Unit cost | Number  | Cost  | Unit cost         |                         |                                  |     |       |        |
| Salary level                                | 447   | 1       | 448  | 324.9 | 0.7              | 449    | 344.7 | 0.8                              | 425    | 347.8   | 0.8       | 424     | 366.1 | 0.9               | 422                     | 385.5                            | 0.9 | -2.0% | 100.0% |
| 1 – 6                                       | 88  | –       | 88   | 32.1  | 0.4              | 88     | 34.0  | 0.4                              | 82     | 33.8    | 0.4       | 82      | 35.7  | 0.4               | 82                      | 37.6                             | 0.5 | -2.3% | 19.4%  |
| 7 – 10                                      | 271   | –       | 271  | 187.0 | 0.7              | 271    | 197.8 | 0.7                              | 256    | 198.4   | 0.8       | 256     | 209.5 | 0.8               | 255                     | 220.3                            | 0.9 | -2.1% | 60.3%  |
| 11 – 12                                     | 52  | 1       | 53   | 58.6  | 1.1              | 54     | 63.1  | 1.2                              | 51     | 63.0    | 1.2       | 50      | 65.4  | 1.3               | 50                      | 69.0                             | 1.4 | -2.5% | 11.9%  |
| 13 – 16                                     | 36  | –       | 36   | 47.2  | 1.3              | 36     | 49.9  | 1.4                              | 36     | 52.6    | 1.5       | 36      | 55.5  | 1.5               | 36                      | 58.6                             | 1.6 | –     | 8.4%   |

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

2. Rand million.

## Programme 3: Mine Health and Safety Inspectorate

### Programme purpose

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

### Objectives

- Promote health and safety by:
  - annually reducing occupational fatalities by 20 per cent, occupational injuries by 20 per cent and occupational diseases by 10 per cent
  - 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.
- Contribute to skills development in the mining sector by implementing, monitoring and evaluating the government certificate of competency model on an ongoing basis.
- Improve health care in the mining sector on an ongoing basis by ensuring:
  - 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
  - 100 per cent adherence to timelines for applications in terms of the Mineral and Petroleum Resources Development Act (2002).

### 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 34.10 Mine Health and Safety Inspectorate expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme  |         |         |         | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |         |                   | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|---------|---------|---------|------------------------|-------------------------|---------------------------------|----------------------------------|---------|-------------------|-------------------------|---------------------------------|
| Audited outcome   |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| R million   | 2021/22 | 2022/23 | 2023/24 | 2024/25                | 2021/22 - 2024/25       | 2025/26                         | 2026/27                          | 2027/28 | 2024/25 - 2027/28 |                         |                                 |
| Mine Health and Safety Management                             | 9.7     | 8.3     | 9.9     | 9.5                    | -0.9%                   | 4.2%                            | 9.6                              | 10.0    | 10.5              | 3.5%                    | 4.0%                            |
| Mine Health and Safety Regions                                | 181.7   | 193.9   | 202.6   | 211.6                  | 5.2%                    | 88.6%                           | 213.0                            | 223.5   | 234.4             | 3.5%                    | 88.9%                           |
| Occupational Health   | 14.0    | 15.9    | 16.6    | 18.0                   | 8.8%                    | 7.2%                            | 16.5                             | 17.4    | 18.2              | 0.4%                    | 7.1%                            |
| Total   | 205.4   | 218.1   | 229.2   | 239.1                  | 5.2%                    | 100.0%                          | 239.1                            | 250.9   | 263.1             | 3.2%                    | 100.0%                          |
| Change to 2024 Budget estimate                                |         |         |         | –                      |                         |                                 | 1.7                              | 1.9     | 2.0               |                         |                                 |
| Economic classification                                       |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Current payments  | 200.5   | 213.2   | 224.4   | 234.6                  | 5.4%                    | 97.9%                           | 234.4                            | 245.9   | 258.0             | 3.2%                    | 98.1%                           |
| Compensation of employees                                     | 171.1   | 178.2   | 187.1   | 197.9                  | 5.0%                    | 82.4%                           | 196.1                            | 205.9   | 216.2             | 3.0%                    | 82.3%                           |
| Goods and services  | 29.4    | 35.0    | 37.2    | 36.6                   | 7.6%                    | 15.5%                           | 38.3                             | 40.0    | 41.8              | 4.5%                    | 15.8%                           |
| of which:   |         |         |         |                        |                         | –                               |                                  |         |                   |                         | –                               |
| Communication   | 1.1     | 1.5     | 0.9     | 1.5                    | 9.8%                    | 0.6%                            | 1.6                              | 1.7     | 1.7               | 4.6%                    | 0.7%                            |
| Consultants: Business and advisory services                   | 0.5     | 0.0     | 0.0     | 2.3                    | 64.5%                   | 0.3%                            | 2.5                              | 2.6     | 2.8               | 5.7%                    | 1.0%                            |
| Legal services  | 1.9     | 0.1     | 1.7     | 1.0                    | -17.6%                  | 0.5%                            | 1.1                              | 1.1     | 1.2               | 4.5%                    | 0.4%                            |
| Consumables: Stationery, printing and office supplies         | 0.3     | 0.5     | 0.2     | 0.7                    | 30.4%                   | 0.2%                            | 0.8                              | 0.8     | 0.9               | 7.4%                    | 0.3%                            |
| Operating leases  | 0.2     | 0.2     | 0.2     | 0.3                    | 15.4%                   | 0.1%                            | 0.7                              | 0.8     | 0.8               | 35.7%                   | 0.3%                            |
| Travel and subsistence  | 24.3    | 31.2    | 32.8    | 28.7                   | 5.6%                    | 13.1%                           | 29.7                             | 31.0    | 32.4              | 4.1%                    | 12.3%                           |
| Transfers and subsidies                                       | 4.7     | 4.7     | 4.7     | 4.5                    | -1.2%                   | 2.1%                            | 4.7                              | 4.9     | 5.1               | 4.5%                    | 1.9%                            |
| Departmental agencies and accounts                            | 4.6     | 4.7     | 4.7     | 4.5                    | -0.6%                   | 2.1%                            | 4.7                              | 4.9     | 5.1               | 4.5%                    | 1.9%                            |
| Households  | 0.1     | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Payments for financial assets                                 | 0.2     | 0.2     | 0.1     | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Total   | 205.4   | 218.1   | 229.2   | 239.1                  | 5.2%                    | 100.0%                          | 239.1                            | 250.9   | 263.1             | 3.2%                    | 100.0%                          |
| Proportion of total programme expenditure to vote expenditure | 9.5%    | 9.5%    | 9.1%    | 8.1%                   | –                       | –                               | 8.4%                             | 8.8%    | 8.8%              | –                       | –                               |
| Details of transfers and subsidies                            |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Households  |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Social benefits   |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Current   | 0.0     | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Employee social benefits                                      | 0.0     | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Other transfers to households                                 |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Current   | 0.0     | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Employee ex-gratia payment                                    | 0.0     | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –                 | –                       | –                               |
| Departmental agencies and accounts                            |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Departmental agencies (non-business entities)                 |         |         |         |                        |                         |                                 |                                  |         |                   |                         |                                 |
| Current   | 4.6     | 4.7     | 4.7     | 4.5                    | -0.6%                   | 2.1%                            | 4.7                              | 4.9     | 5.1               | 4.5%                    | 1.9%                            |
| Mine Health and Safety Council                                | 4.6     | 4.7     | 4.7     | 4.5                    | -0.6%                   | 2.1%                            | 4.7                              | 4.9     | 5.1               | 4.5%                    | 1.9%                            |

## Personnel information

**Table 34.11 Mine Health and Safety Inspectorate personnel numbers and cost by salary level<sup>1</sup>**

| Number of posts estimated for 31 March 2025 |   | Number and cost <sup>2</sup> 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 |      |           |        |         |           |                         |                                  |                   |     |       |        |
|   |   | 2023/24  |      |           | 2024/25          |      |           | 2025/26                          |      | 2026/27   |        | 2027/28 |           |                         |                                  | 2024/25 - 2027/28 |     |       |        |
| 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                                | 247   | –  | 247  | 187.1     | 0.8              | 247  | 197.9     | 0.8                              | 233  | 196.1     | 0.8    | 231     | 205.9     | 0.9                     | 230                              | 216.2             | 0.9 | -2.4% | 100.0% |
| 1 – 6                                       | 48  | –  | 48   | 16.4      | 0.3              | 48   | 17.4      | 0.4                              | 48   | 18.5      | 0.4    | 47      | 19.0      | 0.4                     | 47                               | 20.1              | 0.4 | -0.7% | 20.2%  |
| 7 – 10                                      | 41  | –  | 41   | 20.4      | 0.5              | 41   | 21.5      | 0.5                              | 39   | 21.9      | 0.6    | 38      | 22.6      | 0.6                     | 38                               | 23.8              | 0.6 | -2.5% | 16.6%  |
| 11 – 12                                     | 140   | –  | 140  | 126.4     | 0.9              | 140  | 133.8     | 1.0                              | 128  | 129.0     | 1.0    | 128     | 136.1     | 1.1                     | 127                              | 142.5             | 1.1 | -3.3% | 55.6%  |
| 13 – 16                                     | 18  | –  | 18   | 23.9      | 1.3              | 18   | 25.3      | 1.4                              | 18   | 26.7      | 1.5    | 18      | 28.2      | 1.6                     | 18                               | 29.7              | 1.7 | –     | 7.7%   |

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

2. Rand million.

## Programme 4: Mining and Minerals Policy Development

### Programme purpose

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

### Objectives

- Promote investment in the mining, minerals and upstream petroleum sectors over the medium term by:
  - 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 mining and energy reports and publications.
- 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.
- Enable transformed, competitive and sustainable minerals and petroleum sectors by amending the Petroleum Products Act (1977), the Mine Health and Safety Act (1996) and the Mineral and Petroleum Resources Development Act (2002), and developing the South African Petroleum Company over the MTEF period.

### Subprogrammes

- Mining and Minerals Development Management* provides overall management to the programme.
- Mineral 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.
- Economic Analysis and Statistics* conducts research, compiles and collates data, and advises the department on local and international mineral and petroleum economic trends.
- Economic Growth, Promotion and Global Relations* promotes economic growth and investment in the sector and makes transfers to the Council for Geoscience and Mintek.

### Expenditure trends and estimates

**Table 34.12 Mining and Minerals Policy Development expenditure trends and estimates by subprogramme and economic classification**

| Subprogramme                                    | Audited outcome |              |              | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |                |                | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|--------------|--------------|------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| R million                                       | 2021/22         | 2022/23      | 2023/24      | 2024/25                | 2021/22 - 2024/25       | 2024/25                         | 2025/26                          | 2026/27        | 2027/28        | 2024/25 - 2027/28       | 2027/28                         |
| Mining and Minerals Development Management      | 19.1            | 58.4         | 13.0         | 143.0                  | 95.7%                   | 6.4%                            | 186.0                            | 69.1           | 72.4           | -20.3%                  | 9.9%                            |
| Mineral and Petroleum Policy                    | 21.3            | 19.6         | 23.6         | 37.9                   | 21.2%                   | 2.8%                            | 27.7                             | 29.1           | 30.6           | -6.8%                   | 2.6%                            |
| Economic Analysis and Statistics                | 31.2            | 29.8         | 28.8         | 37.0                   | 5.9%                    | 3.5%                            | 37.8                             | 39.8           | 41.9           | 4.2%                    | 3.3%                            |
| Economic Growth, Promotion and Global Relations | 652.0           | 695.1        | 897.9        | 931.4                  | 12.6%                   | 87.3%                           | 972.1                            | 1 017.3        | 1 063.4        | 4.5%                    | 84.1%                           |
| <b>Total</b>                                    | <b>723.5</b>    | <b>802.9</b> | <b>963.3</b> | <b>1 149.3</b>         | <b>16.7%</b>            | <b>100.0%</b>                   | <b>1 223.6</b>                   | <b>1 155.3</b> | <b>1 208.3</b> | <b>1.7%</b>             | <b>100.0%</b>                   |
| Change to 2024 Budget estimate                  |                 |              |              | –                      |                         |                                 | 0.6                              | 0.6            | 0.7            |                         |                                 |

**Table 34.12 Mining and Minerals Policy Development expenditure trends and estimates by subprogramme and economic classification (continued)**

| Economic classification                                       |                 |         |         |                        | Average growth rate (%) | Average: Expenditure/ Total (%) |                                  |         |         | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|---------|---------|------------------------|-------------------------|---------------------------------|----------------------------------|---------|---------|-------------------------|---------------------------------|
|   | Audited outcome |         |         | Adjusted appropriation |                         |                                 | Medium-term expenditure estimate |         |         |                         |                                 |
| R million   | 2021/22         | 2022/23 | 2023/24 | 2024/25                | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27 | 2027/28 | 2024/25                 | 2027/28                         |
| Current payments  | 72.9            | 117.6   | 85.2    | 216.6                  | 43.8%                   | 13.5%                           | 262.1                            | 149.2   | 156.7   | -10.2%                  | 16.6%                           |
| Compensation of employees                                     | 58.5            | 57.6    | 60.2    | 63.4                   | 2.7%                    | 6.6%                            | 66.1                             | 69.8    | 73.6    | 5.1%                    | 5.8%                            |
| Goods and services  | 14.3            | 59.9    | 24.9    | 153.2                  | 120.3%                  | 6.9%                            | 195.9                            | 79.5    | 83.1    | -18.5%                  | 10.8%                           |
| of which:   |                 |         |         |                        |                         | –                               |                                  |         |         |                         | –                               |
| Advertising   | 0.2             | 1.4     | 0.2     | 2.1                    | 116.0%                  | 0.1%                            | 2.1                              | 2.2     | 2.3     | 3.9%                    | 0.2%                            |
| Consultants: Business and advisory services                   | 0.0             | 45.6    | –       | 127.2                  | 1358.4%                 | 4.7%                            | 169.3                            | 51.5    | 53.9    | -24.9%                  | 8.5%                            |
| Contractors   | –               | 0.0     | 0.0     | 2.3                    | –                       | 0.1%                            | 2.0                              | 2.1     | 2.2     | -2.5%                   | 0.2%                            |
| Travel and subsistence  | 1.8             | 3.3     | 4.7     | 7.2                    | 60.2%                   | 0.5%                            | 7.4                              | 7.8     | 8.2     | 4.0%                    | 0.6%                            |
| Operating payments  | 0.5             | 0.1     | 0.0     | 3.2                    | 89.1%                   | 0.1%                            | 6.4                              | 6.5     | 6.7     | 28.1%                   | 0.5%                            |
| Venues and facilities   | 5.2             | 7.4     | 13.6    | 3.2                    | -15.1%                  | 0.8%                            | 3.8                              | 3.9     | 4.1     | 8.5%                    | 0.3%                            |
| Transfers and subsidies                                       | 650.5           | 685.2   | 878.1   | 932.7                  | 12.8%                   | 86.5%                           | 961.5                            | 1 006.1 | 1 051.6 | 4.1%                    | 83.4%                           |
| Departmental agencies and accounts                            | 326.2           | 355.8   | 559.5   | 613.6                  | 23.4%                   | 51.0%                           | 640.6                            | 670.4   | 700.7   | 4.5%                    | 55.4%                           |
| Foreign governments and international organisations           | 8.0             | 4.5     | –       | 16.6                   | 27.3%                   | 0.8%                            | 5.1                              | 5.3     | 5.6     | -30.4%                  | 0.7%                            |
| Public corporations and private enterprises                   | 316.2           | 325.0   | 318.7   | 302.5                  | -1.5%                   | 34.7%                           | 315.8                            | 330.4   | 345.4   | 4.5%                    | 27.3%                           |
| Payments for capital assets                                   | 0.1             | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –       | –                       | –                               |
| Machinery and equipment                                       | 0.1             | –       | –       | –                      | -100.0%                 | –                               | –                                | –       | –       | –                       | –                               |
| Payments for financial assets                                 | –               | 0.0     | 0.0     | –                      | –                       | –                               | –                                | –       | –       | –                       | –                               |
| Total   | 723.5           | 802.9   | 963.3   | 1 149.3                | 16.7%                   | 100.0%                          | 1 223.6                          | 1 155.3 | 1 208.3 | 1.7%                    | 100.0%                          |
| Proportion of total programme expenditure to vote expenditure | 33.4%           | 34.8%   | 38.3%   | 39.1%                  | –                       | –                               | 42.8%                            | 40.3%   | 40.3%   | –                       | –                               |
| Details of transfers and subsidies                            |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Departmental agencies and accounts                            |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Departmental agencies (non-business entities)                 |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Current   | 322.3           | 355.8   | 559.5   | 613.6                  | 23.9%                   | 50.9%                           | 640.6                            | 670.4   | 700.7   | 4.5%                    | 55.4%                           |
| Council for Geoscience  | 322.3           | 355.8   | 559.5   | 613.6                  | 23.9%                   | 50.9%                           | 640.6                            | 670.4   | 700.7   | 4.5%                    | 55.4%                           |
| Capital   | 3.9             | –       | –       | –                      | -100.0%                 | 0.1%                            | –                                | –       | –       | –                       | –                               |
| Council for Geoscience  | 3.9             | –       | –       | –                      | -100.0%                 | 0.1%                            | –                                | –       | –       | –                       | –                               |
| Foreign governments and international organisations           |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Current   | 8.0             | 4.5     | –       | 16.6                   | 27.3%                   | 0.8%                            | 5.1                              | 5.3     | 5.6     | -30.4%                  | 0.7%                            |
| African Diamond Producers Association                         | 8.0             | 4.5     | –       | 16.6                   | 27.3%                   | 0.8%                            | 5.1                              | 5.3     | 5.6     | -30.4%                  | 0.7%                            |
| Public corporations and private enterprises                   |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Other transfers to public corporations                        |                 |         |         |                        |                         |                                 |                                  |         |         |                         |                                 |
| Current   | 280.1           | 287.4   | 288.5   | 270.9                  | -1.1%                   | 31.0%                           | 282.8                            | 296.0   | 309.4   | 4.5%                    | 24.5%                           |
| Mintek  | 280.1           | 287.4   | 288.5   | 270.9                  | -1.1%                   | 31.0%                           | 282.8                            | 296.0   | 309.4   | 4.5%                    | 24.5%                           |
| Capital   | 36.2            | 37.5    | 30.2    | 31.5                   | -4.5%                   | 3.7%                            | 32.9                             | 34.4    | 36.0    | 4.5%                    | 2.8%                            |
| Mintek  | 36.2            | 37.5    | 30.2    | 31.5                   | -4.5%                   | 3.7%                            | 32.9                             | 34.4    | 36.0    | 4.5%                    | 2.8%                            |

## Personnel information

**Table 34.13 Mining and Minerals Policy Development personnel numbers and cost by salary level<sup>1</sup>**

| Number of posts estimated for 31 March 2025 |   |         | Number and cost <sup>2</sup> 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 |        |         |           |         |      |                   |                         |                                  |
|   |   | 2023/24 |  |      | 2024/25          |        |      | 2025/26                          |        | 2026/27 |           | 2027/28 |      | 2024/25 - 2027/28 |                         |                                  |
| Mining and Minerals Policy Development      |   |         | Number   | Cost | Unit cost        | Number | Cost | Unit cost                        | Number | Cost    | Unit cost | Number  | Cost | Unit cost         |                         |                                  |
| Salary level                                | 74  | –       | 74   | 60.2 | 0.8              | 74     | 63.4 | 0.9                              | 72     | 66.1    | 0.9       | 72      | 69.8 | 1.0               | –0.7%                   | 100.0%                           |
| 1 – 6                                       | 9   | –       | 9  | 3.4  | 0.4              | 9      | 3.6  | 0.4                              | 9      | 3.8     | 0.4       | 9       | 4.1  | 0.5               | –                       | 12.4%                            |
| 7 – 10                                      | 37  | –       | 37   | 25.6 | 0.7              | 37     | 26.8 | 0.7                              | 35     | 27.4    | 0.8       | 35      | 29.0 | 0.8               | –1.5%                   | 49.0%                            |
| 11 – 12                                     | 19  | –       | 19   | 18.3 | 1.0              | 19     | 19.3 | 1.0                              | 19     | 20.4    | 1.1       | 19      | 21.5 | 1.1               | –                       | 26.2%                            |
| 13 – 16                                     | 9   | –       | 9  | 12.9 | 1.4              | 9      | 13.7 | 1.5                              | 9      | 14.4    | 1.6       | 9       | 15.2 | 1.7               | –                       | 12.4%                            |

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

2. Rand million.

## Entities

### Alexkor

Alexkor was established in terms of the Alexkor Limited Act (1992) to exploit marine and land diamonds in Alexander Bay, Northern Cape. The company holds a 51 per cent share interest in the Alexkor Richtersveld Mining Company Pooling and Sharing Joint Venture and the Richtersveld Community holds 49 per cent. Alexkor does not have any other mining operations outside the joint venture. Alexkor is listed as a schedule 2 public entity in the Public Finance Management Act (1999).

The company was shifted to the Department of Mineral and Petroleum Resources when the Department of Public Enterprises was abolished as part of the 2024 national macro organisation of government process. As the company is still in the process of finalising its budget, this information was not ready for publication in the 2025 ENE. Alexkor does not receive transfers from the department.

### Central Energy Fund

#### *Selected performance indicators*

**Table 34.14 Central Energy Fund performance indicators by programme/objective/activity and related outcome**

| Indicator   | Programme/Objective/<br>Activity          | MTDP outcome  | Audited performance |              |              | Estimated<br>performance | MTEF targets |              |              |
|---|---|---|---------------------|--------------|--------------|--------------------------|--------------|--------------|--------------|
|   |   |   | 2021/22             | 2022/23      | 2023/24      | 2024/25                  | 2025/26      | 2026/27      | 2027/28      |
| Number of crude oil barrels maintained as per ministerial directive per year                                    | Strategic stock and oil pollution control | Outcome 5: Energy security and a just energy transition | 10.3 million        | 10.3 million | 10.3 million | 10.3 million             | 10.3 million | 10.3 million | 10.3 million |
| Number of reportable environmental incidents at the Strategic Fuel Fund per year                                |   |   | 10                  | 10           | 0            | 10                       | 10           | 10           | 10           |
| 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 contribute to South Africa and the region's security of the energy supply through exploration, acquisition, development, marketing and strategic partnerships. 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 subsidiaries of the fund are the Petroleum Oil and Gas Corporation of South Africa (PetroSA), the South African Gas Development Company, 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 fund will focus on operationalising the South African National Petroleum Company through the consolidation of PetroSA, the Strategic Fuel Fund and the South African Gas Development Company; diversifying income streams; and ensuring operational efficiency at group level through the implementation of shared services across the group.

To diversify income streams, the fund plans to reinstate the gas-to-liquid refinery, shale gas exploration, investment in oil and gas storage and logistics infrastructure to ensure security of supply, and the operationalisation of the Klippoortjie mine.

The fund's budget is mainly used for goods and services, accounting for an estimated 96 per cent (R227.4 billion) of total expenditure over the medium term. This covers exploration, production, refining and trading of oil, fuel and gas, as well as other operational costs involved with enhancing South Africa's energy supply. Spending on

compensation of employees accounts for an estimated 2.5 per cent (R5.6 billion) of total expenditure, increasing at an average annual rate of 6.9 per cent to accommodate additional posts aligned with the new organisational structure. Overall, expenditure is expected to increase at an average annual rate of 16.5 per cent, from R57.9 billion in 2024/25 to R91.6 billion in 2027/28, driven mostly by increased spending on oil and gas due to the reinstatement of the gas-to-liquid refinery after PetroSA's anticipated recovery in line with its turnaround plan.

Revenue is expected to increase at an average annual rate of 17.4 per cent, from R58 billion in 2024/25 to R93.9 billion in 2027/28, mostly driven by PetroSA's anticipated recovery, hydrocarbon trading and dividends from the entity's investment in the Republic of Mozambique Pipeline Investments Company.

### Programmes/Objectives/Activities

**Table 34.15 Central Energy Fund expenditure trends and estimates by programme/objective/activity**

|   | Audited outcome |          |          | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |          |          | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|----------|----------|------------------|-------------------------|---------------------------------|----------------------------------|----------|----------|-------------------------|---------------------------------|
| R million                                 | 2021/22         | 2022/23  | 2023/24  | 2024/25          | 2021/22 - 2024/25       | 2024/25                         | 2025/26                          | 2026/27  | 2027/28  | 2024/25 - 2027/28       | 2027/28                         |
| Administration                            | 234.0           | 289.7    | 379.2    | 567.3            | 34.3%                   | 1.1%                            | 489.1                            | 581.6    | 581.7    | 0.8%                    | 0.8%                            |
| Clean and renewable energy                | 9.0             | 37.6     | 79.9     | 43.6             | 69.3%                   | 0.1%                            | 43.7                             | 43.2     | 44.7     | 0.8%                    | 0.1%                            |
| Oil and gas, national oil company         | 13 930.6        | 25 813.1 | 26 355.6 | 40 321.9         | 42.5%                   | 80.4%                           | 45 887.9                         | 54 262.5 | 64 228.8 | 16.8%                   | 69.6%                           |
| Strategic stock and oil pollution control | 487.6           | 3 218.9  | 2 794.3  | 14 441.5         | 209.4%                  | 11.7%                           | 17 583.9                         | 21 019.4 | 24 446.0 | 19.2%                   | 26.3%                           |
| Mining, coal                              | 733.2           | 1 401.7  | 2 547.2  | 1 982.9          | 39.3%                   | 5.1%                            | 1 801.7                          | 1 737.4  | 1 872.9  | -1.9%                   | 2.6%                            |
| Gas and gas infrastructure                | 79.2            | 328.2    | 428.9    | 372.6            | 67.6%                   | 0.9%                            | 325.3                            | 260.9    | 175.7    | -22.2%                  | 0.4%                            |
| Promotion, licensing and regulation       | 152.0           | 183.3    | 184.6    | 216.2            | 12.5%                   | 0.6%                            | 222.5                            | 217.1    | 224.4    | 1.2%                    | 0.3%                            |
| Total                                     | 15 625.5        | 31 272.5 | 32 769.6 | 57 946.1         | 54.8%                   | 100.0%                          | 66 354.1                         | 78 122.0 | 91 574.4 | 16.5%                   | 100.0%                          |

### Statements of financial performance, cash flow and financial position

**Table 34.16 Central Energy Fund statements of financial performance, cash flow and financial position**

| Statement of financial performance                   |                 |          |          |                  | Average growth rate (%) | Average: Expenditure/ Total (%) |                                  |          |          | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|----------|----------|------------------|-------------------------|---------------------------------|----------------------------------|----------|----------|-------------------------|---------------------------------|
|  | Audited outcome |          |          | Revised estimate |                         |                                 | Medium-term expenditure estimate |          |          |                         |                                 |
| R million  | 2021/22         | 2022/23  | 2023/24  | 2024/25          | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27  | 2027/28  | 2024/25 - 2027/28       |                                 |
| Revenue  |                 |          |          |                  |                         |                                 |                                  |          |          |                         |                                 |
| Non-tax revenue                                      | 15 688.0        | 32 893.9 | 32 125.4 | 57 847.8         | 54.5%                   | 99.7%                           | 69 047.9                         | 80 102.5 | 93 774.4 | 17.5%                   | 99.9%                           |
| Sale of goods and services other than capital assets | 14 642.6        | 31 376.3 | 30 103.8 | 55 457.2         | 55.9%                   | 94.3%                           | 66 645.4                         | 77 276.6 | 91 100.2 | 18.0%                   | 96.4%                           |
| Other non-tax revenue                                | 1 045.5         | 1 517.6  | 2 021.6  | 2 390.6          | 31.7%                   | 5.4%                            | 2 402.5                          | 2 825.9  | 2 674.2  | 3.8%                    | 3.5%                            |
| Transfers received                                   | –               | 148.5    | 122.0    | 111.9            | –                       | 0.3%                            | 113.2                            | 102.6    | 102.8    | -2.8%                   | 0.1%                            |
| Total revenue  | 15 688.0        | 33 042.4 | 32 247.5 | 57 959.7         | 54.6%                   | 100.0%                          | 69 161.1                         | 80 205.1 | 93 877.2 | 17.4%                   | 100.0%                          |
| Expenses   |                 |          |          |                  |                         |                                 |                                  |          |          |                         |                                 |
| Current expenses                                     | 15 360.2        | 30 811.7 | 32 363.5 | 57 462.3         | 55.2%                   | 98.7%                           | 65 908.0                         | 77 664.7 | 91 095.8 | 16.6%                   | 99.3%                           |
| Compensation of employees                            | 1 584.3         | 1 431.8  | 1 509.0  | 1 618.5          | 0.7%                    | 5.5%                            | 1 758.6                          | 1 866.9  | 1 978.6  | 6.9%                    | 2.5%                            |
| Goods and services                                   | 12 327.3        | 28 125.8 | 29 368.5 | 55 232.5         | 64.9%                   | 88.4%                           | 63 589.1                         | 75 223.2 | 88 555.1 | 17.0%                   | 96.0%                           |
| Depreciation   | 846.3           | 604.5    | 715.1    | 137.3            | -45.5%                  | 2.4%                            | 156.1                            | 180.1    | 198.3    | 13.0%                   | 0.2%                            |
| Interest, dividends and rent on land                 | 602.3           | 649.6    | 770.9    | 474.1            | -7.7%                   | 2.3%                            | 404.2                            | 394.5    | 363.8    | -8.5%                   | 0.6%                            |
| Transfers and subsidies                              | 265.3           | 460.8    | 406.1    | 483.7            | 22.2%                   | 1.3%                            | 446.2                            | 457.3    | 478.6    | -0.4%                   | 0.7%                            |
| Total expenses                                       | 15 625.5        | 31 272.5 | 32 769.6 | 57 946.1         | 54.8%                   | 100.0%                          | 66 354.1                         | 78 122.0 | 91 574.4 | 16.5%                   | 100.0%                          |
| Surplus/(Deficit)                                    | 62.6            | 1 770.0  | (522.2)  | 13.6             | -39.9%                  |                                 | 2 807.0                          | 2 083.1  | 2 302.8  | 453.2%                  |                                 |

**Table 34.16 Central Energy Fund statements of financial performance, cash flow and financial position (continued)**

| Cash flow statement  |                 |           |          |           |          | Average: |                         |           |           | Average: |          |
|--|-----------------|-----------|----------|-----------|----------|----------|-------------------------|-----------|-----------|----------|----------|
|  |                 |           |          | Revised   | Average  | Expendi- |                         |           |           | growth   | Expendi- |
|  | Audited outcome |           |          | estimate  | growth   | ture/    | Medium-term expenditure |           |           | rate     | ture/    |
|  | 2021/22         | 2022/23   | 2023/24  | 2024/25   | rate     | Total    | estimate                |           |           | rate     | Total    |
| R million  | 2021/22         | 2022/23   | 2023/24  | 2024/25   | (%)      | (%)      | 2025/26                 | 2026/27   | 2027/28   | (%)      | (%)      |
| Cash flow from operating activities  | 1 465.3         | (377.2)   | 1 276.3  | (3 839.1) | -237.9%  | 100.0%   | 5 980.8                 | 4 197.1   | 3 068.0   | -192.8%  | 100.0%   |
| Receipts   |                 |           |          |           |          |          |                         |           |           |          |          |
| Non-tax receipts   | 15 196.4        | 33 743.3  | 31 968.9 | 57 386.4  | 55.7%    | 99.7%    | 69 051.4                | 79 920.4  | 93 572.1  | 17.7%    | 99.9%    |
| Sales of goods and services other than capital assets                      | 14 298.3        | 31 384.9  | 29 759.9 | 55 458.9  | 57.1%    | 94.0%    | 66 647.3                | 77 278.7  | 91 102.5  | 18.0%    | 96.7%    |
| Other tax receipts   | 898.1           | 2 358.3   | 2 209.0  | 1 927.5   | 29.0%    | 5.8%     | 2 404.2                 | 2 641.7   | 2 469.6   | 8.6%     | 3.2%     |
| Transfers received   | —               | 148.5     | 122.0    | 111.9     | —        | 0.3%     | 113.2                   | 102.6     | 102.8     | -2.8%    | 0.1%     |
| Total receipts   | 15 196.4        | 33 891.8  | 32 091.0 | 57 498.3  | 55.8%    | 100.0%   | 69 164.6                | 80 022.9  | 93 674.9  | 17.7%    | 100.0%   |
| Payment  |                 |           |          |           |          |          |                         |           |           |          |          |
| Current payments   | 13 556.2        | 33 900.2  | 30 409.1 | 61 275.8  | 65.3%    | 99.1%    | 63 075.1                | 75 690.2  | 90 473.3  | 13.9%    | 99.9%    |
| Compensation of employees  | 1 458.9         | 529.4     | 622.0    | 748.3     | -20.0%   | 3.9%     | 814.3                   | 854.9     | 906.2     | 6.6%     | 1.2%     |
| Goods and services   | 12 016.9        | 32 989.3  | 29 395.7 | 60 115.2  | 71.0%    | 94.3%    | 61 885.9                | 74 460.2  | 89 233.6  | 14.1%    | 98.2%    |
| Interest and rent on land  | 80.4            | 381.6     | 391.4    | 412.3     | 72.5%    | 0.9%     | 374.9                   | 375.1     | 333.4     | -6.8%    | 0.5%     |
| Transfers and subsidies  | 174.9           | 368.7     | 405.5    | 61.6      | -29.4%   | 0.9%     | 108.7                   | 135.6     | 133.6     | 29.5%    | 0.1%     |
| Total payments   | 13 731.1        | 34 268.9  | 30 814.6 | 61 337.3  | 64.7%    | 100.0%   | 63 183.8                | 75 825.8  | 90 606.9  | 13.9%    | 100.0%   |
| Net cash flow from investing activities                                    | (537.3)         | (3 210.8) | 923.5    | 4 175.4   | -298.1%  | 100.0%   | (1 613.6)               | (712.1)   | (1 538.2) | -171.7%  | 100.0%   |
| Acquisition of property, plant, equipment and intangible assets            | (238.4)         | (490.1)   | (456.3)  | (1 023.5) | 62.5%    | -3.6%    | (1 319.3)               | (1 103.8) | (538.6)   | -19.3%   | 61.8%    |
| Acquisition of software and other intangible assets                        | (31.1)          | (44.4)    | (69.3)   | (402.5)   | 134.8%   | -2.5%    | (415.6)                 | (8.6)     | (8.8)     | -72.1%   | 4.5%     |
| Proceeds from the sale of property, plant, equipment and intangible assets | 1.7             | 1.4       | 0.2      | 6 048.0   | 1 427.8% | 36.1%    | —                       | —         | —         | -100.0%  | 36.2%    |
| Other flows from investing activities                                      | (269.4)         | (2 677.7) | 1 448.9  | (446.6)   | 18.3%    | 69.9%    | 121.2                   | 400.2     | (990.8)   | 30.4%    | -2.5%    |
| Net cash flow from financing activities                                    | (527.4)         | 2 687.1   | (364.1)  | (705.0)   | 10.2%    | 100.0%   | (671.1)                 | (524.7)   | (1 255.1) | 21.2%    | 100.0%   |
| Borrowing activities   | 2.6             | 2 806.5   | (250.8)  | (426.9)   | -647.0%  | 58.3%    | (294.1)                 | (112.7)   | (971.2)   | 31.5%    | 50.8%    |
| Repayment of finance leases  | (108.0)         | (119.4)   | (113.4)  | (278.1)   | 37.1%    | 21.7%    | (468.3)                 | (507.4)   | (383.2)   | 11.3%    | 59.1%    |
| Other flows from financing activities                                      | (422.0)         | —         | —        | —         | -100.0%  | 20.0%    | 91.2                    | 95.5      | 99.3      | —        | -9.9%    |
| Net increase/(decrease) in cash and cash equivalents                       | 400.6           | (900.9)   | 1 835.7  | (368.7)   | -197.3%  | 1.2%     | 3 696.0                 | 2 960.4   | 274.6     | -190.6%  | 100.0%   |
| Statement of financial position  |                 |           |          |           |          |          |                         |           |           |          |          |
| Carrying value of assets   | 7 131.7         | 8 303.0   | 8 225.5  | 10 726.6  | 14.6%    | 23.6%    | 11 357.5                | 11 367.0  | 11 792.5  | 3.2%     | 23.3%    |
| of which:  |                 |           |          |           |          |          |                         |           |           |          |          |
| Acquisition of assets  | (238.4)         | (490.1)   | (456.3)  | (1 023.5) | 62.5%    | 100.0%   | (1 319.3)               | (1 103.8) | (538.6)   | -19.3%   | 100.0%   |
| Investments  | 4 442.2         | 7 261.1   | 7 573.4  | 8 512.9   | 24.2%    | 18.9%    | 8 523.0                 | 8 266.7   | 9 416.0   | 3.4%     | 17.9%    |
| Inventory  | 761.2           | 1 962.9   | 2 855.6  | 2 020.7   | 38.5%    | 5.1%     | 2 047.5                 | 1 990.7   | 1 950.9   | -1.2%    | 4.1%     |
| Loans  | 191.9           | 594.6     | 733.7    | 752.0     | 57.7%    | 1.5%     | 753.7                   | 755.4     | 767.7     | 0.7%     | 1.6%     |
| Receivables and prepayments  | 2 082.2         | 3 737.9   | 2 718.6  | 6 082.3   | 42.9%    | 9.7%     | 5 998.4                 | 6 475.0   | 7 608.1   | 7.7%     | 13.4%    |
| Cash and cash equivalents  | 14 091.7        | 13 190.7  | 15 025.1 | 15 183.4  | 2.5%     | 40.1%    | 18 877.5                | 21 835.8  | 22 108.1  | 13.3%    | 39.8%    |
| Non-current assets held for sale   | 159.6           | —         | 19.0     | —         | -100.0%  | 0.1%     | —                       | —         | —         | —        | —        |
| Taxation   | 394.1           | 450.0     | 425.5    | 15.4      | -66.1%   | 0.9%     | 15.4                    | 15.4      | 15.4      | —        | —        |
| Total assets   | 29 254.7        | 35 500.2  | 37 576.4 | 43 293.4  | 14.0%    | 100.0%   | 47 573.1                | 50 706.1  | 53 658.8  | 7.4%     | 100.0%   |
| Accumulated surplus/(deficit)  | 9 667.1         | 11 403.5  | 10 899.0 | 16 491.4  | 19.5%    | 33.1%    | 19 298.3                | 21 381.4  | 23 684.2  | 12.8%    | 41.2%    |
| Capital and reserves   | 755.0           | 1 306.1   | 1 424.2  | (747.6)   | -199.7%  | 2.1%     | (644.4)                 | 391.2     | 589.6     | -192.4%  | -0.3%    |
| Borrowings   | —               | —         | 2 116.4  | 2 413.4   | —        | 2.8%     | 2 206.1                 | 2 261.2   | 1 452.4   | -15.6%   | 4.3%     |
| Finance lease  | 1 044.6         | 1 144.1   | 1 109.7  | 1 642.6   | 16.3%    | 3.4%     | 1 257.1                 | 821.8     | 1 465.9   | -3.7%    | 2.7%     |
| Deferred income  | 117.7           | 128.6     | 177.2    | 147.7     | 7.9%     | 0.4%     | 83.4                    | 70.0      | 51.1      | -29.8%   | 0.2%     |
| Trade and other payables   | 2 736.7         | 5 685.1   | 8 666.3  | 9 307.0   | 50.4%    | 17.5%    | 10 824.1                | 10 631.6  | 10 680.2  | 4.7%     | 21.3%    |
| Benefits payable   | —               | 2 511.9   | —        | —         | —        | 1.8%     | —                       | —         | —         | —        | —        |
| Non-controlling interests  | —               | 35.0      | 41.0     | 35.6      | —        | 0.1%     | 55.6                    | 96.5      | 140.2     | 57.9%    | 0.2%     |
| Taxation   | 1 001.8         | 1 163.2   | 1 179.6  | 788.3     | -7.7%    | 2.9%     | 780.0                   | 787.3     | 787.6     | —        | 1.6%     |
| Provisions   | 13 812.2        | 11 737.9  | 11 381.8 | 12 975.0  | -2.1%    | 35.1%    | 13 493.6                | 14 057.2  | 14 606.7  | 4.0%     | 28.3%    |
| Derivatives financial instruments  | 119.6           | 384.7     | 581.1    | 239.9     | 26.1%    | 0.9%     | 219.1                   | 208.2     | 201.0     | -5.7%    | 0.4%     |
| Total equity and liabilities   | 29 254.7        | 35 500.2  | 37 576.4 | 43 293.4  | 14.0%    | 100.0%   | 47 573.1                | 50 706.1  | 53 658.8  | 7.4%     | 100.0%   |



## Council for Geoscience

### Selected performance indicators

**Table 34.17 Council for Geoscience performance indicators by programme/objective/activity and related outcome**

| Indicator   | Programme/Objective/Activity | MTDP outcome  | Audited performance      |                        |                         | Estimated performance | MTEF targets |         |         |
|---|------------------------------|---|--------------------------|------------------------|-------------------------|-----------------------|--------------|---------|---------|
|   |                              |   | 2021/22                  | 2022/23                | 2023/24                 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| Number of papers published in conference proceedings per year   | Statutory projects           | Outcome 5: Energy security and a just energy transition | 32                       | 126                    | 40                      | 35                    | 35           | 40      | 40      |
| Number of peer-reviewed articles published per year   | Statutory projects           |   | 30                       | 40                     | 34                      | 35                    | 40           | 40      | 40      |
| Number of value-added applied geoscience outputs for minerals and energy per year                                   | Statutory projects           |   | 4                        | 7                      | 9                       | 9                     | 9            | 9       | 9       |
| Number of applied geoscience outputs for infrastructure, land use, health, groundwater and the environment per year | Statutory projects           |   | 7                        | 6                      | 11                      | 9                     | 7            | 8       | 8       |
| Percentage of onshore geoscience map coverage   | Statutory projects           |   | 10.7%<br>(205/<br>1 916) | 12%<br>(230/<br>1 916) | 16%<br>(307/<br>1 916)  | 18%                   | 20%          | 22%     | 24%     |
| Percentage of offshore geoscience map coverage  | Statutory projects           |   | 0.05%<br>(1/<br>1 828)   | 0.2%<br>(2/<br>1 828)  | 0.3%<br>(5.5/<br>1 828) | 0.45%                 | 0.5%         | 0.6%    | 0.7%    |
| Number of council publications per year   | Statutory projects           |   | 8                        | 12                     | 10                      | 9                     | 9            | 10      | 12      |

### Entity overview

The Council for Geoscience was established in terms of the Geoscience Act (1993) to promote the search for and exploration 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 the 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.

The council will continue to implement its mapping and research programmes over the medium term to achieve 24 per cent onshore geoscience map coverage and 0.7 per cent offshore geoscience map coverage. This will provide geoscience information and knowledge to contribute towards South Africa's exploration strategy and implementation plan, which aims to secure a minimum of 5 per cent of global exploration. The council will invest in the acquisition of technical equipment and upgrading of key ICT systems to enhance operational efficiencies and bolster scientific output to a world-class standard at a projected cost of R116.5 million over the medium term. Greater mapping inventory and products will reduce risk and allow for more focused exploration activities to be undertaken.

To support these projects, spending on goods and services accounts for an estimated 42.4 per cent (R1 billion) of total expenditure over the MTEF period. Compensation of employees is allocated an estimated 54.4 per cent (R1.4 billion) of the total budget over the period ahead, increasing at an average annual rate of 7 per cent. This will allow for additional capacity for mapping and research services and to accelerate the national geoscience-mapping programme, including geohazard mapping and the assessment of mineral development potential. In line with this increase, the council's number of personnel is set to increase from 513 to 524 over the medium term.

The council expects to derive 79.9 per cent (R2 billion) of its revenue over the period ahead through transfers from the department and the balance through fees for providing geoscientific mapping and research services. This includes funds for collaborative activities with the department such as the rehabilitation of derelict and ownerless mines, and water ingress solutions.

## Programmes/Objectives/Activities

**Table 34.18 Council for Geoscience expenditure trends and estimates by programme/objective/activity**

| R million          | Audited outcome |              |              | Revised estimate | Average growth rate (%) |                                 | Medium-term expenditure estimate |              |              | Average growth rate (%) |                                 |
|--------------------|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
|                    | 2021/22         | 2022/23      | 2023/24      |                  | 2021/22 - 2024/25       | Average: Expenditure/ Total (%) | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       | Average: Expenditure/ Total (%) |
| Administration     | 326.6           | 275.1        | 341.6        | 221.7            | -12.1%                  | 41.5%                           | 236.5                            | 250.0        | 266.7        | 6.4%                    | 29.3%                           |
| Statutory projects | 226.3           | 321.1        | 348.2        | 518.6            | 31.8%                   | 48.6%                           | 502.0                            | 527.7        | 551.7        | 2.1%                    | 63.2%                           |
| Foreign commercial | 11.1            | 6.7          | 3.3          | 14.4             | 9.2%                    | 1.3%                            | 15.1                             | 15.8         | 16.8         | 5.3%                    | 1.9%                            |
| Local commercial   | 34.3            | 57.6         | 116.1        | 44.1             | 8.7%                    | 8.6%                            | 46.1                             | 48.4         | 50.8         | 4.8%                    | 5.7%                            |
| <b>Total</b>       | <b>598.3</b>    | <b>660.5</b> | <b>809.2</b> | <b>798.8</b>     | <b>10.1%</b>            | <b>100.0%</b>                   | <b>799.6</b>                     | <b>842.0</b> | <b>886.0</b> | <b>3.5%</b>             | <b>100.0%</b>                   |

## Statements of financial performance, cash flow and financial position

**Table 34.19 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 (%) |                                 | Medium-term expenditure estimate |               |               | Average growth rate (%) |                                 |
|  | 2021/22         | 2022/23        | 2023/24       |                  | 2021/22 - 2024/25       | Average: Expenditure/ Total (%) | 2025/26                          | 2026/27       | 2027/28       | 2024/25 - 2027/28       | Average: Expenditure/ Total (%) |
| <b>Revenue</b>   |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Non-tax revenue</b>   | <b>169.8</b>    | <b>151.1</b>   | <b>280.2</b>  | <b>147.4</b>     | <b>-4.6%</b>            | <b>26.8%</b>                    | <b>159.0</b>                     | <b>171.6</b>  | <b>185.3</b>  | <b>7.9%</b>             | <b>20.1%</b>                    |
| Sale of goods and services other than capital assets                       | 158.0           | 132.1          | 253.7         | 143.4            | -3.2%                   | 24.6%                           | 154.8                            | 167.3         | 180.8         | 8.0%                    | 19.5%                           |
| Other non-tax revenue  | 11.8            | 19.0           | 26.5          | 3.9              | -30.6%                  | 2.2%                            | 4.1                              | 4.3           | 4.6           | 5.0%                    | 0.5%                            |
| <b>Transfers received</b>  | <b>413.4</b>    | <b>419.9</b>   | <b>580.3</b>  | <b>626.5</b>     | <b>14.9%</b>            | <b>73.2%</b>                    | <b>640.6</b>                     | <b>670.4</b>  | <b>700.7</b>  | <b>3.8%</b>             | <b>79.9%</b>                    |
| <b>Total revenue</b>   | <b>583.2</b>    | <b>571.0</b>   | <b>860.5</b>  | <b>773.9</b>     | <b>9.9%</b>             | <b>100.0%</b>                   | <b>799.6</b>                     | <b>842.0</b>  | <b>886.0</b>  | <b>4.6%</b>             | <b>100.0%</b>                   |
| <b>Expenses</b>  |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Current expenses</b>  | <b>598.3</b>    | <b>660.5</b>   | <b>809.2</b>  | <b>798.8</b>     | <b>10.1%</b>            | <b>100.0%</b>                   | <b>799.6</b>                     | <b>842.0</b>  | <b>886.0</b>  | <b>3.5%</b>             | <b>100.0%</b>                   |
| Compensation of employees  | 340.5           | 345.9          | 362.7         | 408.1            | 6.2%                    | 51.3%                           | 436.6                            | 467.2         | 499.9         | 7.0%                    | 54.4%                           |
| Goods and services   | 221.6           | 274.0          | 403.8         | 364.9            | 18.1%                   | 43.5%                           | 336.0                            | 348.8         | 358.9         | -0.6%                   | 42.4%                           |
| Depreciation   | 36.2            | 40.6           | 42.7          | 25.8             | -10.7%                  | 5.2%                            | 27.0                             | 26.0          | 27.2          | 1.8%                    | 3.2%                            |
| <b>Total expenses</b>  | <b>598.3</b>    | <b>660.5</b>   | <b>809.2</b>  | <b>798.8</b>     | <b>10.1%</b>            | <b>100.0%</b>                   | <b>799.6</b>                     | <b>842.0</b>  | <b>886.0</b>  | <b>3.5%</b>             | <b>100.0%</b>                   |
| <b>Surplus/(Deficit)</b>   | <b>(15.1)</b>   | <b>(89.5)</b>  | <b>51.3</b>   | <b>(24.9)</b>    | <b>18.1%</b>            |                                 | <b>-</b>                         | <b>-</b>      | <b>-</b>      | <b>-100.0%</b>          |                                 |
| <b>Cash flow statement</b>   |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Cash flow from operating activities</b>                                 | <b>(22.1)</b>   | <b>(64.3)</b>  | <b>7.6</b>    | <b>(24.0)</b>    | <b>2.8%</b>             | <b>100.0%</b>                   | <b>(30.4)</b>                    | <b>(31.4)</b> | <b>4.2</b>    | <b>-155.9%</b>          | <b>100.0%</b>                   |
| <b>Receipts</b>  |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Non-tax receipts</b>  | <b>207.1</b>    | <b>205.8</b>   | <b>242.7</b>  | <b>96.8</b>      | <b>-22.4%</b>           | <b>29.6%</b>                    | <b>106.4</b>                     | <b>127.0</b>  | <b>181.4</b>  | <b>23.3%</b>            | <b>16.0%</b>                    |
| Sales of goods and services other than capital assets                      | 197.2           | 195.7          | 226.2         | 95.3             | -21.5%                  | 28.2%                           | 104.8                            | 125.3         | 179.6         | 23.5%                   | 15.8%                           |
| Other tax receipts   | 9.8             | 10.1           | 16.5          | 1.5              | -47.1%                  | 1.5%                            | 1.6                              | 1.7           | 1.8           | 6.8%                    | 0.2%                            |
| <b>Transfers received</b>  | <b>326.2</b>    | <b>355.8</b>   | <b>559.5</b>  | <b>613.6</b>     | <b>23.4%</b>            | <b>69.7%</b>                    | <b>640.6</b>                     | <b>670.4</b>  | <b>700.7</b>  | <b>4.5%</b>             | <b>83.5%</b>                    |
| <b>Financial transactions in assets and liabilities</b>                    | <b>1.6</b>      | <b>8.7</b>     | <b>3.6</b>    | <b>3.5</b>       | <b>30.4%</b>            | <b>0.7%</b>                     | <b>3.8</b>                       | <b>4.0</b>    | <b>4.2</b>    | <b>6.5%</b>             | <b>0.5%</b>                     |
| <b>Total receipts</b>  | <b>534.9</b>    | <b>570.2</b>   | <b>805.8</b>  | <b>713.9</b>     | <b>10.1%</b>            | <b>100.0%</b>                   | <b>750.9</b>                     | <b>801.4</b>  | <b>886.3</b>  | <b>7.5%</b>             | <b>100.0%</b>                   |
| <b>Payment</b>   |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Current payments</b>  | <b>557.0</b>    | <b>634.6</b>   | <b>798.2</b>  | <b>738.0</b>     | <b>9.8%</b>             | <b>100.0%</b>                   | <b>781.4</b>                     | <b>832.8</b>  | <b>882.1</b>  | <b>6.1%</b>             | <b>100.0%</b>                   |
| Compensation of employees  | 340.5           | 345.9          | 362.7         | 408.1            | 6.2%                    | 54.1%                           | 436.6                            | 467.2         | 499.9         | 7.0%                    | 56.0%                           |
| Goods and services   | 216.5           | 288.6          | 435.5         | 329.9            | 15.1%                   | 45.9%                           | 344.7                            | 365.6         | 382.2         | 5.0%                    | 44.0%                           |
| Interest and rent on land  | 0.0             | 0.0            | 0.0           | 0.0              | -9.1%                   | -                               | 0.0                              | 0.0           | 0.0           | 6.3%                    | -                               |
| <b>Total payments</b>  | <b>557.0</b>    | <b>634.6</b>   | <b>798.2</b>  | <b>738.0</b>     | <b>9.8%</b>             | <b>100.0%</b>                   | <b>781.4</b>                     | <b>832.8</b>  | <b>882.1</b>  | <b>6.1%</b>             | <b>100.0%</b>                   |
| <b>Net cash flow from investing activities</b>                             | <b>(43.3)</b>   | <b>(58.5)</b>  | <b>(36.8)</b> | <b>(20.5)</b>    | <b>-22.0%</b>           | <b>100.0%</b>                   | <b>(22.0)</b>                    | <b>(22.0)</b> | <b>(80.5)</b> | <b>57.8%</b>            | <b>100.0%</b>                   |
| <b>Acquisition of property, plant, equipment and intangible assets</b>     | <b>(43.7)</b>   | <b>(59.4)</b>  | <b>(37.4)</b> | <b>(19.3)</b>    | <b>-23.9%</b>           | <b>99.5%</b>                    | <b>(20.0)</b>                    | <b>(20.0)</b> | <b>(76.5)</b> | <b>58.4%</b>            | <b>92.7%</b>                    |
| Acquisition of software and other intangible assets                        | (0.2)           | (0.2)          | -             | (1.3)            | 88.4%                   | 1.7%                            | (2.0)                            | (2.0)         | (4.0)         | 47.4%                   | 7.3%                            |
| Proceeds from the sale of property, plant, equipment and intangible assets | 0.6             | 1.1            | 0.6           | -                | -100.0%                 | -1.2%                           | -                                | -             | -             | -                       | -                               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                | <b>(65.4)</b>   | <b>(122.8)</b> | <b>(29.3)</b> | <b>(44.5)</b>    | <b>-12.0%</b>           | <b>-9.7%</b>                    | <b>(52.4)</b>                    | <b>(53.4)</b> | <b>(76.3)</b> | <b>19.6%</b>            | <b>100.0%</b>                   |
| <b>Statement of financial position</b>                                     |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| Carrying value of assets   | 364.7           | 381.2          | 373.1         | 406.4            | 3.7%                    | 59.8%                           | 406.2                            | 412.9         | 430.7         | 2.0%                    | 65.6%                           |
| <i>of which:</i>   |                 |                |               |                  |                         |                                 |                                  |               |               |                         |                                 |
| <b>Acquisition of assets</b>   | <b>(43.7)</b>   | <b>(59.4)</b>  | <b>(37.4)</b> | <b>(19.3)</b>    | <b>-23.9%</b>           | <b>100.0%</b>                   | <b>(20.0)</b>                    | <b>(20.0)</b> | <b>(76.5)</b> | <b>58.4%</b>            | <b>100.0%</b>                   |
| Inventory  | 0.0             | 0.0            | 0.0           | 0.0              | -                       | -                               | 0.0                              | 0.0           | 0.0           | -                       | -                               |
| Receivables and prepayments  | 67.2            | 60.1           | 104.8         | 38.4             | -17.0%                  | 10.6%                           | 38.4                             | 41.3          | 43.2          | 4.0%                    | 6.4%                            |
| Cash and cash equivalents  | 293.0           | 170.2          | 140.9         | 167.2            | -17.1%                  | 29.6%                           | 175.5                            | 178.3         | 186.4         | 3.7%                    | 28.0%                           |
| <b>Total assets</b>  | <b>724.9</b>    | <b>611.5</b>   | <b>618.8</b>  | <b>611.9</b>     | <b>-5.5%</b>            | <b>100.0%</b>                   | <b>620.2</b>                     | <b>632.5</b>  | <b>660.3</b>  | <b>2.6%</b>             | <b>100.0%</b>                   |
| Accumulated surplus/(deficit)  | 421.0           | 331.5          | 382.8         | 499.9            | 5.9%                    | 64.0%                           | 503.5                            | 510.4         | 515.0         | 1.0%                    | 80.4%                           |
| Deferred income  | 205.2           | 168.9          | 78.0          | 76.1             | -28.1%                  | 20.2%                           | 79.4                             | 82.4          | 86.1          | 4.2%                    | 12.8%                           |
| Trade and other payables   | 52.3            | 72.4           | 108.4         | 16.5             | -32.0%                  | 9.8%                            | 17.3                             | 18.9          | 37.7          | 31.8%                   | 3.5%                            |
| Provisions   | 46.3            | 38.7           | 49.7          | 19.4             | -25.2%                  | 6.0%                            | 20.1                             | 20.9          | 21.5          | 3.5%                    | 3.2%                            |
| <b>Total equity and liabilities</b>  | <b>724.9</b>    | <b>611.5</b>   | <b>618.8</b>  | <b>611.9</b>     | <b>-5.5%</b>            | <b>100.0%</b>                   | <b>620.2</b>                     | <b>632.5</b>  | <b>660.3</b>  | <b>2.6%</b>             | <b>100.0%</b>                   |

## Personnel information

**Table 34.20 Council for Geoscience personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2025 |  |   | Number and cost <sup>1</sup> 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 | Number of posts on approved establishment | Actual   |       |           | Revised estimate |       |           | Medium-term expenditure estimate |       |           |         |       |           |         |       |           | 2024/25 - 2027/28                          |                                 |     |       |        |
|   |  |   | 2023/24  |       |           | 2024/25          |       |           | 2025/26                          |       |           | 2026/27 |       |           | 2027/28 |       |           |  |                                 |     |       |        |
|   |  |   | Number   | Cost  | Unit cost | Number           | Cost  | Unit cost | Number                           | Cost  | Unit cost | Number  | Cost  | Unit cost | Number  | Cost  | Unit cost |  |                                 |     |       |        |
| Council for Geoscience                      |  |   | 513  | 513   |           | 500              | 362.7 | 0.7       | 513                              | 408.1 | 0.8       | 524     | 436.6 | 0.8       | 524     | 467.2 | 0.9       | 524  | 499.9                           | 1.0 | 0.7%  | 100.0% |
| Salary level                                |  |   |  |       |           |                  |       |           |                                  |       |           |         |       |           |         |       |           |  |                                 |     |       |        |
| 1 – 6                                       | 51                                     | 51  | 47   | 10.4  | 0.2       | 51               | 12.3  | 0.2       | 51                               | 13.3  | 0.3       | 51      | 14.2  | 0.3       | 51      | 15.2  | 0.3       | –  |                                 |     | 9.8%  |        |
| 7 – 10                                      | 189                                    | 189                                       | 180  | 78.2  | 0.4       | 189              | 88.1  | 0.5       | 195                              | 97.2  | 0.5       | 195     | 104.1 | 0.5       | 195     | 111.3 | 0.6       | 1.0%                                       |                                 |     | 37.1% |        |
| 11 – 12                                     | 175                                    | 175                                       | 175  | 137.2 | 0.8       | 175              | 161.3 | 0.9       | 179                              | 170.9 | 1.0       | 179     | 183.7 | 1.0       | 179     | 196.6 | 1.1       | 0.8%                                       |                                 |     | 34.1% |        |
| 13 – 16                                     | 92                                     | 92  | 92   | 118.7 | 1.3       | 92               | 128.8 | 1.4       | 93                               | 135.8 | 1.5       | 93      | 144.5 | 1.6       | 93      | 154.6 | 1.7       | 0.4%                                       |                                 |     | 17.8% |        |
| 17 – 22                                     | 6                                      | 6   | 6  | 18.1  | 3.0       | 6                | 17.5  | 2.9       | 6                                | 19.3  | 3.2       | 6       | 20.7  | 3.4       | 6       | 22.1  | 3.7       | –  |                                 |     | 1.2%  |        |

1. Rand million.

## Mine Health and Safety Council

### Selected performance indicators

**Table 34.21 Mine Health and Safety Council performance indicators by programme/objective/activity and related outcome**

| Indicator   | Programme/Objective/Activity                                      | MTDP outcome  | Audited performance |         |         | Estimated performance | MTEF targets |         |         |
|---|---|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
|   |   |   | 2021/22             | 2022/23 | 2023/24 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| 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        | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 5                   | 14      | 14      | 7                     | 8            | 9       | 9       |
| Number of occupational health and safety knowledge programmes to support staff per year                                   | Research, programme promotion and programme improvement in mining |   | 5                   | 3       | 3       | 3                     | 3            | 3       | 5       |
| Number of training programmes undertaken to upskill and build capacity per year   | Research, programme promotion and programme improvement in mining |   | 3                   | 3       | 3       | 3                     | 3            | 3       | 3       |
| 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 |   | 5                   | 3       | 3       | 3                     | 3            | 3       | 3       |
| Number of council programmes promoted in the mining industry per year   | Research, programme promotion and programme improvement in mining |   | 3                   | 5       | 5       | 5                     | 5            | 5       | 5       |

### Entity overview

The Mine Health and Safety Council was established in terms of the Mine Health and Safety Act (1996) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). It is mandated to advise the Minister of Mineral and Petroleum Resources on occupational health and safety at mines, develop legislation, conduct research and liaise with other statutory bodies. The council operates through a partnership with organised labour, employers and the department.

Over the MTEF period, the council will focus on undertaking research to provide solutions to occupational health and safety challenges and reviewing mining industry regulatory frameworks to ensure that the sector becomes safer. This includes health and safety research directed at benefiting mineworkers, projects on various mining industry issues such as women in mining and occupational health, and finalising agreements on occupational health and safety standards. As a result, goods and services accounts for an estimated 49.3 per cent (R176.7 million) of total spending over the medium term, which includes spending on research and development. Depreciation is set to increase at an average annual rate of 18.5 per cent due to the procurement of additional research assets and renovation costs for the council's new office building. Compensation of



## Mintek

### Selected performance indicators

**Table 34.25 Mintek performance indicators by programme/objective/activity and related outcome**

| Indicator  | Programme/Objective/Activity                                    | MTDP outcome   | Audited performance |                |         | Estimated performance | MTEF targets |         |         |
|--|---|--|---------------------|----------------|---------|-----------------------|--------------|---------|---------|
|  |   |  | 2021/22             | 2022/23        | 2023/24 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| Number of prototypes, processes and/or models demonstrated or validated in a relevant environment per year | Foster industry establishment and expansion                     | Outcome 8: Dynamic science, technology and innovation for growth | 14                  | 12             | 8       | 10                    | 10           | 10      | 10      |
| Number of intellectual property licences issued per year   | Foster industry establishment and expansion                     |  | — <sup>1</sup>      | — <sup>1</sup> | 1       | 1                     | 1            | 1       | 1       |
| Number of journal papers produced per year   | Conduct relevant, applied research and technological innovation |  | 36                  | 61             | 40      | 45                    | 47           | 49      | 51      |
| Number of conference papers produced per year  | Conduct relevant, applied research and technological innovation |  | 24                  | 36             | 40      | 45                    | 47           | 49      | 51      |
| Number of invention disclosures made per year  | Conduct relevant, applied research and technological innovation |  | 13                  | 8              | 10      | 8                     | 8            | 9       | 9       |
| Number of patents registered per year  | Conduct relevant, applied research and technological innovation |  | 5                   | 0              | 4       | 1                     | 1            | 1       | 1       |
| Number of trademarks registered per year   | Conduct relevant, applied research and technological innovation |  | 5                   | 3              | 5       | 5                     | 5            | 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 activities such as research and development, technology transfer, and the creation of an enabling environment for the establishment and expansion of mineral industries. It specialises in mineral processing, extractive metallurgy and related areas, and is listed as a schedule 3B public entity in the Public Finance Management Act (1999). To this end, Mintek develops appropriate, innovative technology for transfer to the industry, and provides test work, consultancy and analytical and mineralogical services to clients across the world.

Over the medium term, Mintek will continue to focus on applied research and technologies for mineral-based industries. One of its core programmes will be the design, procurement and construction of a manufacturing facility for the establishment and production of ferroalloy research. Mintek will continue to foster an environment that promotes innovation, and invest in the development and transformation of its workforce to equip them with the necessary skills to address present and future challenges. As a result, compensation of employees is expected to amount to 47.8 per cent (R1.1 billion) of total expenditure over the medium term. Spending on goods and services is expected to amount to 45.8 per cent (R1.1 billion) over the same period, which includes specialised service fees to produce research.

The entity is set to derive 40.8 per cent (R991.5 million) of its revenue over the MTEF period through transfers from the department and generate 53.6 per cent (R1.3 billion) through commercial activities and funds for specific projects such as the rehabilitation of ownerless and derelict asbestos mines and holings. Commercial revenue, inclusive of the rehabilitation funds, is expected to increase at an average annual rate of 4.1 per cent, from R378 million in 2024/25 to R426.3 million in 2027/28 as the market is expected to improve over the MTEF period. Mintek will continue to engage with industry, the European Union and commercial customers to partner in research and funding to increase revenue.

## Programmes/Objectives/Activities

**Table 34.26 Mintek expenditure trends and estimates by programme/objective/activity**

|  | Audited outcome |              |              | Revised estimate | Average growth rate (%) |                                 | Medium-term expenditure estimate |              |              | Average growth rate (%) |                                 |
|--|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
|  | 2021/22         | 2022/23      | 2023/24      |                  | 2021/22 - 2024/25       | Average: Expenditure/ Total (%) | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       | Average: Expenditure/ Total (%) |
| R million  |                 |              |              |                  |                         |                                 |                                  |              |              |                         |                                 |
| Administration   | 29.6            | 32.2         | 37.5         | 34.3             | 5.1%                    | 5.0%                            | 39.4                             | 38.1         | 38.1         | 3.6%                    | 5.0%                            |
| Develop and maintain world-class research and development infrastructure | 29.6            | 32.2         | 37.5         | 34.3             | 5.1%                    | 5.0%                            | 39.4                             | 38.1         | 38.1         | 3.6%                    | 5.0%                            |
| Foster industry establishment and expansion                              | 177.3           | 193.4        | 225.2        | 171.4            | -1.1%                   | 28.8%                           | 196.9                            | 190.4        | 190.4        | 3.6%                    | 25.0%                           |
| Conduct relevant, applied research and technological innovation          | 206.9           | 225.6        | 262.8        | 205.6            | -0.2%                   | 33.8%                           | 236.3                            | 228.5        | 228.5        | 3.6%                    | 30.0%                           |
| Ensuring financial sustainability  | 59.1            | 64.5         | 75.1         | 68.5             | 5.1%                    | 10.0%                           | 78.8                             | 76.2         | 76.2         | 3.6%                    | 10.0%                           |
| Develop a capable workforce  | 88.7            | 96.7         | 112.6        | 102.8            | 5.1%                    | 15.0%                           | 118.1                            | 114.2        | 114.3        | 3.6%                    | 15.0%                           |
| Commercialise intellectual property                                      | –               | –            | –            | 68.5             | –                       | 2.5%                            | 78.8                             | 76.2         | 76.2         | 3.6%                    | 10.0%                           |
| <b>Total</b>   | <b>591.1</b>    | <b>644.6</b> | <b>750.8</b> | <b>685.4</b>     | <b>5.1%</b>             | <b>100.0%</b>                   | <b>787.6</b>                     | <b>761.6</b> | <b>761.7</b> | <b>3.6%</b>             | <b>100.0%</b>                   |

## Statements of financial performance, cash flow and financial position

**Table 34.27 Mintek 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 (%) |                                 |
|--|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
|  | 2021/22         | 2022/23      | 2023/24      |                  | 2021/22 - 2024/25       | Average: Expenditure/ Total (%) | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       | Average: Expenditure/ Total (%) |
| R million  |                 |              |              |                  |                         |                                 |                                  |              |              |                         |                                 |
| <b>Revenue</b>                                       |                 |              |              |                  |                         |                                 |                                  |              |              |                         |                                 |
| <b>Non-tax revenue</b>                               | <b>341.5</b>    | <b>353.1</b> | <b>486.7</b> | <b>423.0</b>     | <b>7.4%</b>             | <b>58.0%</b>                    | <b>514.8</b>                     | <b>475.1</b> | <b>465.7</b> | <b>3.3%</b>             | <b>59.2%</b>                    |
| Sale of goods and services other than capital assets | 321.8           | 323.4        | 452.6        | 378.0            | 5.5%                    | 53.4%                           | 468.8                            | 428.0        | 426.3        | 4.1%                    | 53.6%                           |
| Other non-tax revenue                                | 19.7            | 29.7         | 34.1         | 45.0             | 31.8%                   | 4.6%                            | 46.1                             | 47.1         | 39.4         | -4.3%                   | 5.6%                            |
| <b>Transfers received</b>                            | <b>269.2</b>    | <b>296.3</b> | <b>278.9</b> | <b>302.5</b>     | <b>4.0%</b>             | <b>42.0%</b>                    | <b>315.8</b>                     | <b>330.4</b> | <b>345.4</b> | <b>4.5%</b>             | <b>40.8%</b>                    |
| <b>Total revenue</b>                                 | <b>610.7</b>    | <b>649.5</b> | <b>765.6</b> | <b>725.5</b>     | <b>5.9%</b>             | <b>100.0%</b>                   | <b>830.6</b>                     | <b>805.6</b> | <b>811.0</b> | <b>3.8%</b>             | <b>100.0%</b>                   |
| <b>Expenses</b>                                      |                 |              |              |                  |                         |                                 |                                  |              |              |                         |                                 |
| <b>Current expenses</b>                              | <b>591.1</b>    | <b>644.6</b> | <b>750.8</b> | <b>685.4</b>     | <b>5.1%</b>             | <b>100.0%</b>                   | <b>787.6</b>                     | <b>761.6</b> | <b>761.7</b> | <b>3.6%</b>             | <b>100.0%</b>                   |
| Compensation of employees                            | 312.9           | 312.1        | 360.2        | 333.0            | 2.1%                    | 49.5%                           | 355.2                            | 365.8        | 376.8        | 4.2%                    | 47.8%                           |
| Goods and services                                   | 241.0           | 292.4        | 343.8        | 308.7            | 8.6%                    | 44.2%                           | 386.6                            | 345.6        | 331.4        | 2.4%                    | 45.8%                           |
| Depreciation   | 35.5            | 39.2         | 46.0         | 42.9             | 6.5%                    | 6.1%                            | 45.0                             | 49.4         | 52.6         | 7.0%                    | 6.3%                            |
| Interest, dividends and rent on land                 | 1.6             | 0.9          | 0.7          | 0.8              | -22.8%                  | 0.2%                            | 0.8                              | 0.8          | 0.9          | 4.5%                    | 0.1%                            |
| <b>Total expenses</b>                                | <b>591.1</b>    | <b>644.6</b> | <b>750.8</b> | <b>685.4</b>     | <b>5.1%</b>             | <b>100.0%</b>                   | <b>787.6</b>                     | <b>761.6</b> | <b>761.7</b> | <b>3.6%</b>             | <b>100.0%</b>                   |
| <b>Surplus/(Deficit)</b>                             | <b>19.6</b>     | <b>4.9</b>   | <b>14.9</b>  | <b>40.1</b>      | <b>26.9%</b>            |                                 | <b>43.0</b>                      | <b>43.9</b>  | <b>49.4</b>  | <b>7.2%</b>             |                                 |

### Cash flow statement

|   |               |               |                |               |                |               |               |               |               |               |               |
|---|---------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Cash flow from operating activities</b>                      | <b>37.0</b>   | <b>59.0</b>   | <b>(34.3)</b>  | <b>43.6</b>   | <b>5.6%</b>    | <b>100.0%</b> | <b>46.9</b>   | <b>50.2</b>   | <b>56.7</b>   | <b>9.2%</b>   | <b>100.0%</b> |
| <b>Receipts</b>   |               |               |                |               |                |               |               |               |               |               |               |
| <b>Non-tax receipts</b>   | <b>454.0</b>  | <b>353.2</b>  | <b>486.7</b>   | <b>423.0</b>  | <b>-2.3%</b>   | <b>59.8%</b>  | <b>514.8</b>  | <b>475.1</b>  | <b>465.5</b>  | <b>3.2%</b>   | <b>59.2%</b>  |
| Sales of goods and services other than capital assets           | 434.3         | 323.4         | 452.6          | 378.0         | -4.5%          | 55.3%         | 468.8         | 428.0         | 426.3         | 4.1%          | 53.6%         |
| Other tax receipts  | 19.7          | 29.8          | 34.1           | 45.0          | 31.8%          | 4.5%          | 46.1          | 47.2          | 39.2          | -4.5%         | 5.6%          |
| <b>Transfers received</b>                                       | <b>269.2</b>  | <b>296.3</b>  | <b>278.9</b>   | <b>302.5</b>  | <b>4.0%</b>    | <b>40.2%</b>  | <b>315.8</b>  | <b>330.4</b>  | <b>345.4</b>  | <b>4.5%</b>   | <b>40.8%</b>  |
| <b>Total receipts</b>   | <b>723.1</b>  | <b>649.5</b>  | <b>765.7</b>   | <b>725.5</b>  | <b>0.1%</b>    | <b>100.0%</b> | <b>830.6</b>  | <b>805.6</b>  | <b>810.8</b>  | <b>3.8%</b>   | <b>100.0%</b> |
| <b>Payment</b>  |               |               |                |               |                |               |               |               |               |               |               |
| <b>Current payments</b>   | <b>516.8</b>  | <b>590.5</b>  | <b>758.4</b>   | <b>642.5</b>  | <b>7.5%</b>    | <b>91.1%</b>  | <b>742.5</b>  | <b>712.2</b>  | <b>709.1</b>  | <b>3.3%</b>   | <b>94.3%</b>  |
| Compensation of employees                                       | 312.9         | 312.1         | 360.2          | 333.0         | 2.1%           | 48.1%         | 355.2         | 365.8         | 376.8         | 4.2%          | 48.1%         |
| Goods and services  | 202.2         | 277.5         | 397.4          | 308.7         | 15.1%          | 42.9%         | 386.6         | 345.6         | 331.4         | 2.4%          | 46.1%         |
| Interest and rent on land                                       | 1.6           | 0.9           | 0.7            | 0.8           | -22.9%         | 0.1%          | 0.8           | 0.8           | 0.9           | 4.5%          | 0.1%          |
| <b>Transfers and subsidies</b>                                  | <b>169.4</b>  | <b>–</b>      | <b>41.6</b>    | <b>39.5</b>   | <b>-38.5%</b>  | <b>8.9%</b>   | <b>41.2</b>   | <b>43.1</b>   | <b>45.0</b>   | <b>4.5%</b>   | <b>5.7%</b>   |
| <b>Total payments</b>   | <b>686.1</b>  | <b>590.5</b>  | <b>799.9</b>   | <b>681.9</b>  | <b>-0.2%</b>   | <b>100.0%</b> | <b>783.7</b>  | <b>755.3</b>  | <b>754.1</b>  | <b>3.4%</b>   | <b>100.0%</b> |
| <b>Net cash flow from investing activities</b>                  | <b>(21.4)</b> | <b>(13.0)</b> | <b>(74.5)</b>  | <b>(65.2)</b> | <b>44.9%</b>   | <b>100.0%</b> | <b>(55.4)</b> | <b>(58.2)</b> | <b>(61.1)</b> | <b>-2.1%</b>  | <b>100.0%</b> |
| Acquisition of property, plant, equipment and intangible assets | (21.4)        | (13.0)        | (74.5)         | (65.2)        | 44.9%          | 100.0%        | (55.4)        | (58.2)        | (61.1)        | -2.1%         | 100.0%        |
| <b>Net increase/(decrease) in cash and cash equivalents</b>     | <b>15.6</b>   | <b>46.0</b>   | <b>(108.8)</b> | <b>(21.6)</b> | <b>-211.6%</b> | <b>-2.0%</b>  | <b>(8.6)</b>  | <b>(8.0)</b>  | <b>(4.4)</b>  | <b>-41.3%</b> | <b>100.0%</b> |

**Table 34.27 Mintek statements of financial performance, cash flow and financial position (continued)**

| Statement of financial position   |         |         |         | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |         |         | Average growth rate (%) | Average: Expenditure/ Total (%) |
|-----------------------------------|---------|---------|---------|------------------|-------------------------|---------------------------------|----------------------------------|---------|---------|-------------------------|---------------------------------|
| Audited outcome                   |         |         |         |                  |                         |                                 |                                  |         |         |                         |                                 |
| R million                         | 2021/22 | 2022/23 | 2023/24 | 2024/25          | 2021/22 - 2024/25       | 2024/25                         | 2025/26                          | 2026/27 | 2027/28 | 2024/25 - 2027/28       |                                 |
| Carrying value of assets          | 438.8   | 411.5   | 439.0   | 467.3            | 2.1%                    | 44.8%                           | 490.1                            | 498.0   | 502.8   | 2.5%                    | 52.0%                           |
| of which:                         |         |         |         |                  |                         |                                 |                                  |         |         |                         |                                 |
| Acquisition of assets             | (21.4)  | (13.0)  | (74.5)  | (65.2)           | 44.9%                   | 100.0%                          | (55.4)                           | (58.2)  | (61.1)  | -2.1%                   | 100.0%                          |
| Inventory                         | 16.7    | 21.4    | 25.5    | 17.8             | 2.0%                    | 2.1%                            | 21.2                             | 21.2    | 21.2    | 6.1%                    | 2.2%                            |
| Receivables and prepayments       | 50.8    | 69.1    | 127.5   | 57.3             | 4.1%                    | 7.7%                            | 86.9                             | 83.6    | 74.5    | 9.2%                    | 8.0%                            |
| Cash and cash equivalents         | 461.8   | 507.7   | 398.9   | 413.0            | -3.7%                   | 45.4%                           | 334.9                            | 334.1   | 343.8   | -5.9%                   | 37.8%                           |
| Total assets                      | 968.1   | 1 009.8 | 990.9   | 955.3            | -0.4%                   | 100.0%                          | 933.1                            | 936.9   | 942.4   | -0.5%                   | 100.0%                          |
| Accumulated surplus/(deficit)     | 469.6   | 491.3   | 508.3   | 499.1            | 2.0%                    | 50.2%                           | 510.2                            | 511.0   | 515.3   | 1.1%                    | 54.0%                           |
| Capital and reserves              | 167.6   | 165.5   | 163.3   | 161.2            | -1.3%                   | 16.8%                           | 159.0                            | 156.9   | 154.8   | -1.3%                   | 16.8%                           |
| Deferred income                   | 216.5   | 186.0   | 135.5   | 155.1            | -10.5%                  | 17.7%                           | 150.9                            | 152.4   | 153.9   | -0.3%                   | 16.3%                           |
| Trade and other payables          | 106.8   | 159.6   | 178.1   | 133.1            | 7.6%                    | 14.7%                           | 107.6                            | 110.8   | 112.0   | -5.6%                   | 12.3%                           |
| Provisions                        | 7.5     | 6.2     | 5.1     | 6.8              | -3.5%                   | 0.7%                            | 5.4                              | 5.8     | 6.4     | -1.8%                   | 0.6%                            |
| Derivatives financial instruments | –       | 1.2     | 0.6     | –                | –                       | –                               | –                                | –       | –       | –                       | –                               |
| Total equity and liabilities      | 968.1   | 1 009.8 | 990.9   | 955.3            | -0.4%                   | 100.0%                          | 933.1                            | 936.9   | 942.4   | -0.5%                   | 100.0%                          |

## Personnel information

**Table 34.28 Mintek personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2025 |   |     | Number and cost <sup>1</sup> 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 |     | Actual   |       |           | Revised estimate |       |           | Medium-term expenditure estimate |       |           |        |         |           | 2024/25 - 2027/28 |       |           |  |                                  |
|   |   |     | 2023/24  |       |           | 2024/25          |       |           | 2025/26                          |       | 2026/27   |        | 2027/28 |           |                   |       |           |  |                                  |
|   |   |     | Number   | Cost  | Unit cost | Number           | Cost  | Unit cost | Number                           | Cost  | Unit cost | Number | Cost    | Unit cost | Number            | Cost  | Unit cost |  |                                  |
| Mintek                                      |   |     |  |       |           |                  |       |           |                                  |       |           |        |         |           |                   |       |           |  |                                  |
| Salary level                                | 571                                       | 571 | 592  | 360.2 | 0.6       | 571              | 333.0 | 0.6       | 571                              | 355.2 | 0.6       | 575    | 365.8   | 0.6       | 601               | 376.8 | 0.6       | 1.7%                                       | 100.0%                           |
| 1 – 6                                       | 210                                       | 210 | 218  | 68.3  | 0.3       | 210              | 60.2  | 0.3       | 210                              | 77.2  | 0.4       | 210    | 86.8    | 0.4       | 219               | 90.9  | 0.4       | 1.4%                                       | 36.6%                            |
| 7 – 10                                      | 300                                       | 300 | 313  | 186.1 | 0.6       | 300              | 175.8 | 0.6       | 304                              | 177.0 | 0.6       | 308    | 184.8   | 0.6       | 323               | 189.3 | 0.6       | 2.5%                                       | 53.3%                            |
| 13 – 16                                     | 60  | 60  | 60   | 101.1 | 1.7       | 60               | 92.6  | 1.5       | 56                               | 96.3  | 1.7       | 56     | 89.5    | 1.6       | 58                | 91.7  | 1.6       | -1.1%                                      | 9.9%                             |
| 17 – 22                                     | 1   | 1   | 1  | 4.8   | 4.8       | 1                | 4.4   | 4.4       | 1                                | 4.6   | 4.6       | 1      | 4.8     | 4.8       | 1                 | 4.9   | 4.9       | –  | 0.2%                             |

1. Rand million.

## South African Diamond and Precious Metals Regulator

### Selected performance indicators

**Table 34.29 South African Diamond and Precious Metals Regulator performance indicators by programme/objective/activity and related outcome**

| Indicator  | Programme/Objective/Activity | MTDP outcome  | Audited performance |         |         | Estimated performance | MTEF targets |         |         |
|--|------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
|  |                              |   | 2021/22             | 2022/23 | 2023/24 | 2024/25               | 2025/26      | 2026/27 | 2027/28 |
| Number of trained new entrants per year  | Diamond trade                | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 7                   | 6       | 10      | 8                     | 9            | 10      | 10      |
| Number of inspections conducted on licensed precious metals premises per year                    | Regulatory compliance        |   | 400                 | 500     | 700     | 750                   | 800          | 850     | 900     |
| Number of inspections conducted on licensed diamonds premises per year                           | Regulatory compliance        |   | 500                 | 600     | 700     | 750                   | 800          | 850     | 900     |
| Number of precious metals joint inspections conducted with law enforcement stakeholders per year | Regulatory compliance        |   | 4                   | 20      | 25      | 30                    | 35           | 40      | 45      |
| Number of diamond joint inspections conducted with law enforcement stakeholders per year         | Regulatory compliance        |   | 1                   | 15      | 20      | 25                    | 30           | 35      | 40      |

## Entity overview

The South African Diamond and Precious Metals Regulator was established in terms of section 3 of the Diamonds Act (1986). It is mandated 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). It is a schedule 3A public entity in terms of the Public Finance Management Act (1999). 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.

Over the medium term, the regulator will focus on combating illicit trade in diamonds and precious metals in collaboration with law enforcement authorities and other relevant regulatory authorities; monitoring and enforcing compliance in the diamond and precious metals sector; and facilitating the entry of new players, in collaboration with industry players. In giving effect to this focus, the regulator plans to conduct 2 550 inspections on licensed precious metals premises and 2 550 inspections on licensed diamond premises over the medium term. It will also issue various types of licences and permits, and monitor compliance.

As regulation is labour intensive and skilled personnel are required to perform compliance inspections and audits, compensation of employees accounts for an estimated 71.4 per cent (R274.2 million) of total expenditure over the medium term. The regulator has received approval from National Treasury to budget for a deficit of R5.3 million in 2025/26 to fund its projected operational expenditure, with the shortfall arising due to lower-than-expected revenue because of poor industry conditions. This will be funded from accumulated cash reserves.

The regulator is set to derive 50.9 per cent (R196.5 million) of its revenue over the medium term through transfers from the department and 46.1 per cent (R171.5 million) through fees, mostly for licences and permits. Total revenue is projected to increase at an average annual rate of only 1.3 per cent, from R124.1 million in 2024/25 to R128.8 million in 2027/28, due to the depressed state of the diamond industry. To improve its revenue prospects, the regulator will review relevant legislation, including the assessment of fees, and investigate additional revenue streams.

## Programmes/Objectives/Activities

**Table 34.30 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 (%) |
|-----------------------|-----------------|--------------|--------------|------------------|-------------------------|--------------------------------|----------------------------------|--------------|--------------|-------------------------|--------------------------------|
|                       | 2021/22         | 2022/23      | 2023/24      |                  |                         |                                | 2025/26                          | 2026/27      | 2027/28      |                         |                                |
| Administration        | 73.0            | 72.4         | 79.2         | 81.3             | 3.6%                    | 63.5%                          | 76.1                             | 75.8         | 76.6         | -1.9%                   | 60.5%                          |
| Diamond trade         | 13.3            | 13.2         | 17.5         | 15.2             | 4.5%                    | 12.2%                          | 19.8                             | 19.9         | 20.0         | 9.7%                    | 14.6%                          |
| Regulatory compliance | 24.7            | 27.0         | 34.1         | 31.4             | 8.4%                    | 24.2%                          | 32.0                             | 32.1         | 32.1         | 0.7%                    | 24.9%                          |
| <b>Total</b>          | <b>111.0</b>    | <b>112.6</b> | <b>130.8</b> | <b>127.9</b>     | <b>4.8%</b>             | <b>100.0%</b>                  | <b>127.9</b>                     | <b>127.8</b> | <b>128.8</b> | <b>0.2%</b>             | <b>100.0%</b>                  |

## Statements of financial performance, cash flow and financial position

**Table 34.31 South African Diamond and Precious Metals Regulator statements of financial performance**

| 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 (%) |
|  | 2021/22         | 2022/23      | 2023/24      |                  |                         |                                | 2025/26                          | 2026/27      | 2027/28      |                         |                                |
| <b>Revenue</b>                                       |                 |              |              |                  |                         |                                |                                  |              |              |                         |                                |
| <b>Non-tax revenue</b>                               | <b>60.7</b>     | <b>65.5</b>  | <b>52.1</b>  | <b>64.1</b>      | <b>1.8%</b>             | <b>49.2%</b>                   | <b>60.0</b>                      | <b>62.3</b>  | <b>60.4</b>  | <b>-2.0%</b>            | <b>49.1%</b>                   |
| Sale of goods and services other than capital assets | 57.3            | 59.9         | 44.9         | 60.1             | 1.6%                    | 45.1%                          | 56.3                             | 58.6         | 56.6         | -2.0%                   | 46.1%                          |
| Other non-tax revenue                                | 3.4             | 5.6          | 7.2          | 4.0              | 5.3%                    | 4.1%                           | 3.7                              | 3.7          | 3.7          | -2.3%                   | 3.0%                           |
| <b>Transfers received</b>                            | <b>62.0</b>     | <b>62.9</b>  | <b>64.4</b>  | <b>59.9</b>      | <b>-1.1%</b>            | <b>50.8%</b>                   | <b>62.6</b>                      | <b>65.5</b>  | <b>68.4</b>  | <b>4.5%</b>             | <b>50.9%</b>                   |
| <b>Total revenue</b>                                 | <b>122.7</b>    | <b>128.4</b> | <b>116.4</b> | <b>124.1</b>     | <b>0.4%</b>             | <b>100.0%</b>                  | <b>122.6</b>                     | <b>127.8</b> | <b>128.8</b> | <b>1.3%</b>             | <b>100.0%</b>                  |



**Table 34.31 South African Diamond and Precious Metals Regulator statements of financial performance (continued)**

| Statement of financial performance |         |         |         | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |         |         | Average growth rate (%) | Average: Expenditure/ Total (%) |
|------------------------------------|---------|---------|---------|------------------|-------------------------|---------------------------------|----------------------------------|---------|---------|-------------------------|---------------------------------|
| Audited outcome                    |         |         |         |                  |                         |                                 |                                  |         |         |                         |                                 |
| R million                          | 2021/22 | 2022/23 | 2023/24 | 2024/25          | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27 | 2027/28 | 2024/25 - 2027/28       |                                 |
| Expenses                           |         |         |         |                  |                         |                                 |                                  |         |         |                         |                                 |
| Current expenses                   | 111.0   | 112.6   | 130.8   | 127.9            | 4.8%                    | 100.0%                          | 127.9                            | 127.8   | 128.8   | 0.2%                    | 100.0%                          |
| Compensation of employees          | 80.4    | 82.8    | 88.6    | 91.6             | 4.4%                    | 71.3%                           | 91.4                             | 91.4    | 91.4    | –                       | 71.4%                           |
| Goods and services                 | 29.1    | 28.1    | 38.4    | 35.2             | 6.6%                    | 27.0%                           | 32.2                             | 31.8    | 32.6    | -2.6%                   | 25.7%                           |
| Depreciation                       | 1.5     | 1.7     | 3.9     | 1.1              | -11.3%                  | 1.7%                            | 4.3                              | 4.5     | 4.7     | 65.2%                   | 2.8%                            |
| Total expenses                     | 111.0   | 112.6   | 130.8   | 127.9            | 4.8%                    | 100.0%                          | 127.9                            | 127.8   | 128.8   | 0.2%                    | 100.0%                          |
| Surplus/(Deficit)                  | 11.7    | 15.8    | (14.4)  | (3.8)            | -168.7%                 |                                 | (5.3)                            | –       | –       | -100.0%                 |                                 |

## Personnel information

**Table 34.32 South African Diamond and Precious Metals Regulator personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2025         |   |     | Number and cost <sup>1</sup> 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 |     | Actual   |      |           | Revised estimate |      |           | Medium-term expenditure estimate |      |           |         |      |           |         |      |           |  |                                  |
|   |   |     | 2023/24  |      |           | 2024/25          |      |           | 2025/26                          |      |           | 2026/27 |      |           | 2027/28 |      |           | 2024/25 - 2027/28                          |                                  |
| South African Diamond and Precious Metals Regulator |   |     | Number   | Cost | Unit cost | Number           | Cost | Unit cost | Number                           | Cost | Unit cost | Number  | Cost | Unit cost | Number  | Cost | Unit cost |  |                                  |
| Salary level  | 128                                       | 128 | 125  | 88.6 | 0.7       | 128              | 91.6 | 0.7       | 132                              | 91.4 | 0.7       | 132     | 91.4 | 0.7       | 132     | 91.4 | 0.7       | 1.0%                                       | 100.0%                           |
| 1 – 6   | 20  | 20  | 20   | 2.8  | 0.1       | 20               | 3.0  | 0.1       | 20                               | 3.0  | 0.1       | 20      | 3.0  | 0.1       | 20      | 3.0  | 0.1       | –  | 15.3%                            |
| 7 – 10  | 75  | 75  | 75   | 43.2 | 0.6       | 75               | 43.5 | 0.6       | 75                               | 45.6 | 0.6       | 75      | 45.6 | 0.6       | 75      | 45.6 | 0.6       | –  | 57.3%                            |
| 11 – 12   | 15  | 15  | 15   | 14.0 | 0.9       | 15               | 14.8 | 1.0       | 15                               | 14.8 | 1.0       | 15      | 14.8 | 1.0       | 15      | 14.8 | 1.0       | –  | 11.5%                            |
| 13 – 16   | 14  | 14  | 14   | 22.6 | 1.6       | 14               | 24.5 | 1.8       | 14                               | 22.4 | 1.6       | 14      | 22.4 | 1.6       | 14      | 22.4 | 1.6       | –  | 10.7%                            |
| 17 – 22   | 4   | 4   | 1  | 6.1  | 6.1       | 4                | 5.7  | 1.4       | 8                                | 5.7  | 0.7       | 8       | 5.7  | 0.7       | 8       | 5.7  | 0.7       | 26.0%                                      | 5.3%                             |

1. Rand million.

## State Diamond Trader

### Selected performance indicators

**Table 34.33 State Diamond Trader performance indicators by programme/objective/activity and related outcome**

| Indicator   | Programme/Objective/Activity | MTDP outcome  | Audited performance |         |         | Estimated performance | MTEF targets |         |         |
|---|------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
|   |                              |   | 2021/22             | 2022/23 | 2023/24 |                       | 2024/25      | 2025/26 | 2026/27 |
| Number of diamond producers selling rough diamonds to the trader per year | Administration               | Outcome 2: Accelerated growth of strategic and labour-intensive sectors | 13                  | 13      | 35      | 19                    | 19           | 19      | 19      |
| Number of trader clients per year   | Administration               |   | 39                  | 43      | 25      | 42                    | 42           | 42      | 42      |
| Number of diamond production inspections per year                         | Administration               |   | 170                 | 167     | 133     | 242                   | 242          | 242     | 242     |
| Number of trainees employed by the trader per year                        | Administration               |   | 9                   | 5       | 8       | 3                     | 10           | 10      | 10      |

### Entity overview

The State Diamond Trader is a state-owned entity, established in 2007 in terms of section 14 of the Diamonds Act (1986) to operate in the diamond industry and to support and facilitate growth in local diamond beneficiation. Its mandate, as defined in the Diamonds Amendment Act (2005), is to promote equitable access to and local beneficiation for the country's diamonds; and 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. It is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999).

Over the period ahead, the trader will continue to foster growth within the diamond trade industry, ensure

equitable access and promote its own sustainability. It will do this by enabling and increasing the participation of historically disadvantaged South Africans in the diamond beneficiation industry by purchasing up to 10 per cent of raw or unprocessed diamonds from all diamond producers in South Africa and selling them to beneficiation licence holders who are registered customers. As a result, goods and services account for an estimated 96.8 per cent (R2.4 billion) of total expenditure over the medium term, mostly for the procurement of rough diamonds. Total expenditure is set to increase at an average annual rate of 8.7 per cent, from R686.9 million in 2024/25 to R882 million in 2027/28.

Revenue is generated entirely from sales and is set to increase at an average annual rate of 8.7 per cent, from R690.7 million in 2024/25 to R888.1million in 2027/28. This is due to planned revenue enhancement initiatives such as a pilot project for purchasing rough diamonds outside of the country, as the local supply to service clients has diminished and the local supply chain has been experiencing disruptions.

### Programmes/Objectives/Activities

**Table 34.34 State Diamond Trader expenditure trends and estimates by programme/objective/activity**

|                | Audited outcome |                |              | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate |              |              | Average growth rate (%) | Average: Expenditure/ Total (%) |
|----------------|-----------------|----------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| R million      | 2021/22         | 2022/23        | 2023/24      | 2024/25          | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       |                                 |
| Administration | 1 392.1         | 1 284.9        | 651.4        | 686.9            | -21.0%                  | 100.0%                          | 802.5                            | 843.6        | 882.0        | 8.7%                    | 100.0%                          |
| <b>Total</b>   | <b>1 392.1</b>  | <b>1 284.9</b> | <b>651.4</b> | <b>686.9</b>     | <b>-21.0%</b>           | <b>100.0%</b>                   | <b>802.5</b>                     | <b>843.6</b> | <b>882.0</b> | <b>8.7%</b>             | <b>100.0%</b>                   |

### Statements of financial performance, cash flow and financial position

**Table 34.35 State Diamond Trader statements of financial performance, cash flow and financial position**

| Statement of financial performance                    |                 |                |               |                  |                         | Average: Expenditure/ Total (%) |                                  |              |              | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|----------------|---------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
|   | Audited outcome |                |               | Revised estimate | Average growth rate (%) |                                 | Medium-term expenditure estimate |              |              |                         |                                 |
| R million   | 2021/22         | 2022/23        | 2023/24       | 2024/25          | 2021/22 - 2024/25       |                                 | 2025/26                          | 2026/27      | 2027/28      | 2024/25 - 2027/28       |                                 |
| <b>Revenue</b>  |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| Non-tax revenue                                       | 1 444.8         | 1 322.6        | 641.0         | 690.7            | -21.8%                  | 100.0%                          | 690.7                            | 849.7        | 888.1        | 8.7%                    | 100.0%                          |
| Sale of goods and services other than capital assets  | 1 442.7         | 1 316.1        | 631.5         | 680.4            | -22.2%                  | 99.1%                           | 680.4                            | 839.4        | 877.3        | 8.8%                    | 98.6%                           |
| Other non-tax revenue                                 | 2.1             | 6.4            | 9.6           | 10.3             | 71.4%                   | 0.9%                            | 10.3                             | 10.3         | 10.8         | 1.4%                    | 1.4%                            |
| <b>Total revenue</b>                                  | <b>1 444.8</b>  | <b>1 322.6</b> | <b>641.0</b>  | <b>690.7</b>     | <b>-21.8%</b>           | <b>100.0%</b>                   | <b>690.7</b>                     | <b>849.7</b> | <b>888.1</b> | <b>8.7%</b>             | <b>100.0%</b>                   |
| <b>Expenses</b>                                       |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| Current expenses                                      | 1 392.1         | 1 284.9        | 651.4         | 686.9            | -21.0%                  | 100.0%                          | 802.5                            | 843.6        | 882.0        | 8.7%                    | 100.0%                          |
| Compensation of employees                             | 13.6            | 15.0           | 17.3          | 20.0             | 13.6%                   | 1.9%                            | 24.2                             | 26.0         | 27.2         | 10.8%                   | 3.0%                            |
| Goods and services                                    | 1 376.6         | 1 267.4        | 631.6         | 664.1            | -21.6%                  | 97.8%                           | 776.9                            | 816.8        | 853.9        | 8.7%                    | 96.8%                           |
| Depreciation  | 1.2             | 1.5            | 1.5           | 1.5              | 5.9%                    | 0.2%                            | —                                | —            | —            | -100.0%                 | 0.1%                            |
| Interest, dividends and rent on land                  | 0.6             | 1.0            | 1.0           | 1.4              | 31.8%                   | 0.1%                            | 1.4                              | 0.8          | 0.8          | -16.1%                  | 0.1%                            |
| <b>Total expenses</b>                                 | <b>1 392.1</b>  | <b>1 284.9</b> | <b>651.4</b>  | <b>686.9</b>     | <b>-21.0%</b>           | <b>100.0%</b>                   | <b>802.5</b>                     | <b>843.6</b> | <b>882.0</b> | <b>8.7%</b>             | <b>100.0%</b>                   |
| <b>Surplus/(Deficit)</b>                              | <b>52.7</b>     | <b>37.7</b>    | <b>(10.4)</b> | <b>3.8</b>       | <b>-58.4%</b>           |                                 | <b>(111.8)</b>                   | <b>6.1</b>   | <b>6.1</b>   | <b>17.1%</b>            |                                 |
|   |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| <b>Cash flow statement</b>                            |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| Cash flow from operating activities                   | 63.5            | 12.8           | 69.8          | 5.0              | -57.2%                  | 100.0%                          | 9.1                              | 9.5          | 9.6          | 24.8%                   | 100.0%                          |
| <b>Receipts</b>                                       |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| Non-tax receipts                                      | 1 445.4         | 1 338.6        | 640.7         | 689.6            | -21.9%                  | 100.0%                          | 809.2                            | 849.3        | 887.6        | 8.8%                    | 100.0%                          |
| Sales of goods and services other than capital assets | 1 443.5         | 1 332.2        | 631.5         | 680.4            | -22.2%                  | 99.2%                           | 799.4                            | 839.4        | 877.3        | 8.8%                    | 98.8%                           |
| Other tax receipts                                    | 1.9             | 6.3            | 9.2           | 9.3              | 69.5%                   | 0.8%                            | 9.8                              | 9.9          | 10.3         | 3.7%                    | 1.2%                            |
| <b>Total receipts</b>                                 | <b>1 445.4</b>  | <b>1 338.6</b> | <b>640.7</b>  | <b>689.6</b>     | <b>-21.9%</b>           | <b>100.0%</b>                   | <b>809.2</b>                     | <b>849.3</b> | <b>887.6</b> | <b>8.8%</b>             | <b>100.0%</b>                   |
| <b>Payment</b>  |                 |                |               |                  |                         |                                 |                                  |              |              |                         |                                 |
| Current payments                                      | 1 381.9         | 1 325.7        | 570.9         | 684.7            | -20.9%                  | 100.0%                          | 800.1                            | 839.8        | 878.0        | 8.6%                    | 100.0%                          |
| Compensation of employees                             | 13.6            | 14.3           | 17.3          | 20.0             | 13.6%                   | 2.0%                            | 24.2                             | 26.0         | 27.2         | 10.8%                   | 3.0%                            |
| Goods and services                                    | 1 367.7         | 1 310.4        | 552.6         | 663.3            | -21.4%                  | 97.9%                           | 775.0                            | 812.9        | 850.0        | 8.6%                    | 96.8%                           |
| Interest and rent on land                             | 0.6             | 1.0            | 1.0           | 1.4              | 31.8%                   | 0.1%                            | 0.9                              | 0.8          | 0.8          | -16.1%                  | 0.1%                            |
| <b>Total payments</b>                                 | <b>1 381.9</b>  | <b>1 325.7</b> | <b>570.9</b>  | <b>684.7</b>     | <b>-20.9%</b>           | <b>100.0%</b>                   | <b>800.1</b>                     | <b>839.8</b> | <b>878.0</b> | <b>8.6%</b>             | <b>100.0%</b>                   |

**Table 34.35 State Diamond Trader statements of financial performance, cash flow and financial position (continued)**

| Cash flow statement  |                 |         |         |         |                   | Average growth rate (%) | Average: Expenditure/ Total (%) |                                  |         |                   | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|---------|---------|---------|-------------------|-------------------------|---------------------------------|----------------------------------|---------|-------------------|-------------------------|---------------------------------|
|  | Audited outcome |         |         |         | Revised estimate  |                         |                                 | Medium-term expenditure estimate |         |                   |                         |                                 |
| R million  | 2021/22         | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 |                         | 2025/26                         | 2026/27                          | 2027/28 | 2024/25 - 2027/28 |                         |                                 |
| Net cash flow from investing activities                                    | (2.1)           | (0.1)   | (0.3)   | (1.9)   | -3.2%             | 100.0%                  | (2.5)                           | (2.7)                            | (2.8)   | 14.0%             | 100.0%                  |                                 |
| Acquisition of property, plant, equipment and intangible assets            | (2.1)           | (0.1)   | (0.3)   | (1.9)   | -3.2%             | 101.1%                  | (2.5)                           | (2.7)                            | (2.8)   | 14.0%             | 100.0%                  |                                 |
| Proceeds from the sale of property, plant, equipment and intangible assets | –               | –       | 0.0     | –       | –                 | -1.1%                   | –                               | –                                | –       | –                 | –                       |                                 |
| Net cash flow from financing activities                                    | (0.3)           | (0.1)   | (0.5)   | (0.7)   | 37.8%             | 100.0%                  | (0.9)                           | (1.1)                            | (1.4)   | 23.8%             | 100.0%                  |                                 |
| Borrowing activities   | (0.3)           | (0.1)   | (0.5)   | (0.7)   | 37.8%             | 100.0%                  | (0.9)                           | (1.1)                            | (1.4)   | 23.8%             | 100.0%                  |                                 |
| Net increase/(decrease) in cash and cash equivalents                       | 61.1            | 12.6    | 69.0    | 2.4     | -66.1%            | 4.1%                    | 5.7                             | 5.7                              | 5.5     | 32.4%             | 100.0%                  |                                 |
| Statement of financial position  |                 |         |         |         |                   |                         |                                 |                                  |         |                   |                         |                                 |
| Carrying value of assets   | 13.1            | 11.8    | 10.6    | 13.0    | -0.3%             | 8.3%                    | 15.5                            | 18.2                             | 19.0    | 13.5%             | 9.4%                    |                                 |
| of which:  |                 |         |         |         |                   |                         |                                 |                                  |         |                   |                         |                                 |
| Acquisition of assets  | (2.1)           | (0.1)   | (0.3)   | (1.9)   | -3.2%             | 100.0%                  | (2.5)                           | (2.7)                            | (2.8)   | 14.0%             | 100.0%                  |                                 |
| Inventory  | –               | 15.5    | 0.8     | 6.0     | –                 | 3.7%                    | 11.0                            | 8.6                              | 9.0     | 14.7%             | 4.9%                    |                                 |
| Receivables and prepayments  | 0.4             | 0.7     | 3.3     | 6.8     | 152.3%            | 1.8%                    | 8.8                             | 13.8                             | 14.5    | 28.4%             | 6.2%                    |                                 |
| Cash and cash equivalents  | 101.0           | 113.5   | 182.5   | 125.1   | 7.4%              | 85.0%                   | 135.7                           | 143.1                            | 149.6   | 6.1%              | 79.5%                   |                                 |
| Taxation   | 0.3             | 6.8     | 0.3     | –       | -100.0%           | 1.2%                    | –                               | –                                | –       | –                 | –                       |                                 |
| Total assets   | 114.8           | 148.2   | 197.5   | 150.9   | 9.6%              | 100.0%                  | 171.0                           | 183.7                            | 192.0   | 8.4%              | 100.0%                  |                                 |
| Accumulated surplus/(deficit)  | 95.2            | 132.8   | 122.5   | 133.7   | 12.0%             | 80.8%                   | 156.0                           | 171.3                            | 179.0   | 10.2%             | 91.6%                   |                                 |
| Finance lease  | 11.5            | 11.0    | 10.3    | 9.5     | -6.1%             | 7.2%                    | 9.0                             | 8.4                              | 8.8     | -2.7%             | 5.2%                    |                                 |
| Trade and other payables   | 7.2             | 3.2     | 63.1    | 7.1     | -0.5%             | 11.3%                   | 5.6                             | 3.6                              | 3.7     | -19.2%            | 3.0%                    |                                 |
| Taxation   | –               | –       | 0.2     | –       | –                 | –                       | –                               | –                                | –       | –                 | –                       |                                 |
| Provisions   | 0.9             | 1.2     | 1.4     | –       | -100.0%           | 0.6%                    | –                               | –                                | –       | –                 | –                       |                                 |
| Derivatives financial instruments  | –               | –       | –       | 0.6     | –                 | 0.1%                    | 0.5                             | 0.5                              | 0.5     | -2.2%             | 0.3%                    |                                 |
| Total equity and liabilities   | 114.8           | 148.2   | 197.5   | 150.9   | 9.6%              | 100.0%                  | 171.0                           | 183.7                            | 192.0   | 8.4%              | 100.0%                  |                                 |

## Personnel information

**Table 34.36 State Diamond Trader personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2025 |   |         | Number and cost <sup>1</sup> 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 | Actual  |  |           | Revised estimate |        |           | Medium-term expenditure estimate |        |           |           |        |           |           |        |                   |  |                                  |
|   |   | 2023/24 |  |           | 2024/25          |        |           | 2025/26                          |        |           | 2026/27   |        |           | 2027/28   |        | 2024/25 - 2027/28 |  |                                  |
|   |   | Number  | Cost   | Unit cost | Number           | Cost   | Unit cost | Number                           | Cost   | Unit cost | Number    | Cost   | Unit cost | Number    | Cost   | Unit cost         |  |                                  |
| State Diamond Trader                        |   |         | Number   | Cost      | Unit cost        | Number | Cost      | Unit cost                        | Number | Cost      | Unit cost | Number | Cost      | Unit cost | Number | Cost              | Unit cost                                  |                                  |
| Salary level                                | 18  | 18      | 18   | 17.3      | 1.0              | 18     | 20.0      | 1.1                              | 18     | 24.2      | 1.3       | 18     | 26.0      | 1.4       | 18     | 27.2              | 1.5  | – 100.0%                         |
| 1 – 6                                       | 1   | 1       | 1  | 0.7       | 0.7              | 1      | 1.1       | 1.1                              | 1      | 1.6       | 1.6       | 1      | 1.8       | 1.8       | 1      | 1.8               | 1.8  | – 5.6%                           |
| 7 – 10                                      | 6   | 6       | 6  | 3.2       | 0.5              | 6      | 3.9       | 0.6                              | 6      | 5.0       | 0.8       | 6      | 5.6       | 0.9       | 6      | 6.0               | 1.0  | – 33.3%                          |
| 11 – 12                                     | 6   | 6       | 6  | 5.1       | 0.8              | 6      | 5.9       | 1.0                              | 6      | 7.2       | 1.2       | 6      | 7.8       | 1.3       | 6      | 8.2               | 1.4  | – 33.3%                          |
| 13 – 16                                     | 4   | 4       | 4  | 5.9       | 1.5              | 4      | 6.4       | 1.6                              | 4      | 7.5       | 1.9       | 4      | 7.9       | 2.0       | 4      | 8.1               | 2.0  | – 22.2%                          |
| 17 – 22                                     | 1   | 1       | 1  | 2.5       | 2.5              | 1      | 2.6       | 2.6                              | 1      | 2.9       | 2.9       | 1      | 3.0       | 3.0       | 1      | 3.1               | 3.1  | – 5.6%                           |

1. Rand million.

