

Vote 6

International Relations and Cooperation

Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 888 651	6 838 651	–	950 000
<i>of which:</i>				
Current payments	5 084 842	5 763 968	–	679 126
Transfers and subsidies	522 673	795 144	–	272 471
Payments for capital assets	281 136	279 539	(1 597)	–
Executive authority	Minister of International Relations and Cooperation			
Accounting officer	Director-General of International Relations and Cooperation			
Website address	www.dirco.gov.za			

Vote purpose

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

Mid-year performance status

	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of tourism promotional events hosted per year	International Relations	Outcome 11: Create a better South Africa, a better Africa and a better world	67	5	–
Number of structured bilateral mechanisms to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations		34	10	–
Number of high level engagements coordinated to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations		58	11	–
Number of economic diplomacy activities to attract investment, tourism and the development of cooperation per year:	International Relations				
- Trade and investment seminars			112	23	–
- Engagements with chambers of commerce			125	20	–
Number of bilateral meetings held with targeted government ministries and high level potential investors per year	International Relations		150	76	–
Number of AU structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent per year	International Cooperation		3	0	–
Number of NEPAD summits, working group meetings and processes supported with substance and logistics to enhance socioeconomic development on the continent per year	International Cooperation	2	0	–	

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of SADC structures and processes supported with substance and logistics to promote peace and stability, socioeconomic development, good governance, democracy and regional integration per year	International Cooperation	Outcome 11: Create a better South Africa, a better Africa and a better world	11	2	-
Number of multilateral structures and processes engaged in to enhance the responsiveness of the multilateral system to South Africa's needs and the needs of developing countries per year	International Cooperation		21	3	-
Percentage of requests for protocol services responded to per year	Public Diplomacy and Protocol Services		100%	100% (6858)	-
Percentage of requests for public diplomacy services responded to per year	Public Diplomacy and Protocol Services		100%	100% (47)	-

Mid-year progress

The department is on track to meet all its annual targets.

In the first six months of 2016/17, the department concluded 10 structured bilateral mechanisms to promote national priorities against the target of 34 planned for the year. The department has also achieved 11 high level visits of the targeted 58 for 2016/17.

In the first six months of 2016/17, the department continued to advance national priorities through high level visits and structured bilateral engagements. In July 2016, the department provided inputs when AU heads of state and ministers of finance convened in Rwanda to discuss alternative financing mechanisms, and adopted the decision to implement a 0.2 per cent levy on eligible imports to be instituted in 2017 by all member states to finance the union.

South Africa also hosted the 17th Conference of Parties to the Convention on the International Trade in Endangered Species (CITES-COP17), which addressed a range of issues pertaining to the legal and sustainable wildlife trade and measures to tackle illicit wildlife trafficking.

South Africa continues to engage in multilateral structures of engagement such as the G20 Leaders' Summit, the United Nations General Assembly and the Forum on China-Africa Cooperation in support of national and continental imperatives of socioeconomic and political development, and also supports reforms to the global system of governance.

Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	1 458 674	-	-	-	-	-	-	1 458 674
International Relations	3 083 079	-	677 129	64 940	-	-	742 069	3 825 148
International Cooperation	579 280	-	-	(64 940)	-	-	(64 940)	514 340
Public Diplomacy and Protocol Services	252 080	-	-	-	-	-	-	252 080
International Transfers	515 538	-	272 871	-	-	-	272 871	788 409
Total	5 888 651	-	950 000	-	-	-	950 000	6 838 651

Economic classification	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Current payments	5 084 842	–	677 129	1 997	–	–	679 126	5 763 968
Compensation of employees	2 767 354	–	304 018	–	–	–	304 018	3 071 372
Goods and services	2 265 234	–	373 111	1 997	–	–	375 108	2 640 342
Interest and rent on land	52 254	–	–	–	–	–	–	52 254
Transfers and subsidies	522 673	–	272 871	(400)	–	–	272 471	795 144
Departmental agencies and accounts	8 831	–	–	–	–	–	–	8 831
Foreign governments and international organisations	506 707	–	272 871	–	–	–	272 871	779 578
Households	7 135	–	–	(400)	–	–	(400)	6 735
Payments for capital assets	281 136	–	–	(1 597)	–	–	(1 597)	279 539
Buildings and other fixed structures	249 922	–	–	(1 247)	–	–	(1 247)	248 675
Machinery and equipment	31 214	–	–	(350)	–	–	(350)	30 864
Total	5 888 651	–	950 000	–	–	–	950 000	6 838 651

Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	6 859	–	–	–	–	–	–	6 859
Departmental Management	16 606	–	–	–	–	–	–	16 606
Audit Services	20 431	–	–	(1 400)	–	–	(1 400)	19 031
Financial Management	134 273	–	–	12 100	–	–	12 100	146 373
Corporate Services	653 173	–	–	(10 700)	–	–	(10 700)	642 473
Diplomatic Training, Research and Development	72 709	–	–	–	–	–	–	72 709
Foreign Fixed Assets Management	235 701	–	–	–	–	–	–	235 701
Office Accommodation	318 922	–	–	–	–	–	–	318 922
Total	1 458 674	–	–	–	–	–	–	1 458 674
Economic classification								
Current payments	1 193 306	–	–	–	–	–	–	1 193 306
Compensation of employees	401 780	–	–	–	–	–	–	401 780
Goods and services	739 272	–	–	–	–	–	–	739 272
Interest and rent on land	52 254	–	–	–	–	–	–	52 254
Transfers and subsidies	1 404	–	–	–	–	–	–	1 404
Households	1 404	–	–	–	–	–	–	1 404
Payments for capital assets	263 964	–	–	–	–	–	–	263 964
Buildings and other fixed structures	248 675	–	–	–	–	–	–	248 675
Machinery and equipment	15 289	–	–	–	–	–	–	15 289
Total	1 458 674	–	–	–	–	–	–	1 458 674

Programme 2: International Relations

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Africa	957 366	–	198 518	33 940	–	–	232 458	1 189 824
Asia and Middle East	768 902	–	227 611	19 000	–	–	246 611	1 015 513
Americas and Caribbean	525 677	–	109 000	–	–	–	109 000	634 677
Europe	831 134	–	142 000	12 000	–	–	154 000	985 134
Total	3 083 079	–	677 129	64 940	–	–	742 069	3 825 148

Programme 2: International Relations (continued)

Economic classification	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Current payments	3 063 800	–	677 129	66 587	–	–	743 716	3 807 516	
Compensation of employees	1 834 429	–	304 018	41 400	–	–	345 418	2 179 847	
Goods and services	1 229 371	–	373 111	25 187	–	–	398 298	1 627 669	
Transfers and subsidies	4 833	–	–	(400)	–	–	(400)	4 433	
Households	4 833	–	–	(400)	–	–	(400)	4 433	
Payments for capital assets	14 446	–	–	(1 247)	–	–	(1 247)	13 199	
Buildings and other fixed structures	1 247	–	–	(1 247)	–	–	(1 247)	–	
Machinery and equipment	13 199	–	–	–	–	–	–	13 199	
Total	3 083 079	–	677 129	64 940	–	–	742 069	3 825 148	

Programme 3: International Cooperation

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Global System of Governance	310 020	–	–	(13 924)	–	–	(13 924)	296 096	
Continental Cooperation	184 288	–	–	(50 940)	–	–	(50 940)	133 348	
South-South Cooperation	6 405	–	–	–	–	–	–	6 405	
North-South Dialogue	78 567	–	–	(76)	–	–	(76)	78 491	
Total	579 280	–	–	(64 940)	–	–	(64 940)	514 340	
Economic classification									
Current payments	577 052	–	–	(64 940)	–	–	(64 940)	512 112	
Compensation of employees	384 632	–	–	(41 400)	–	–	(41 400)	343 232	
Goods and services	192 420	–	–	(23 540)	–	–	(23 540)	168 880	
Transfers and subsidies	517	–	–	–	–	–	–	517	
Households	517	–	–	–	–	–	–	517	
Payments for capital assets	1 711	–	–	–	–	–	–	1 711	
Machinery and equipment	1 711	–	–	–	–	–	–	1 711	
Total	579 280	–	–	(64 940)	–	–	(64 940)	514 340	

Programme 4: Public Diplomacy and Protocol Services

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Public Diplomacy	70 560	–	–	–	–	–	–	70 560	
Protocol Services	181 520	–	–	–	–	–	–	181 520	
Total	252 080	–	–	–	–	–	–	252 080	
Economic classification									
Current payments	250 684	–	–	350	–	–	350	251 034	
Compensation of employees	146 513	–	–	–	–	–	–	146 513	
Goods and services	104 171	–	–	350	–	–	350	104 521	
Transfers and subsidies	381	–	–	–	–	–	–	381	
Households	381	–	–	–	–	–	–	381	
Payments for capital assets	1 015	–	–	(350)	–	–	(350)	665	
Machinery and equipment	1 015	–	–	(350)	–	–	(350)	665	
Total	252 080	–	–	–	–	–	–	252 080	

Programme 5: International Transfers

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Departmental agencies	8 831	-	-	-	-	-	-	8 831
Membership contribution	506 707	-	272 871	-	-	-	272 871	779 578
Total	515 538	-	272 871	-	-	-	272 871	788 409
Economic classification								
Transfers and subsidies	515 538	-	272 871	-	-	-	272 871	788 409
Departmental agencies and accounts	8 831	-	-	-	-	-	-	8 831
Foreign governments and international organisations	506 707	-	272 871	-	-	-	272 871	779 578
Total	515 538	-	272 871	-	-	-	272 871	788 409

Details of adjustments to the Estimates of National Expenditure 2016**Unforeseeable and unavoidable expenditure – R950 million**

R950 million has been allocated for unforeseeable and unavoidable expenditure for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed.

Programme 2: International Relations

R677.129 million mainly for accommodation leases, foreign allowances, education allowances, foreign municipality costs and special travel allowances. Expenditure under these items represents the bulk of missions' budgets.

Programme 5: International Transfers

R272.871 million for membership fee contributions made to international organisations.

Virements and shifts within votes

Programmes					
1. Administration					
2. International Relations					
3. International Cooperation					
4. Public Diplomacy and Protocol Services					
5. International Transfers					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(1 647)	Programme 2		1 647
Buildings and other fixed structures	Reallocation of funds due to rescheduled or deferred capital projects ¹	(1 247)	Goods and services	Operating payments	1 247
Households	Reclassification of funds due to an incorrect classification in the 2016 ENE	(400)	Goods and services	Reclassification of funds due to an incorrect classification in the 2016 ENE	400
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(64 940)	Programme 2		64 940
Compensation of employees	Vacant posts	(41 400)	Compensation of employees	Foreign missions	41 400
Goods and services	Cost containment measures effected on operating leases, travel and subsistence, and operating payments	(23 540)	Goods and services	Operating leases and operating payments	23 540
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		11.2% ¹			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(350)	Programme 4		350
Machinery and equipment	Reallocation of funds due to rescheduled or deferred capital projects ¹	(350)	Goods and services	Venues, facilities and consumable supplies	350
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(66 937)	66 937		

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	1 381 600	588 438	42.6	1 381 471	100.0	1 458 674	21.3	618 379	42.4	
International Relations	3 506 175	1 618 268	46.2	3 640 379	103.8	3 825 148	55.9	1 961 087	51.3	
International Cooperation	525 201	243 858	46.4	523 051	99.6	514 340	7.5	231 380	45.0	
Public Diplomacy and Protocol Services	363 557	168 967	46.5	333 222	91.7	252 080	3.7	120 565	47.8	
International Transfers	734 321	138 936	18.9	766 641	104.4	788 409	11.5	221 523	28.1	
Total	6 510 854	2 758 467	42.4	6 644 764	102.1	6 838 651	100.0	3 152 934	46.1	
Economic classification										
Current payments	5 561 292	2 557 921	46.0	5 614 055	100.9	5 763 968	84.3	2 857 109	49.6	
Compensation of employees	2 980 731	1 361 249	45.7	3 083 741	103.5	3 071 372	44.9	1 535 800	50.0	
Goods and services	2 531 358	1 173 651	46.4	2 474 936	97.8	2 640 342	38.6	1 292 859	49.0	
Interest and rent on land	49 203	23 021	46.8	55 378	112.6	52 254	0.8	28 450	54.4	
Transfers and subsidies	740 277	141 120	19.1	772 538	104.4	795 144	11.6	224 948	28.3	
Departmental agencies and accounts	154 037	–	–	145 637	94.5	8 831	0.1	31	0.4	
Foreign governments and international organisations	580 284	138 935	23.9	621 004	107.0	779 578	11.4	221 492	28.4	
Households	5 956	2 185	36.7	5 897	99.0	6 735	0.1	3 425	50.9	
Payments for capital assets	209 285	59 426	28.4	240 849	115.1	279 539	4.1	70 877	25.4	
Buildings and other fixed structures	153 431	52 504	34.2	130 236	84.9	248 675	3.6	57 410	23.1	
Machinery and equipment	55 854	6 922	12.4	109 883	196.7	30 864	0.5	13 467	43.6	
Software and other intangible assets	–	–	–	730	–	–	–	–	–	
Payments for financial assets	–	–	–	17 322	–	–	–	–	–	
Total	6 510 854	2 758 467	42.4	6 644 764	102.1	6 838 651	100.0	3 152 934	46.1	

Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 102.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R3.2 billion or 46.1 per cent of the adjusted appropriation of R6.8 billion for the year. In comparison, mid-year expenditure in 2015/16 was R2.8 billion, or 42.4 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R394.5 million, or 14.3 per cent. The increase was mainly due to foreign exchange fluctuations and to accommodate increased transfer payments to the African Union (AU) and the Southern African Development Community (SADC).

Departmental receipts

R thousand	2015/16					2016/17					
	Adjusted estimate	Audited outcome		Actual receipts			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Apr 16 - Sep 16					
Departmental receipts	41 846	13 928	33.3	34 884	83.4	42 740	24 340	100.0	19 354	79.5	
Sales of goods and services produced by department	2 114	845	40.0	1 013	47.9	1 534	853	3.5	667	78.2	
Transfers received	244	244	100.0	–	–	–	–	–	–	–	
Interest, dividends and rent on land	2 506	1 384	55.2	1 740	69.4	1 145	532	2.2	384	72.2	
Sales of capital assets	2 061	1 311	63.6	5 807	281.8	3 185	3 200	13.1	2 617	81.8	
Transactions in financial assets and liabilities	34 921	10 144	29.0	26 324	75.4	36 876	19 755	81.2	15 686	79.4	
Total	41 846	13 928	33.3	34 884	83.4	42 740	24 340	100.0	19 354	79.5	

Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R19.4 million, or 79.5 per cent of the adjusted revenue estimate of R24.3 million for the year. In comparison, mid-year revenue in 2015/16 was R13.9 million, or 33.3 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R5.4 million, or 39 per cent. This was mainly due to VAT refunds on exempted goods and services in foreign missions.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2016/17							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
International Relations									
Households									
Social benefits									
Current	4 833	–	–	(400)	–	–	(400)		4 433
Employee social benefits	4 833	–	–	(400)	–	–	(400)		4 433
International Transfers									
Foreign governments and international organisations									
Current	450 504	–	272 871	–	–	–	272 871		723 375
African Union	168 707	–	80 501	–	–	–	80 501		249 208
India-Brazil-South Africa Trust Fund	9 923	–	17 009	–	–	–	17 009		26 932
New Partnership for Africa's Development	8 757	–	–	(1 403)	–	–	(1 403)		7 354
African, Caribbean and Pacific Group of States	4 610	–	–	(255)	–	–	(255)		4 355
Commonwealth of Nations	10 973	–	20 040	–	–	–	20 040		31 013
South African Development Community	53 044	–	60 120	–	–	–	60 120		113 164
United Nations	154 090	–	95 201	42 058	–	–	137 259		291 349
African Union Commission	40 400	–	–	(40 400)	–	–	(40 400)		–

