

Vote 30

Communications and Digital Technologies

Adjusted budget summary

R thousand	Appropriation	2022/23 Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	2 717 182	–	200 000	2 917 182
<i>of which:</i>				
Current payments	743 279	–	200 000	943 279
Transfers and subsidies	1 960 420	–	–	1 960 420
Payments for capital assets	13 483	–	–	13 483
Executive authority	Minister of Communications and Digital Technologies			
Accounting officer	Director-General of Communications and Digital Technologies			
Website	www.dtps.gov.za			

Vote purpose

Create an enabling environment for inclusive growth in the ICT sector by developing policies and legislation that promote infrastructure investment and socioeconomic development.

Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2022/23	Achieved in the first half of 2022/23 (April to September)	Changed target for 2022/23
Number of approved country position papers to support the digital economy per year	International Relations and Affairs		3	3	–
Number of quarterly state-owned enterprise performance reports analysed per year	ICT Enterprise Development and Public Entities Oversight	Departmental mandate	36	18	–
Number of broadband connections to government facilities sustained per year	ICT Infrastructure Development and Support	Priority 2: Economic transformation and job creation	970	938	–

Adjusted estimates

Programme	R thousand	Appropriation	2022/23 Adjustments appropriation							Adjusted appropriation
			Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget			Total adjustments appropriation	
						Declared unspent funds	Other adjustments ¹			
Administration	271 043	–	–	3 400	–	–	–	3 400	274 443	
ICT International Relations and Affairs	63 395	–	–	–	–	–	–	–	63 395	
ICT Policy Development and Research	53 736	–	–	(9 400)	–	–	–	(9 400)	44 336	
ICT Enterprise and Public Entity Oversight	1 903 513	–	–	–	–	–	–	–	1 903 513	
ICT Infrastructure Development and Support	343 031	200 000	–	–	–	–	–	200 000	543 031	
ICT Information Society and Capacity Development	82 464	–	–	6 000	–	–	–	6 000	88 464	
Total	2 717 182	200 000	–	–	–	–	–	200 000	2 917 182	

Adjusted estimates (continued)

Economic classification	2022/23								Adjusted appropriation
	Appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments ¹		
R thousand									
Current payments	743 279	200 000						200 000	943 279
Compensation of employees	302 941								302 941
Goods and services	440 338	200 000						200 000	640 338
Transfers and subsidies	1 960 420								1 960 420
Provinces and municipalities	26								26
Departmental agencies and accounts	1 186 638								1 186 638
Foreign governments and international organisations	38 401								38 401
Public corporations and private enterprises	735 355								735 355
Payments for capital assets	13 483								13 483
Machinery and equipment	5 264								5 264
Software and other intangible assets	8 219								8 219
Total	2 717 182	200 000						200 000	2 917 182

1. Other adjustments include funds shifted within a vote following a function shift, funds shifted between votes, adjustments due to significant and unforeseeable economic and financial events, self-financing expenditure, and the use of funds in terms of section 16 of the Public Finance Management Act (1999).

Programme 1: Administration

Subprogramme	2022/23								Adjusted appropriation
	Appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
Ministry	4 500								4 500
Departmental Management	65 880								65 880
Internal Audit	8 446								8 446
Corporate Services	96 280			2 750				2 750	99 030
Financial Management	62 570			650				650	63 220
Office Accommodation	33 367								33 367
Total	271 043			3 400				3 400	274 443
Economic classification									
Current payments	259 988			3 400				3 400	263 388
Compensation of employees	141 599								141 599
Goods and services	118 389			3 400				3 400	121 789
Transfers and subsidies	26								26
Provinces and municipalities	26								26
Payments for capital assets	11 029								11 029
Machinery and equipment	2 810								2 810
Software and other intangible assets	8 219								8 219
Total	271 043			3 400				3 400	274 443

Programme 2: ICT International Relations and Affairs

Subprogramme		2022/23							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
Programme	2 953	–	–	–	–	–	–	–	2 953	
Management for International Relations and Affairs										
International Affairs	12 868	–	–	–	–	–	–	–	12 868	
ICT Trade/Partnership	47 574	–	–	–	–	–	–	–	47 574	
Total	63 395	–	–	–	–	–	–	–	63 395	
Economic classification										
Current payments	24 596	–	–	–	–	–	–	–	24 596	
Compensation of employees	17 363	–	–	–	–	–	–	–	17 363	
Goods and services	7 233	–	–	–	–	–	–	–	7 233	
Transfers and subsidies	38 401	–	–	–	–	–	–	–	38 401	
Foreign governments and international organisations	38 401	–	–	–	–	–	–	–	38 401	
Payments for capital assets	398	–	–	–	–	–	–	–	398	
Machinery and equipment	398	–	–	–	–	–	–	–	398	
Total	63 395	–	–	–	–	–	–	–	63 395	

Programme 3: ICT Policy Development and Research

Subprogramme		2022/23							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
Programme	2 765	–	–	(282)	–	–	–	(282)	2 483	
Management for ICT Policy Development and Research										
ICT Policy Development	11 474	–	–	(600)	–	–	–	(600)	10 874	
Economic and Market Analysis	6 278	–	–	(317)	–	–	–	(317)	5 961	
Research	7 567	–	–	(497)	–	–	–	(497)	7 070	
Small, Medium and Micro Enterprise	2 064	–	–	(804)	–	–	–	(804)	1 260	
Broadcasting Policy	9 426	–	–	(900)	–	–	–	(900)	8 526	
Presidential	14 162	–	–	(6 000)	–	–	–	(6 000)	8 162	
Commission on 4IR										
Total	53 736	–	–	(9 400)	–	–	–	(9 400)	44 336	
Economic classification										
Current payments	53 386	–	–	(9 400)	–	–	–	(9 400)	43 986	
Compensation of employees	30 470	–	–	–	–	–	–	–	30 470	
Goods and services	22 916	–	–	(9 400)	–	–	–	(9 400)	13 516	
Payments for capital assets	350	–	–	–	–	–	–	–	350	
Machinery and equipment	350	–	–	–	–	–	–	–	350	
Total	53 736	–	–	(9 400)	–	–	–	(9 400)	44 336	

Programme 4: ICT Enterprise and Public Entity Oversight

Subprogramme		2022/23									
		Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation	
R thousand	Appropriation	Special appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
Programme Management for ICT Enterprise and Public Entity Oversight	4 278	-	-	-	-	-	-	-	-	-	4 278
Regulatory Institutions	880 690	-	-	-	-	-	-	-	-	-	880 690
Universal Service and Access	909 182	-	-	-	-	-	-	-	-	-	909 182
ICT Skills Development	102 121	-	-	-	-	-	-	-	-	-	102 121
State Owned Enterprise Governance and Support	7 242	-	-	-	-	-	-	-	-	-	7 242
Total	1 903 513	-	-	-	-	-	-	-	-	-	1 903 513
Economic classification											
Current payments	40 616	-	-	-	-	-	-	-	-	-	40 616
Compensation of employees	28 300	-	-	-	-	-	-	-	-	-	28 300
Goods and services	12 316	-	-	-	-	-	-	-	-	-	12 316
Transfers and subsidies	1 862 587	-	-	-	-	-	-	-	-	-	1 862 587
Departmental agencies and accounts	1 127 232	-	-	-	-	-	-	-	-	-	1 127 232
Public corporations and private enterprises	735 355	-	-	-	-	-	-	-	-	-	735 355
Payments for capital assets	310	-	-	-	-	-	-	-	-	-	310
Machinery and equipment	310	-	-	-	-	-	-	-	-	-	310
Total	1 903 513	-	-	-	-	-	-	-	-	-	1 903 513

Programme 5: ICT Infrastructure Development and Support

Subprogramme		2022/23									
		Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation	
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments				
Programme Management for ICT Infrastructure Development and Support	2 882	-	-	-	-	-	-	-	-	-	2 882
Broadband	239 831	200 000	-	-	-	-	-	-	-	200 000	439 831
ICT Support	11 575	-	-	-	-	-	-	-	-	-	11 575
Broadcasting Digital Migration	88 743	-	-	-	-	-	-	-	-	-	88 743
Total	343 031	200 000	-	-	-	-	-	-	-	200 000	543 031

Programme 5: ICT Infrastructure Development and Support (continued)

Economic classification		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments	
Current payments	282 609	200 000	–	–	–	–	–	200 000	482 609
Compensation of employees	39 048	–	–	–	–	–	–	–	39 048
Goods and services	243 561	200 000	–	–	–	–	–	200 000	443 561
Transfers and subsidies	59 406	–	–	–	–	–	–	–	59 406
Departmental agencies and accounts	59 406	–	–	–	–	–	–	–	59 406
Payments for capital assets	1 016	–	–	–	–	–	–	–	1 016
Machinery and equipment	1 016	–	–	–	–	–	–	–	1 016
Total	343 031	200 000	–	–	–	–	–	200 000	543 031

Programme 6: ICT Information Society and Capacity Development

Subprogramme		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments	
Programme Management for ICT Information Society and Capacity Development	2 851	–	–	–	–	–	–	–	2 851
Information Society Development	69 601	–	–	6 000	–	–	–	6 000	75 601
Capacity Development	10 012	–	–	–	–	–	–	–	10 012
Total	82 464	–	–	6 000	–	–	–	6 000	88 464
Economic classification									
Current payments	82 084	–	–	6 000	–	–	–	6 000	88 084
Compensation of employees	46 161	–	–	–	–	–	–	–	46 161
Goods and services	35 923	–	–	6 000	–	–	–	6 000	41 923
Payments for capital assets	380	–	–	–	–	–	–	–	380
Machinery and equipment	380	–	–	–	–	–	–	–	380
Total	82 464	–	–	6 000	–	–	–	6 000	88 464

Details of adjustments to the 2022 Estimates of National Expenditure**Roll-overs – R200 million**

Programme 5: ICT Infrastructure Development and Support

R200 million is rolled over for phase 2 of the presidential employment initiative to the Broadband Access Fund, which will enable 13 million households to access broadband internet at an affordable rate and competitive speed.

Virements and shifts within the vote

Programmes

1. Administration
2. ICT International Relations and Affairs
3. ICT Policy Development and Research
4. ICT Enterprise and Public Entity Oversight
5. ICT Infrastructure Development and Support
6. ICT Information Society and Capacity Development

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(9 400)	Programme 1		3 400
Goods and services	Travel and subsistence	(650)	Goods and services	Security services	650
	Travel and subsistence	(650)	Goods and services	Implementation of the digitisation project	650
	Travel and subsistence	(1 500)	Goods and services	Advertising	1 500
	Business and advisory services, consultants	(600)	Goods and services	Implementation of the digitisation project	600
Goods and services	Travel and subsistence ¹	(500)	Programme 6		6 000
	Business and advisory services, consultants ¹	(5 500)	Goods and services	Establishment of artificial intelligence hubs ¹	500
			Goods and services	Establishment of artificial intelligence hubs ¹	5 500
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		17.5%			
Total		(9 400)	9 400		

1. Only Parliament may approve this virement.

Expenditure outcome for 2021/22 and mid-year expenditure for 2022/23

Programme	2021/22						2022/23			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure		
		Apr 21 - Sep 21	% of adjusted appropriation	Apr 21 - Mar 22	% of adjusted appropriation			Apr 22 - Sep 22	% of adjusted appropriation	
R thousand										
Administration	272 974	111 954	41.0	228 371	83.7	274 443	9.4	108 105	39.4	
ICT International Relations and Affairs	56 499	43 154	76.4	54 565	96.6	63 395	2.2	48 426	76.4	
ICT Policy Development and Research	51 173	14 351	28.0	29 586	57.8	44 336	1.5	16 060	36.2	
ICT Enterprise and Public Entity Oversight	1 663 539	781 186	47.0	1 678 860	100.9	1 903 513	65.3	1 231 436	64.7	
ICT Infrastructure Development and Support	1 760 443	470 367	26.7	1 512 955	85.9	543 031	18.6	185 130	34.1	
ICT Information Society and Capacity Development	79 828	23 931	30.0	65 127	81.6	88 464	3.0	32 259	36.5	
Total	3 884 456	444 943	37.2	3 569 464	91.9	2 917 182	100.0	1 621 416	55.6	

Expenditure outcome for 2021/22 and mid-year expenditure for 2022/23 (continued)

Economic classification	2021/22					2022/23			
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure			
		Apr 21 - Sep 21	Apr 21 - Sep 21 % of adjusted appropriation	Apr 21 - Mar 22		Apr 21 - Mar 22 % of adjusted appropriation	Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted appropriation	
R thousand									
Current payments	908 461	213 825	23.5	582 288	64.1	943 279	32.3	332 684	35.3
Compensation of employees	295 831	133 554	45.1	271 487	91.8	302 941	10.4	127 937	42.2
Goods and services	612 630	80 271	13.1	310 801	50.7	640 338	22.0	204 747	32.0
Transfers and subsidies	2 953 189	1 229 007	41.6	2 978 399	100.9	1 960 420	67.2	1 286 124	65.6
Provinces and municipalities	125	2	1.6	16	12.8	26	0.0	9	34.6
Departmental agencies and accounts	2 022 181	716 974	35.5	2 022 181	100.0	1 186 638	40.7	592 456	49.9
Foreign governments and international organisations	32 254	31 972	99.1	32 049	99.4	38 401	1.3	34 596	90.1
Public corporations and private enterprises	898 629	479 107	53.3	922 116	102.6	735 355	25.2	657 212	89.4
Households	–	952	–	2 037	–	–	–	1 851	–
Payments for capital assets	22 806	2 111	9.3	8 716	38.2	13 483	0.5	2 459	18.2
Machinery and equipment	12 613	149	1.2	5 960	47.3	5 264	0.2	1 817	34.5
Software and other intangible assets	10 193	1 962	19.2	2 756	27.0	8 219	0.3	642	7.8
Payments for financial assets	–	–	–	61	–	–	–	149	–
Total	3 884 456	1 444 943	37.2	3 569 464	91.9	2 917 182	100.0	1 621 416	55.6

Expenditure trends

Total expenditure in 2021/22 was R3.6 billion, 91.9 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2021/22 was R1.4 billion, 37.2 per cent of the adjusted appropriation, whereas expenditure in the first half of 2022/23 was R1.6 billion, 55.6 per cent of the adjusted appropriation of R2.9 billion. Compared to the first half of 2021/22, expenditure over the same period in 2022/23 increased by R176.5 million, 12.2 per cent. This was mainly due to the department transferring the entire appropriation for the South African Post Office in the first half of the financial year, whereas transfers were made throughout 2021/22.

Departmental receipts

Economic classification	2021/22					2022/23				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 21 - Sep 21	Apr 21 - Sep 21 % of adjusted estimate	Apr 21 - Mar 22				Apr 21 - Mar 22 % of adjusted estimate	Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted estimate
R thousand										
Departmental receipts	1 161	777	66.9	1 499	129.1	114 837	5 744	100.0	5 577	97.1
Sales of goods and services produced by department	54	35	64.8	71	131.5	120	62	1.1	35	56.5
Interest, dividends and rent on land	832	535	64.3	1 008	121.2	114 552	5 482	95.4	5 365	97.9
Sales of capital assets	200	169	84.5	175	87.5	15	–	–	–	–
Transactions in financial assets and liabilities	75	38	50.7	245	326.7	150	200	3.5	177	88.5
Total	1 161	777	66.9	1 499	129.1	114 837	5 744	100.0	5 577	97.1

Revenue trends

Mid-year revenue in 2021/22 was R777 000, 66.9 per cent of the adjusted estimate, whereas revenue for the first half of 2022/23 was R5.6 million, 97.1 per cent of the adjusted estimate of R5.7 million. Compared to the first half of 2021/22, revenue over the same period in 2022/23 increased by R4.8 million, 617.8 per cent. This was mainly due to the accrued interest received from the South African Broadcasting Corporation for the period 2018/19 to 2022/23.