



2019
BUDGET
ESTIMATES OF
NATIONAL EXPENDITURE

VOTE
26
ENERGY



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2019

National Treasury

Republic of South Africa



ISBN: 978-0-621-47021-5

RP: 17/2019

The 2019 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, www.vulekamali.gov.za, continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



Dondo Mogajane
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2019 MTEF period is from 2019/20 to 2021/22.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives set out the institution's purpose (and that of its programmes), its mandate and programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2019 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2019 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Energy

National Treasury

Republic of South Africa



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Vote 26

Energy

Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	308.3	301.8	1.7	4.8	327.0	344.6
Energy Policy and Planning	54.7	54.7	–	–	57.7	60.8
Petroleum and Petroleum Products Regulation	91.3	88.2	3.0	–	96.4	104.3
Electrification and Energy Programme and Project Management	5 531.8	81.5	5 450.3	–	5 350.6	6 270.0
Nuclear Energy	1 045.9	41.3	1 004.6	–	1 102.7	1 163.7
Clean Energy	408.1	104.0	304.1	–	440.3	465.4
Total expenditure estimates	7 440.0	671.5	6 763.7	4.8	7 374.7	8 408.8
Executive authority	Minister of Energy					
Accounting officer	Director-General of Energy					
Website address	www.energy.gov.za					

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

Vote purpose

Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation, to ensure energy security, the promotion of environmentally friendly energy carriers, and access to affordable and reliable energy for all South Africans.

Mandate

The Department of Energy is mandated to ensure the secure and sustainable provision of energy in support of socioeconomic development. It aims to achieve this by developing an integrated energy plan for the entire energy sector and regulating energy industries, as well as promoting investment in accordance with the integrated resource plan for electricity. A number of acts regulate the energy sector and reflect the legislative measures the department has instituted to govern the energy sector. Key among these are:

- the National Energy Act (2008)
- the Petroleum Products Act (1977)
- the Electricity Regulation Act (2006).

The National Energy Act (2008) sets out the core aspects of the department's mandate and is the enabling legislation that empowers the Minister of Energy to:

- ensure that diverse energy resources are available in sustainable quantities and at affordable prices in the South African economy to support economic growth and poverty alleviation, while taking into account environmental considerations
- plan for the increased generation and consumption of renewable energy, a contingency energy supply, the holding of strategic energy feedstock and carriers, adequate investment in appropriate upkeep, and access to energy infrastructure
- collect data and information regarding energy demand, supply and generation

- promote electricity regulation, energy research, and the efficient generation and consumption of energy.

The department is also mandated to regulate the petroleum industry at the manufacturing, wholesale and retail levels through the implementation of the Petroleum Products Act (1977). The petroleum and liquid fuels charter is annexed to the Petroleum Products Amendment Act (2003), and outlines the department's strategy to effect transformation in the industry.

Selected performance indicators

Table 26.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products Regulation	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 956	1 515	2 099	1 500	1 500	1 500	1 500
Number of additional households electrified with grid electrification per year	Electrification and Energy Programme and Project Management	Outcome 9: Responsive, accountable, effective and efficient developmental local government	260 000	301 976	275 830	200 000	195 000	195 000	200 000
Number of bulk substations built per year	Electrification and Energy Programme and Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	6	3	3	2	2	2	2
Number of additional substations upgraded per year	Electrification and Energy Programme and Project Management		4	3	4	3	3	3	3
Kilometres of new medium voltage power lines constructed per year	Electrification and Energy Programme and Project Management		224	295	161	50	50	50	50
Kilometres of existing medium voltage power lines upgraded per year	Electrification and Energy Programme and Project Management		0	9	32	50	50	50	50
Number of additional households electrified with non-grid electrification per year	Electrification and Energy Programme and Project Management	Outcome 9: Responsive, accountable, effective and efficient developmental local government	25 076	16 922	16 875	20 000	20 000	20 000	20 000

Expenditure analysis

The National Development Plan envisages that, by 2030, South Africa will have an adequate supply of electricity and liquid fuels to maintain economic activity and prevent economic disruptions. In giving expression to this vision over the medium term, the department intends to focus on extending access to electricity and enhancing energy efficiency, managing nuclear energy in terms of international commitments, and diversifying the energy generation mix.

The department's total expenditure is expected to increase at an average annual rate of 5.7 per cent, from R7.1 billion in 2018/19 to R8.4 billion in 2021/22, mainly as a result of Cabinet-approved additional funding of R597.5 million over the medium term. This includes R17.1 million reprioritised for the department's operational expenditure; R24 million reprioritised to the National Radioactive Waste Disposal Institute for operational expenditure; and R539.2 million reprioritised to the South African Nuclear Energy Corporation for the decommissioning and decontamination of old nuclear facilities.

However, Cabinet has approved reductions of R58.4 million in 2019/20 and R558.8 million in 2020/21, mainly in

the *Electrification and Energy Programme and Project Management* programme, the department's largest programme, accounting to R17.2 billion of total projected expenditure over the medium term. A realignment of capital funding within this programme to supplement funding for metropolitan cities results in a shift of R814.5 million to the *urban settlements development grant* in the Department of Human Settlements from the *integrated national electrification programme (municipal) grant*.

Compensation of employees is expected to increase at an average annual rate of 6.5 per cent, from R360.5 million in 2018/19 to R435.9 million in 2021/22. However, to remain within government's expenditure ceiling for compensation of employees, the number of personnel in the department is expected to decrease from 569 in 2018/19 to 559 in 2021/22. This decrease is effected on lower-level and intern posts.

Expenditure on goods and services is expected to decrease at an average annual rate of 9 per cent, from R422.6 million in 2018/19 to R318.4 million in 2021/22. This is mainly due to a reduction in the *Clean Energy* programme's baseline budget for payments related to the storage of solar water heater units, from R166.5 million in 2018/19 to R4.5 million in 2021/22, as the units are expected to be installed in households before the end of the MTEF period. Expenditure on goods and services mainly comprises servicing operating leases as the department's regional offices are relocated; and costs related to the inspection of 4 500 petroleum retail sites, the solar water heater programme, and the monitoring and verification of grid and non-grid connections in the integrated national electrification programme over the medium term.

Extending access to electricity and enhancing energy efficiency

As part of the integrated national electrification programme, which aims to extend access to electricity to all households across South Africa, 590 000 households are expected to be connected to the electricity grid over the medium term. The department anticipates that a further 20 000 households per year over the same period will be provided with non-grid (mainly solar) electrification systems. 6 substations are expected to be built and 9 upgraded over the medium term. Transfers to municipalities for the direct component of the integrated national electrification programme are expected to increase at an average annual rate of 3.8 per cent, from R1.9 billion in 2018/19 to R2.1 billion in 2021/22. This relatively low average annual increase is due to a shift of funds to the *urban settlements development grant*, which is managed by the Department of Human Settlements, for the delivery of services to households in informal settlements in metropolitan municipalities.

Transfers to Eskom for the indirect component of the integrated national electrification programme are expected to increase at an average annual rate of 5.4 per cent, from R3.3 billion in 2018/19 to R3.8 billion in 2021/22. A significant portion of households yet to be electrified are in sparsely populated rural areas, mostly in KwaZulu-Natal, Eastern Cape and Limpopo. As such, the cost of connections is expected to be higher over the medium term than in previous years. Spending in the *Energy Efficiency* subprogramme in the *Clean Energy* programme is expected to decrease at an average annual rate of 2.9 per cent, from R400.2 million in 2018/19 to R366.1 million in 2021/22.

Over the medium term, the department plans to develop an electrification master plan, which is intended to inform the rollout of electrification connections for universal access. Once developed, the master plan will be used to set rules and timeframes for the rollout of electrification, accompanied by clear guidelines for selecting particular technologies. To develop the electrification master plan, R17.2 million over the medium term is allocated in the *Integrated National Electrification Programme* subprogramme in the *Electrification and Energy Programme and Project Management* programme.

To realise a targeted 1.5 terawatt hours of energy savings over the medium term, allocations to the *energy efficiency and demand-side management grant* increase from R215 million in 2018/19 to R252.7 million in 2021/22. This will enable municipalities to undertake initiatives such as replacing street and traffic lights with energy efficient technology, and to retrofit and replace municipal infrastructure that is energy inefficient. An additional R120 million over the MTEF period is allocated through funds received from international donors to effect energy efficiencies, including achieving net-zero energy usage at wastewater treatment plants and improving the energy performance of municipal government buildings. In this regard, the department will

develop project plans and procedures, and coordinate the implementation of project activities; and the South African National Energy Development Institute will lead the monitoring and evaluation of project achievements.

Managing nuclear energy

Transfers to entities form the bulk of expenditure over the medium term in the *Nuclear Energy* programme, mainly to subsidise the operational costs of the South African Nuclear Energy Corporation for the production of nuclear medicines and the decommissioning and decontamination of old nuclear facilities. Spending in the *Nuclear Energy* programme is expected to increase at an average annual rate of 9.9 per cent, from R875.6 million in 2018/19 to R1.2 billion in 2021/22, mostly driven by increased allocations of R24 million to the National Radioactive Waste Disposal Institute for its operationalisation, and additional funding of R539.2 million for the decommissioning and decontamination of old nuclear facilities. The National Radioactive Waste Disposal Institute Bill, which is expected to be approved by Cabinet in 2019/20, provides for a sustainable funding mechanism for the institute. Transfers to public corporations and private enterprises are expected to increase at an average annual rate of 13.2 per cent, from R682.7 million in 2018/19 to R991.1 million in 2021/22, mainly driven by the increase in allocations to the South African Nuclear Energy Corporation.

Diversifying the energy generation mix

Towards the realisation of a diversified energy sector in which there is a supply of various types of energy, over the MTEF period, the department will focus on finalising and implementing legislation and policy frameworks. This includes drafting the National Energy Regulator Amendment Bill; and finalising the integrated resource plan, the integrated energy plan and the Electricity Regulation Second Amendment Bill. In addition, the Gas Amendment Bill is expected to be processed and published for public comment in 2019/20. The bill will assist in defining the related policy and regulatory framework to support the rollout of gas infrastructure and the development of a gas industry. These activities are carried out in the *Energy Policy and Planning* programme, in which spending is expected to increase at an average annual rate of 6.7 per cent, from R50.1 million in 2018/19 to R60.8 million in 2021/22.

Expenditure trends

Table 26.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Energy Policy and Planning														
3. Petroleum and Petroleum Products Regulation														
4. Electrification and Energy Programme and Project Management														
5. Nuclear Energy														
6. Clean Energy														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	242.6	246.6	277.8	240.1	244.8	282.8	239.5	263.6	272.4	282.6	283.4	283.4	111.1%	107.5%
Programme 2	45.1	44.1	38.1	46.7	43.5	39.9	46.7	46.7	41.7	53.1	50.1	50.1	88.6%	92.1%
Programme 3	74.4	73.4	69.0	77.9	77.5	79.0	81.8	81.8	74.6	87.1	86.1	86.1	96.1%	96.8%
Programme 4	5 778.3	5 813.8	5 820.5	5 699.9	5 705.2	5 678.7	6 184.0	6 220.0	6 152.2	5 435.4	5 383.6	5 332.6	99.5%	99.4%
Programme 5	654.4	653.9	655.0	863.6	880.1	872.5	786.9	790.9	794.2	816.6	875.6	875.6	102.4%	99.9%
Programme 6	687.3	435.8	281.8	616.9	599.4	560.1	774.5	742.5	609.6	370.2	484.7	484.7	79.1%	85.6%
Total	7 482.1	7 267.6	7 142.1	7 545.2	7 550.6	7 512.8	8 113.5	8 145.4	7 944.6	7 045.0	7 163.5	7 112.5	98.4%	98.6%
Change to 2018 Budget estimate										118.5				

Table 26.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Current payments	492.6	508.8	509.3	739.0	714.5	594.7	557.9	572.6	586.9	612.8	783.1	783.1	103.0%	95.9%
Compensation of employees	289.5	289.5	296.0	310.8	318.3	321.5	318.2	333.2	322.2	360.5	360.5	360.5	101.7%	99.9%
Goods and services	203.1	219.3	213.3	428.2	396.2	273.2	239.7	239.4	264.7	252.3	422.6	422.6	104.5%	91.9%
Transfers and subsidies	6 985.5	6 754.8	6 628.4	6 802.1	6 832.0	6 816.1	7 551.2	7 568.5	7 354.8	6 427.7	6 375.2	6 324.1	97.7%	98.5%
Provinces and municipalities	2 158.2	2 158.2	2 158.2	2 131.9	2 131.9	2 131.9	2 290.3	2 290.3	2 290.3	2 119.5	2 119.5	2 119.5	100.0%	100.0%
Departmental agencies and accounts	87.3	87.1	87.1	38.2	62.5	72.5	129.4	129.4	129.4	133.4	133.4	133.4	108.8%	102.4%
Foreign governments and international organisations	16.6	19.6	29.6	17.4	17.4	25.0	17.9	17.9	25.6	27.9	27.9	27.9	135.5%	130.5%
Public corporations and private enterprises	4 723.0	4 489.5	4 349.8	4 612.4	4 617.8	4 583.7	5 111.2	5 126.2	4 904.8	4 146.4	4 093.9	4 042.9	96.2%	97.6%
Households	0.4	0.4	3.7	2.2	2.4	3.0	2.4	4.7	4.8	0.5	0.5	0.5	217.1%	150.0%
Payments for capital assets	4.0	4.0	4.4	4.1	4.1	102.0	4.3	4.3	2.9	4.5	5.3	5.3	677.6%	648.8%
Machinery and equipment	4.0	4.0	4.4	4.1	4.1	14.7	4.3	4.3	2.9	4.5	5.3	5.3	161.6%	154.7%
Software and other intangible assets	—	—	—	—	—	87.3	—	—	—	—	—	—	—	—
Total	7 482.1	7 267.6	7 142.1	7 545.2	7 550.6	7 512.8	8 113.5	8 145.4	7 944.6	7 045.0	7 163.5	7 112.5	98.4%	98.6%

Expenditure estimates

Table 26.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Energy Policy and Planning								
3. Petroleum and Petroleum Products Regulation								
4. Electrification and Energy Programme and Project Management								
5. Nuclear Energy								
6. Clean Energy								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	283.4	4.7%	3.8%	308.3	327.0	344.6	6.7%	4.2%
Programme 2	50.1	4.3%	0.6%	54.7	57.7	60.8	6.7%	0.7%
Programme 3	86.1	5.5%	1.0%	91.3	96.4	104.3	6.6%	1.2%
Programme 4	5 332.6	-2.8%	77.4%	5 531.8	5 350.6	6 270.0	5.5%	74.1%
Programme 5	875.6	10.2%	10.8%	1 045.9	1 102.7	1 163.7	9.9%	13.8%
Programme 6	484.7	3.6%	6.5%	408.1	440.3	465.4	-1.3%	5.9%
Total	7 112.5	-0.7%	100.0%	7 440.0	7 374.7	8 408.8	5.7%	100.0%
Change to 2018				(133.6)	(622.9)	(77.7)		
Budget estimate								
Economic classification								
Current payments	783.1	15.5%	8.3%	671.5	720.0	754.2	-1.2%	9.7%
Compensation of employees	360.5	7.6%	4.4%	384.3	409.2	435.9	6.5%	5.2%
Goods and services	422.6	24.4%	4.0%	287.3	310.8	318.4	-9.0%	4.4%
Transfers and subsidies	6 324.1	-2.2%	91.3%	6 763.7	6 649.6	7 649.2	6.5%	90.3%
Provinces and municipalities	2 119.5	-0.6%	29.3%	2 090.4	2 216.9	2 383.7	4.0%	29.0%
Departmental agencies and accounts	133.4	15.2%	1.4%	165.9	174.3	183.4	11.2%	2.2%
Foreign governments and international organisations	27.9	12.5%	0.4%	29.5	31.1	32.8	5.5%	0.4%
Public corporations and private enterprises	4 042.9	-3.4%	60.2%	4 477.4	4 226.8	5 048.8	7.7%	58.7%
Households	0.5	5.4%	0.0%	0.5	0.5	0.5	5.6%	0.0%
Payments for capital assets	5.3	9.7%	0.4%	4.8	5.0	5.3	0.2%	0.1%
Machinery and equipment	5.3	9.7%	0.1%	4.8	5.0	5.3	0.2%	0.1%
Total	7 112.5	-0.7%	100.0%	7 440.0	7 374.7	8 408.8	5.7%	100.0%

Expenditure trends and estimates for significant spending items

Table 26.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total vote (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
R thousand				2018/19							
Electrification programmes	5 820 485	5 678 659	6 152 173	5 383 641	-2.6%	77.5%	5 531 825	5 350 612	6 269 953	5.2%	74.3%
Clean Energy	281 783	560 101	609 555	484 707	19.8%	6.5%	408 083	440 319	465 357	-1.3%	5.9%
Total	6 102 268	6 238 760	6 761 728	5 868 348	-1.3%	84.0%	5 939 908	5 790 931	6 735 310	4.7%	80.2%

Goods and services expenditure trends and estimates

Table 26.5 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand				2018/19							
Administrative fees	5 663	4 650	3 653	3 495	-14.9%	1.5%	3 975	4 192	4 422	8.2%	1.2%
Advertising	13 785	8 362	2 016	7 078	-19.9%	2.7%	7 298	7 645	8 065	4.4%	2.2%
Minor assets	1 036	833	280	405	-26.9%	0.2%	486	524	553	10.9%	0.1%
Audit costs: External	4 233	3 805	4 542	3 972	-2.1%	1.4%	4 129	4 356	4 596	5.0%	1.3%
Bursaries: Employees	610	555	618	821	10.4%	0.2%	867	915	965	5.5%	0.3%
Catering: Departmental activities	1 961	2 546	1 745	1 714	-4.4%	0.7%	1 721	1 819	1 920	3.9%	0.5%
Communication	7 613	8 517	9 023	6 215	-6.5%	2.7%	6 499	6 859	7 239	5.2%	2.0%
Computer services	9 839	10 658	11 740	7 726	-7.7%	3.4%	10 470	11 031	11 637	14.6%	3.1%
Consultants: Business and advisory services	25 828	102 502	30 379	112 260	63.2%	23.1%	114 766	130 772	128 733	4.7%	36.3%
Legal services	924	2 451	4 984	2 696	42.9%	0.9%	517	545	575	-40.3%	0.3%
Contractors	2 560	2 206	1 100	1 770	-11.6%	0.7%	1 634	1 723	1 817	0.9%	0.5%
Agency and support/outsourced services	3 305	1 096	189	872	-35.9%	0.5%	10 886	11 484	12 116	140.4%	2.6%
Entertainment	1	8	13	184	468.8%	—	195	206	217	5.7%	0.1%
Fleet services (including government motor transport)	1 586	1 275	1 333	641	-26.1%	0.4%	605	639	675	1.7%	0.2%
Consumable supplies	1 042	1 032	743	1 330	8.5%	0.4%	2 246	2 371	2 501	23.4%	0.6%
Consumables: Stationery, printing and office supplies	4 653	4 722	2 826	4 861	1.5%	1.5%	4 160	4 385	4 624	-1.7%	1.3%
Operating leases	34 063	38 955	35 228	45 336	10.0%	13.1%	49 957	52 700	55 593	7.0%	15.2%
Rental and hiring	93	—	68	—	-100.0%	—	—	—	—	—	—
Property payments	4 082	8 851	6 953	5 030	7.2%	2.1%	7 310	5 747	5 799	4.9%	1.8%
Transport provided: Departmental activity (travel and subsistence)	238	294	73	—	-100.0%	0.1%	—	—	—	—	—
Training and development	65 249	52 019	43 737	37 514	-16.8%	16.9%	41 485	43 779	46 191	7.2%	12.6%
Operating payments	4 664	4 041	3 409	4 086	-4.3%	1.4%	4 315	4 552	4 802	5.5%	1.3%
Venues and facilities	4 898	3 988	91 502	166 489	223.9%	22.7%	4 059	4 282	4 516	-70.0%	13.4%
Total	213 299	273 184	264 720	422 571	25.6%	100.0%	287 266	310 800	318 393	-9.0%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 26.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand				2018/19							
Households											
Social benefits											
Current	2 920	2 001	4 467	389	-48.9%	—	411	434	458	5.6%	—
Employee social benefits	2 920	2 001	4 467	389	-48.9%	—	411	434	458	5.6%	—

Table 26.6 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 (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	86 762	72 148	128 977	132 949	15.3%	1.5%	165 449	173 820	182 831	11.2%	2.4%
Energy and Water Sector Education and Training Authority	792	985	1 048	1 108	11.8%	–	1 170	1 234	1 302	5.5%	–
National Nuclear Regulator	21 109	40 538	38 155	16 068	-8.7%	0.4%	42 629	44 974	47 448	43.5%	0.6%
National Radioactive Waste Disposal Institute	–	10 000	30 000	45 532	–	0.3%	47 499	49 397	51 564	4.2%	0.7%
South African National Energy Development Institute	64 861	20 625	59 774	70 241	2.7%	0.8%	74 151	78 215	82 517	5.5%	1.1%
Capital	378	398	418	442	5.4%	–	467	493	520	5.6%	–
National Nuclear Regulator	378	398	418	442	5.4%	–	467	493	520	5.6%	–
Households											
Other transfers to households											
Current	711	935	250	65	-55.0%	–	69	73	77	5.8%	–
Employee social benefits	–	122	–	–	–	–	–	–	–	–	–
Employee ex-gratia payments	711	58	61	65	-55.0%	–	69	73	77	5.8%	–
Bursaries for non-employees	–	755	189	–	–	–	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	177 899	185 625	203 236	215 024	6.5%	2.9%	227 065	239 554	252 729	5.5%	3.4%
Energy efficiency and demand-side management grant	177 899	185 625	203 236	215 024	6.5%	2.9%	227 065	239 554	252 729	5.5%	3.4%
Capital	1 980 340	1 946 246	2 087 048	1 904 477	-1.3%	29.1%	1 863 328	1 977 364	2 131 018	3.8%	28.7%
Integrated national electrification programme (municipal) grant	1 980 340	1 946 246	2 087 048	1 904 477	-1.3%	29.1%	1 863 328	1 977 364	2 131 018	3.8%	28.7%
Foreign governments and international organisations											
Current	29 565	25 003	25 622	27 915	-1.9%	0.4%	29 478	31 099	32 809	5.5%	0.4%
International Energy Forum	366	3 034	276	–	-100.0%	–	–	–	–	–	–
International Atomic Energy Agency	27 886	19 753	22 691	21 549	-8.2%	0.3%	22 756	24 007	25 327	5.5%	0.3%
Generation IV International Forum	–	–	566	741	–	–	782	825	870	5.5%	–
International Renewable Energy Agency	1 313	2 216	1 015	1 137	-4.7%	–	1 201	1 267	1 337	5.5%	–
International Energy Forum	–	–	–	337	–	–	356	376	397	5.6%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	1 273	–	–	1 345	1 419	1 497	5.6%	–
African Petroleum Producers' Association	–	–	1 074	2 878	–	–	3 038	3 205	3 381	5.5%	–
Public corporations and private enterprises											
Subsidies on products and production											
Capital	156 179	458 047	394 432	149 149	-1.5%	4.3%	212 941	224 653	237 009	16.7%	3.0%
Various institutions: Integrated national electrification programme	156 179	137 733	158 960	149 149	-1.5%	2.2%	212 941	224 653	237 009	16.7%	3.0%
Various institutions: Solar water heater programme	–	320 314	235 472	–	–	2.0%	–	–	–	–	–
Public corporations and private enterprises											
Subsidies on products and production											
Current	498 777	513 461	574 000	587 313	5.6%	8.0%	789 688	833 135	878 958	14.4%	11.3%
South African Nuclear Energy Corporation	482 657	496 375	555 888	568 151	5.6%	7.7%	599 246	632 219	666 991	5.5%	9.0%
South African Nuclear Energy Corporation	16 120	17 086	18 112	19 162	5.9%	0.3%	190 442	200 916	211 967	122.8%	2.3%
Capital	3 694 824	3 612 211	3 936 325	3 357 432	-3.1%	53.7%	3 474 796	3 169 022	3 932 800	5.4%	50.8%
Eskom	3 613 243	3 526 334	3 846 154	3 262 031	-3.4%	52.4%	3 374 053	3 062 738	3 820 670	5.4%	49.3%
South African Nuclear Energy Corporation	81 581	85 877	90 171	95 401	5.4%	1.3%	100 743	106 284	112 130	5.5%	1.5%
Total	6 628 355	6 816 075	7 354 775	6 375 155	-1.3%	100.0%	6 763 692	6 649 647	7 649 209	6.3%	100.0%

Personnel information

Table 26.7 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Energy Policy and Planning																			
3. Petroleum and Petroleum Products Regulation																			
4. Electrification and Energy Programme and Project Management																			
5. Nuclear Energy																			
6. Clean Energy																			
Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	2018/19 - 2021/22
Energy																			
Salary level	596	53	549	322.2	0.6	569	360.5	0.6	563	384.2	0.7	559	409.1	0.7	559	435.7	0.8	-0.6%	100.0%
1 – 6	128	30	125	31.7	0.3	129	34.7	0.3	130	38.0	0.3	131	41.6	0.3	136	46.0	0.3	1.8%	23.4%
7 – 10	268	10	251	123.2	0.5	259	138.2	0.5	250	143.1	0.6	247	152.2	0.6	244	161.7	0.7	-2.0%	44.4%
11 – 12	101	6	94	75.8	0.8	99	85.7	0.9	100	92.8	0.9	98	97.3	1.0	96	101.8	1.1	-1.0%	17.5%
13 – 16	97	7	77	87.0	1.1	80	97.0	1.2	81	105.1	1.3	81	112.5	1.4	81	120.3	1.5	0.4%	14.4%
Other	2	–	2	4.5	2.2	2	4.8	2.4	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	–	0.4%
Programme	596	53	549	322.2	0.6	569	360.5	0.6	563	384.2	0.7	559	409.1	0.7	559	435.7	0.8	-0.6%	100.0%
Programme 1	291	28	263	148.4	0.6	269	164.2	0.6	268	176.5	0.7	269	190.0	0.7	265	200.3	0.8	-0.5%	47.6%
Programme 2	53	2	49	34.8	0.7	54	41.6	0.8	52	42.6	0.8	52	45.0	0.9	51	47.4	0.9	-1.9%	9.3%
Programme 3	116	5	108	56.7	0.5	112	63.3	0.6	108	66.2	0.6	107	70.0	0.7	109	76.3	0.7	-0.9%	19.4%
Programme 4	81	14	74	44.3	0.6	77	49.7	0.6	79	54.4	0.7	78	57.4	0.7	77	60.4	0.8	–	13.8%
Programme 5	31	2	31	20.8	0.7	30	21.8	0.7	33	24.9	0.8	31	26.2	0.8	34	28.6	0.8	4.3%	5.7%
Programme 6	24	2	24	17.2	0.7	27	19.9	0.7	23	19.6	0.9	22	20.6	0.9	23	22.6	1.0	-5.2%	4.2%

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

2. Rand million.

Departmental receipts

Table 26.8 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 (%)
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
	2018/19	2019/20	2020/21					2018/19	2020/21	2021/22		
R thousand												
Departmental receipts	805 987	956 905	7 994	6 170	6 170	-80.3%	100.0%	6 309	6 560	6 920	3.9%	100.0%
Sales of goods and services produced by department	3 885	4 209	3 997	3 914	3 914	0.2%	0.9%	4 027	4 249	4 483	4.6%	64.2%
Sales by market establishments	141	144	140	149	149	1.9%	–	156	165	174	5.3%	2.5%
of which:												
Sales by market establishment: Parking	141	144	140	149	149	1.9%	–	156	165	174	5.3%	2.5%
Administrative fees	3 631	3 944	3 729	3 650	3 650	0.2%	0.8%	3 750	3 956	4 174	4.6%	59.8%
of which:												
Administrative fees: Petroleum licence fees	3 631	3 944	3 729	3 650	3 650	0.2%	0.8%	3 750	3 956	4 174	4.6%	59.8%
Other sales	113	121	128	115	115	0.6%	–	121	128	135	5.5%	1.9%
of which:												
Other sales: Garnishee, photocopy, faxes	113	121	128	115	115	0.6%	–	121	128	135	5.5%	1.9%
Sales of scrap, waste, arms and other used current goods	–	–	1	2	2	–	–	2	2	2	–	–
of which:												
Sales: Wastepaper	–	–	1	2	2	–	–	2	2	2	–	–
Transfers received	1 059	1 745	2 226	1 750	1 750	18.2%	0.4%	1 750	1 750	1 846	1.8%	27.3%
Interest, dividends and rent on land	489	649	27	30	30	-60.6%	0.1%	32	34	36	6.3%	0.5%
Interest	489	649	27	30	30	-60.6%	0.1%	32	34	36	6.3%	0.5%
Sales of capital assets	111	–	–	–	–	-100.0%	–	–	–	–	–	–
Transactions in financial assets and liabilities	800 443	950 302	1 743	474	474	-91.6%	98.6%	498	525	553	5.3%	7.9%
Total	805 987	956 905	7 994	6 170	6 170	-80.3%	100.0%	6 309	6 560	6 920	3.9%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 26.9 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 (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
Ministry	42 298	39 314	44 404	33 272	-7.7%	14.3%	34 335	37 542	39 551	5.9%	11.5%
Departmental Management	52 619	72 710	66 144	73 165	11.6%	23.7%	79 757	86 476	91 008	7.5%	26.2%
Finance Administration	33 294	34 695	33 807	40 088	6.4%	12.7%	41 291	43 640	46 051	4.7%	13.5%
Audit Services	6 698	6 934	6 300	8 454	8.1%	2.5%	8 864	9 361	9 873	5.3%	2.9%
Corporate Services	110 759	98 508	87 042	79 232	-10.6%	33.6%	87 651	92 533	97 776	7.3%	28.3%
Office Accommodation	32 100	30 601	34 685	49 177	15.3%	13.1%	56 366	57 497	60 390	7.1%	17.7%
Total	277 768	282 762	272 382	283 388	0.7%	100.0%	308 264	327 049	344 649	6.7%	100.0%
Change to 2018				750			9 156	12 255	10 705		
Budget estimate											
Economic classification											
Current payments	268 555	272 282	263 375	276 537	1.0%	96.8%	301 829	320 260	337 486	6.9%	97.8%
Compensation of employees	138 750	149 826	148 354	164 202	5.8%	53.9%	176 543	190 056	200 384	6.9%	57.9%
Goods and services ¹	129 805	122 456	115 021	112 335	-4.7%	43.0%	125 286	130 204	137 102	6.9%	40.0%
of which:											
Computer services	9 807	10 658	11 732	7 726	-7.6%	3.6%	10 470	11 031	11 637	14.6%	3.2%
Consultants: Business and advisory services	4 025	4 722	5 065	5 358	10.0%	1.7%	5 573	5 879	6 202	5.0%	1.8%
Operating leases	33 165	38 093	34 294	45 304	11.0%	13.5%	49 957	52 700	55 593	7.1%	16.1%
Property payments	4 050	8 827	6 951	5 030	7.5%	2.2%	7 310	5 747	5 799	4.9%	1.9%
Travel and subsistence	32 467	26 072	24 946	16 765	-19.8%	9.0%	18 269	19 277	20 342	6.7%	5.9%
Training and development	4 643	4 030	3 409	4 086	-4.2%	1.4%	4 315	4 552	4 802	5.5%	1.4%
Transfers and subsidies¹	4 789	6 833	6 073	1 562	-31.2%	1.7%	1 650	1 741	1 837	5.6%	0.5%
Departmental agencies and accounts	792	985	1 048	1 108	11.8%	0.4%	1 170	1 234	1 302	5.5%	0.4%
Foreign governments and international organisations	366	3 034	276	—	-100.0%	0.3%	—	—	—	—	—
Households	3 631	2 814	4 749	454	-50.0%	1.0%	480	507	535	5.6%	0.2%
Payments for capital assets	4 424	3 634	2 934	5 289	6.1%	1.5%	4 785	5 048	5 326	0.2%	1.6%
Machinery and equipment	4 424	3 634	2 934	5 289	6.1%	1.5%	4 785	5 048	5 326	0.2%	1.6%
Payments for financial assets	—	13	—	—	—	—	—	—	—	—	—
Total	277 768	282 762	272 382	283 388	0.7%	100.0%	308 264	327 049	344 649	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	3.9%	3.8%	3.4%	4.0%	—	—	4.1%	4.2%	4.1%	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	2 920	2 001	4 499	389	-48.9%	0.9%	411	434	458	5.6%	0.1%
Employee social benefits	2 920	2 001	4 499	389	-48.9%	0.9%	411	434	458	5.6%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	792	985	1 048	1 108	11.8%	0.4%	1 170	1 234	1 302	5.5%	0.4%
Energy and Water Sector Education and Training Authority	792	985	1 048	1 108	11.8%	0.4%	1 170	1 234	1 302	5.5%	0.4%
Households											
Other transfers to households											
Current	711	813	250	65	-55.0%	0.2%	69	73	77	5.8%	—
Employee ex-gratia payments	711	58	61	65	-55.0%	0.1%	69	73	77	5.8%	—
Bursaries for non-employees	—	755	189	—	—	0.1%	—	—	—	—	—
Foreign governments and international organisations											
Current	366	3 034	276	—	-100.0%	0.3%	—	—	—	—	—
International Energy Forum	366	3 034	276	—	-100.0%	0.3%	—	—	—	—	—

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

Personnel information

Table 26.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment														Number		
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Administration			263	148.4	0.6	269	164.2	0.6	268	176.5	0.7	269	190.0	0.7	265	200.3	0.8	-0.5%	100.0%
1 – 6	80	12	80	20.4	0.3	82	23.1	0.3	83	25.2	0.3	84	27.6	0.3	85	29.9	0.4	1.2%	31.2%
7 – 10	123	6	112	52.4	0.5	114	57.9	0.5	110	59.9	0.5	110	64.6	0.6	106	66.9	0.6	-2.4%	41.1%
11 – 12	41	3	35	29.0	0.8	36	32.0	0.9	37	35.3	1.0	37	37.8	1.0	36	39.3	1.1	–	13.6%
13 – 16	45	7	34	42.1	1.2	35	46.4	1.3	36	50.9	1.4	36	54.6	1.5	36	58.3	1.6	0.9%	13.4%
Other	2	–	2	4.5	2.2	2	4.8	2.4	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	–	0.7%

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

2. Rand million.

Programme 2: Energy Policy and Planning

Programme purpose

Ensure evidence-based planning, policy setting and investment decisions in the energy sector to improve the security of energy supply, regulation and competition.

Objectives

- Improve energy security by:
 - regulating demand and introducing a diversified mix of technologies to generate energy on an ongoing basis
 - planning interventions to expand energy infrastructure through the development of a policy framework for the integrated energy plan, the integrated resource plan, the liquid fuels infrastructure roadmap, the transmission development plan and the major distribution infrastructure plan over the medium term
 - publishing an annual energy statistics report to facilitate information-based decision-making.
- Address current and envisaged energy supply and distribution constraints through the development of an approach to norms and standards for distribution asset management in order to rehabilitate critical municipal infrastructure for electricity distribution over the medium term.
- Ensure the integration of renewable energy into South Africa's mainstream energy supply by:
 - planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market on an ongoing basis
 - improving generation capacity by implementing the integrated resource plan through determinations under section 34 of the Energy Regulation Act (2006), when applicable.

Subprogrammes

- *Policy Analysis and Research* develops key indicators and monitors the impact of energy sector policies, planning and interventions; analyses all energy policies and their impact on access to energy and the security of energy supply; conducts research and analyses policies in relation to other countries; and conducts research and analyses national and international trends or developments that affect the demand and supply of energy.
- *Energy Planning* manages energy data and information; develops and maintains an energy modelling system to simulate energy supply and distribution; identifies constraints in energy supply and distribution, and addresses them through the integrated energy plan; manages the overall collection, collation, validation, integrity and quality of energy data; and manages the development of energy plans and strategic interventions for the generation, refining, distribution and transmission of energy sources to optimise energy supply.

- *Hydrocarbon Policy* ensures secure energy supply; well-managed demand; enhanced access to hydrocarbons; a transformed energy sector; and that energy regulation and competition is improved through the development, promulgation and maintenance of a statutory framework for petroleum, petroleum products, petroleum infrastructure, coal and gas.
- *Electricity, Energy Efficiency and Environmental Policy* ensures secure energy supply; well-managed demand; a transformed energy sector; and energy regulation and competition that improves through the development, promulgation and maintenance of a statutory framework for electricity. This includes reforming the electricity supply industry to introduce independent power producers in support of electricity security.

Expenditure trends and estimates

Table 26.11 Energy Policy and Planning 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 thousand	2015/16	2016/17	2017/18	2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Policy Analysis and Research	1 570	2 056	1 736	2 558	17.7%	4.7%	4 341	4 567	4 804	23.4%	7.3%
Energy Planning	18 429	18 822	20 452	23 010	7.7%	47.5%	25 137	26 509	27 950	6.7%	46.0%
Hydrocarbon Policy	11 428	11 486	12 053	15 224	10.0%	29.6%	14 964	15 797	16 659	3.0%	28.1%
Electricity, Energy Efficiency and Environmental Policy	6 668	7 514	7 466	9 286	11.7%	18.2%	10 226	10 790	11 374	7.0%	18.7%
Total	38 095	39 878	41 707	50 078	9.5%	100.0%	54 668	57 663	60 787	6.7%	100.0%
Change to 2018				(3 000)			(1 564)	(2 595)	(3 258)		
Budget estimate											
Economic classification											
Current payments	38 095	39 878	41 707	50 078	9.5%	100.0%	54 668	57 663	60 787	6.7%	100.0%
Compensation of employees	31 521	32 805	34 776	41 632	9.7%	82.9%	42 619	44 962	47 391	4.4%	79.1%
Goods and services ¹	6 574	7 073	6 931	8 446	8.7%	17.1%	12 049	12 701	13 396	16.6%	20.9%
<i>of which:</i>											
<i>Administrative fees</i>	222	365	131	516	32.5%	0.7%	516	546	576	3.7%	1.0%
<i>Communication</i>	265	330	574	587	30.4%	1.0%	567	597	629	2.3%	1.1%
<i>Consultants: Business and advisory services</i>	342	1 065	2 713	2 626	97.3%	4.0%	4 479	4 714	4 973	23.7%	7.5%
<i>Travel and subsistence</i>	4 062	3 234	1 845	2 264	-17.7%	6.7%	4 030	4 251	4 485	25.6%	6.7%
<i>Operating payments</i>	742	707	586	720	-1.0%	1.6%	542	572	603	-5.7%	1.1%
<i>Venues and facilities</i>	693	833	65	1 104	16.8%	1.6%	1 147	1 210	1 276	4.9%	2.1%
Total	38 095	39 878	41 707	50 078	9.5%	100.0%	54 668	57 663	60 787	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.5%	0.5%	0.7%	–	–	0.7%	0.7%	0.7%	–	–

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

Personnel information

Table 26.12 Energy Policy and Planning personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost2 of personnel posts filled/planned for on funded establishment															Number		
																	Average growth rate (%)	Average: Salary level/Total (%)	
		Actual			Revised estimate			Medium-term expenditure estimate											
Number of funded posts	Number of posts additional to the establishment	2017/18			2018/19			2019/20			2020/21			2021/22			2018/19 - 2021/22		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Energy Policy and Planning																			
Salary level	53	2	49	34.8	0.7	54	41.6	0.8	52	42.6	0.8	52	45.0	0.9	51	47.4	0.9	-1.9%	100.0%
1 – 6	1	1	—	0.1	—	—	—	—	1	0.2	0.2	2	0.5	0.3	2	0.6	0.3	—	2.4%
7 – 10	26	1	26	13.5	0.5	28	15.8	0.6	26	15.6	0.6	26	16.8	0.6	25	17.3	0.7	-3.7%	50.2%
11 – 12	13	—	13	10.8	0.8	15	13.3	0.9	14	13.4	1.0	13	13.3	1.0	13	14.2	1.1	-4.7%	26.3%
13 – 16	13	—	10	10.4	1.0	11	12.5	1.1	11	13.4	1.2	11	14.4	1.3	11	15.4	1.4	—	21.1%

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

1. Data has been
2. Band million

Programme 3: Petroleum and Petroleum Products Regulation

Programme purpose

Regulate the petroleum and petroleum products industry to ensure the optimal and orderly functioning of the industry to achieve government's development goals.

Objectives

- Ensure the development and transformation of the liquid fuels industry and the security of supply of petroleum and petroleum products in the South African economy by monitoring and enforcing technical and economic compliance with legislation, specifications, standards and licence conditions annually.
- Facilitate the orderly development of the petroleum sector through the analysis and 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 the regulatory accounting system on an ongoing basis to introduce a transparent fuel pricing mechanism that will provide appropriate returns to investors in the liquid fuels sector across the value chain.

Subprogrammes

- *Petroleum Compliance, Monitoring and Enforcement* monitors and enforces technical, commercial and legal compliance by the petroleum industry with the prescripts of the Petroleum Products Act (1977) and its regulations. This includes compliance with import and export conditions, as well as the enforcement of the submission of data by the industry. This subprogramme also processes arbitration requests and the promotion of access to information on behalf of the Controller of Petroleum Products.
- *Petroleum Licensing and Fuel Supply* manages the petroleum licensing process, regulates export and import permits for petroleum products, monitors fuel stock levels, and coordinates corrective measures to avoid distribution shortages. This entails conducting licence analyses, and ensuring the supply of petroleum products and compliance with permits and empowerment.
- *Fuel Pricing* regulates the pricing of petroleum products in accordance with legislation. This entails determining, reviewing, updating and maintaining fuel levies and margins, and the process of paying fuel levies. Fuel price administration includes developing, evaluating and monitoring price models; updating elements of the basic fuel price; and ensuring secure audit services for the auditing of fuel prices to ensure internationally competitive pricing of petroleum products and enable investment in the sector.
- *Regional Petroleum Regulation Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, and ensures economic and technical compliance with relevant legislation. In addition, all annual information submitted by licence holders is captured and analysed.

Expenditure trends and estimates

Table 26.13 Petroleum and Petroleum Products Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Petroleum Compliance, Monitoring and Enforcement	13 847	14 189	13 337	17 574	8.3%	19.1%	19 663	20 739	21 869	7.6%	21.1%
Petroleum Licensing and Fuel Supply	20 740	24 152	24 807	27 388	9.7%	31.4%	27 262	28 846	33 086	6.5%	30.8%
Fuel Pricing	6 839	7 367	5 443	6 169	-3.4%	8.4%	6 454	6 798	7 161	5.1%	7.0%
Regional Petroleum Regulation Offices	27 532	33 283	31 052	35 001	8.3%	41.1%	37 890	40 018	42 173	6.4%	41.0%
Total	68 958	78 991	74 639	86 132	7.7%	100.0%	91 269	96 401	104 289	6.6%	100.0%
Change to 2018 Budget estimate				(1 000)			(1 428)	(2 904)	(1 202)		

Table 26.13 Petroleum and Petroleum Products Regulation expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Current payments	68 958	78 819	73 565	83 254	6.5%	98.7%	88 231	93 196	100 908	6.6%	96.7%
Compensation of employees	52 566	58 939	56 715	63 363	6.4%	75.0%	66 171	69 921	76 357	6.4%	72.9%
Goods and services ¹	16 392	19 880	16 850	19 891	6.7%	23.7%	22 060	23 275	24 551	7.3%	23.7%
of which:											
Advertising	432	756	75	1 017	33.0%	0.7%	1 099	1 159	1 222	6.3%	1.2%
Communication	675	404	422	588	-4.5%	0.7%	673	711	750	8.4%	0.7%
Consultants: Business and advisory services	10 023	10 415	8 527	11 601	5.0%	13.1%	13 308	14 041	14 813	8.5%	14.2%
Travel and subsistence	4 270	6 200	4 843	4 085	-1.5%	6.3%	4 307	4 544	4 793	5.5%	4.7%
Operating payments	254	481	100	405	16.8%	0.4%	570	601	633	16.1%	0.6%
Venues and facilities	218	645	1 142	1 173	75.2%	1.0%	1 351	1 425	1 503	8.6%	1.4%
Transfers and subsidies ¹	–	122	1 074	2 878	–	1.3%	3 038	3 205	3 381	5.5%	3.3%
Foreign governments and international organisations	–	–	1 074	2 878	–	1.3%	3 038	3 205	3 381	5.5%	3.3%
Households	–	122	–	–	–	–	–	–	–	–	–
Payments for capital assets	–	35	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	35	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	15	–	–	–	–	–	–	–	–	–
Total	68 958	78 991	74 639	86 132	7.7%	100.0%	91 269	96 401	104 289	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	1.0%	1.1%	0.9%	1.2%	–	–	1.2%	1.2%	1.2%	–	–
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	–	122	–	–	–	–	–	–	–	–	–
Employee social benefits	–	122	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations											
Current	–	–	1 074	2 878	–	1.3%	3 038	3 205	3 381	5.5%	3.3%
African Petroleum Producers' Association	–	–	1 074	2 878	–	1.3%	3 038	3 205	3 381	–	3.3%

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

Personnel information

Table 26.14 Petroleum and Petroleum Products Regulation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Unit cost			Unit cost			Unit cost		Unit cost		Unit cost						
Petroleum and Petroleum Products Regulation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	116	5	108	56.7	0.5	112	63.3	0.6	108	66.2	0.6	107	70.0	0.7	109	76.3	0.7	-0.9%	100.0%
1 – 6	32	2	32	8.9	0.3	32	8.9	0.3	30	9.3	0.3	31	10.4	0.3	32	11.6	0.4	–	28.7%
7 – 10	61	2	57	30.0	0.5	60	34.5	0.6	58	35.6	0.6	56	36.8	0.7	57	40.4	0.7	-1.7%	53.0%
11 – 12	9	1	8	6.8	0.8	9	8.0	0.9	9	8.6	1.0	9	9.2	1.0	9	9.8	1.1	–	8.3%
13 – 16	14	–	11	11.1	1.0	11	11.9	1.1	11	12.7	1.2	11	13.6	1.2	11	14.5	1.3	–	10.1%

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

2. Rand million.

Programme 4: Electrification and Energy Programme and Project Management

Programme purpose

Manage, coordinate and monitor programmes and projects that are focused on access to energy.

Objectives

- Increase access to electricity by managing the funding and monitoring of the implementation of the integrated national electrification programme on an ongoing basis.

- Increase public awareness on energy issues while empowering disadvantaged and vulnerable groups by identifying, implementing, managing and coordinating upliftment programmes and projects on an ongoing basis.
- Ensure the efficient management of electricity supply on an ongoing basis by:
 - enhancing the application of project management business principles to assist programme and project managers
 - coordinating, monitoring and reporting on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement, transmission and distribution industry and its infrastructure.

Subprogrammes

- *Integrated National Electrification Programme* oversees and manages the finance and implementation processes for the electrification programme; manages the annual planning processes, including electrification infrastructure plans; and manages and coordinates technical audits for the programme.
- *Energy Regional Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, manages and coordinates regional electrification planning, and ensures economic and technical compliance with relevant legislation.
- *Programme and Project Management Office* provides specialised assistance to programme and project managers, and management in general, to apply management principles, coordinate project information and report on projects.
- *Electricity Infrastructure/Industry Transformation* oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector, and independent power producers.
- *Community Upliftment Programmes and Projects* implements, manages and coordinates programmes and projects aimed at mainstreaming, uplifting and empowering disadvantaged and vulnerable groups; and increases public awareness on energy issues. This subprogramme also establishes integrated energy centres, which provide energy services and education to communities.

Expenditure trends and estimates

Table 26.15 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Integrated National Electrification Programme	5 775 682	5 630 619	6 111 174	5 340 704	-2.6%	99.2%	5 484 630	5 300 835	6 217 511	5.2%	99.1%
Energy Regional Offices	20 271	19 650	18 271	18 123	-3.7%	0.3%	20 947	22 096	23 269	8.7%	0.4%
Programme and Project Management Office	9 095	13 491	8 336	11 353	7.7%	0.2%	12 086	12 743	13 431	5.8%	0.2%
Electricity Infrastructure/Industry Transformation	8 593	9 278	8 413	8 140	-1.8%	0.1%	8 668	9 130	9 610	5.7%	0.2%
Community Upliftment Programmes and Projects	6 844	5 621	5 979	5 321	-8.0%	0.1%	5 494	5 808	6 132	4.8%	0.1%
Total	5 820 485	5 678 659	6 152 173	5 383 641	-2.6%	100.0%	5 531 825	5 350 612	6 269 953	5.2%	100.0%
Change to 2018 Budget estimate				(51 759)			(313 614)	(817 795)	(283 192)		

Table 26.15 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Current payments	70 718	68 304	60 010	67 984	-1.3%	1.2%	81 503	85 857	81 256	6.1%	1.4%
Compensation of employees	41 796	43 841	44 287	49 620	5.9%	0.8%	54 457	57 424	60 490	6.8%	1.0%
Goods and services ¹	28 922	24 463	15 723	18 364	-14.0%	0.4%	27 046	28 433	20 766	4.2%	0.4%
of which:											
Administrative fees	1 328	1 213	831	682	-19.9%	—	912	962	1 016	14.2%	—
Catering: Departmental activities	1 435	1 381	890	783	-18.3%	—	708	748	790	0.3%	—
Communications	421	746	484	643	15.2%	—	789	833	880	11.0%	—
Consultants: Business and advisory services	19	182	—	4 852	534.4%	—	12 741	13 330	4 832	-0.1%	0.2%
Travel and subsistence	15 700	12 210	8 194	9 326	-15.9%	0.2%	9 463	9 993	10 542	4.2%	0.2%
Venues and facilities	7 153	4 592	3 948	1 129	-46.0%	0.1%	1 780	1 878	1 980	20.6%	—
Transfers and subsidies ¹	5 749 762	5 610 355	6 092 163	5 315 657	-2.6%	98.8%	5 450 322	5 264 755	6 188 697	5.2%	98.6%
Provinces and municipalities	1 980 340	1 946 246	2 087 048	1 904 477	-1.3%	34.4%	1 863 328	1 977 364	2 131 018	3.8%	34.9%
Public corporations and private enterprises	3 769 422	3 664 067	4 005 114	3 411 180	-3.3%	64.5%	3 586 994	3 287 391	4 057 679	6.0%	63.6%
Households	—	42	1	—	—	—	—	—	—	—	—
Payments for financial assets	5	—	—	—	-100.0%	—	—	—	—	—	—
Total	5 820 485	5 678 659	6 152 173	5 383 641	-2.6%	100.0%	5 531 825	5 350 612	6 269 953	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	81.5%	75.6%	77.4%	75.2%	—	—	74.4%	72.6%	74.6%	—	—
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	—	42	1	—	—	—	—	—	—	—	—
Employee social benefits	—	42	1	—	—	—	—	—	—	—	—
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	1 980 340	1 946 246	2 087 048	1 904 477	—	34.4%	1 863 328	1 977 364	2 131 018	—	34.9%
Integrated national electrification programme (municipal) grant	1 980 340	1 946 246	2 087 048	1 904 477	—	34.4%	1 863 328	1 977 364	2 131 018	—	34.9%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Capital	156 179	137 733	158 960	149 149	—	2.6%	212 941	224 653	237 009	—	3.7%
Various institutions: Integrated national electrification programme	156 179	137 733	158 960	149 149	—	2.6%	212 941	224 653	237 009	—	3.7%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Capital	3 613 243	3 526 334	3 846 154	3 262 031	—	61.9%	3 374 053	3 062 738	3 820 670	—	60.0%
Eskom	3 613 243	3 526 334	3 846 154	3 262 031	—	61.9%	3 374 053	3 062 738	3 820 670	—	60.0%

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

Personnel information

Table 26.16 Electrification and Energy Programme and Project Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Electrification and Energy Programme and Project Management																			
Salary level	81	14	74	44.3	0.6	77	49.7	0.6	79	54.4	0.7	78	57.4	0.7	77	60.4	0.8	–	100.0%
1 – 6	12	12	8	1.5	0.2	8	1.5	0.2	9	1.8	0.2	9	1.9	0.2	9	2.1	0.2	4.0%	11.3%
7 – 10	40	1	39	19.6	0.5	41	22.3	0.5	41	24.0	0.6	41	25.8	0.6	41	27.7	0.7	–	52.7%
11 – 12	19	1	19	14.5	0.8	19	15.6	0.8	20	17.7	0.9	19	17.9	0.9	18	18.0	1.0	-1.8%	24.4%
13 – 16	10	–	8	8.6	1.1	9	10.3	1.1	9	11.0	1.2	9	11.8	1.3	9	12.6	1.4	–	11.6%

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

2. Rand million.

Programme 5: Nuclear Energy

Programme purpose

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

Objectives

- Regulate the security of nuclear material, related equipment and facilities by developing and publishing appropriate regulations on an ongoing basis.
- Ensure compliance with international nuclear obligations by developing, maintaining, implementing and enforcing a relevant and appropriate statutory framework for nuclear energy policy on an ongoing basis.

Subprogrammes

- *Nuclear Safety and Technology* manages and implements all matters related to nuclear safety and technology, as required by legislation and international agreements; implements nuclear energy policy in line with the requirements of the integrated resource plan; and administers all matters related to nuclear safety, liability and emergency management with the aim of improving the governance of the nuclear sector, specifically in relation to nuclear safety and nuclear technology. This subprogramme is responsible for the overall coordination and oversight for the new nuclear build programme, as well as the necessary due diligence on the proposed transaction. It also makes transfers to the South African Nuclear Energy Corporation, the National Nuclear Regulator and the National Radioactive Waste Disposal Institute.
- *Nuclear Non-proliferation and Radiation Security* manages and implements all matters related to nuclear non-proliferation and radiation security, as required by legislation and international agreements. This entails accounting for and controlling nuclear material through authorisation; ensuring compliance by conducting inspections and audits; and regulating the security of nuclear material by implementing security measures during transportation, use, storage and major public events.
- *Nuclear Policy* develops and reviews policies and legislation, as required by international agreements and the governance principles of the nuclear energy sector in South Africa; undertakes research and development on matters related to nuclear policy and legislation; and reviews and monitors nuclear safety, nuclear technology, nuclear non-proliferation and nuclear radiation security policies and legislation, and provides advice accordingly.

Expenditure trends and estimates

Table 26.17 Nuclear Energy 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 thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Nuclear Safety and Technology	641 491	859 003	780 819	855 159	10.1%	98.1%	1 026 198	1 081 916	1 140 841	10.1%	98.0%
Nuclear Non-proliferation and Radiation Security	7 168	8 303	8 414	9 074	8.2%	1.0%	9 515	10 023	11 552	8.4%	1.0%
Nuclear Policy	6 369	5 145	4 958	11 353	21.2%	0.9%	10 199	10 761	11 350	—	1.0%
Total	655 028	872 451	794 191	875 586	10.2%	100.0%	1 045 912	1 102 700	1 163 743	9.9%	100.0%
Change to 2018 Budget estimate				59 000			175 643	190 560	201 183		

Table 26.17 Nuclear Energy expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Current payments	25 272	104 046	38 190	108 540	62.5%	8.6%	41 348	43 585	46 926	-24.4%	5.7%
Compensation of employees	17 040	19 791	20 807	21 794	8.5%	2.5%	24 881	26 213	28 598	9.5%	2.4%
Goods and services ¹	8 232	84 255	17 383	86 746	119.2%	6.1%	16 467	17 372	18 328	-40.4%	3.3%
of which:											
Advertising	1 570	486	112	1 395	-3.9%	0.1%	1 575	1 606	1 694	6.7%	0.1%
Communication	277	237	240	275	-0.4%	—	269	284	300	2.9%	—
Consultants: Business and advisory services	752	78 482	13 340	80 052	373.9%	5.4%	10 986	11 591	12 229	-46.5%	2.7%
Consumables: Stationery, printing and office supplies	130	595	6	466	53.0%	—	511	539	568	6.8%	—
Travel and subsistence	3 177	2 181	1 844	1 578	-20.8%	0.3%	1 678	1 771	1 869	5.8%	0.2%
Venues and facilities	1 791	1 634	863	1 052	-16.3%	0.2%	1 197	1 318	1 391	9.8%	0.1%
Transfers and subsidies ¹	629 756	670 027	756 001	767 046	6.8%	88.3%	1 004 564	1 059 115	1 116 817	13.3%	94.3%
Departmental agencies and accounts	21 487	50 936	68 573	62 042	42.4%	6.4%	90 595	94 864	99 532	17.1%	8.3%
Foreign governments and international organisations	27 886	19 753	23 257	22 290	-7.2%	2.9%	23 538	24 832	26 197	5.5%	2.3%
Public corporations and private enterprises	580 358	599 338	664 171	682 714	5.6%	79.0%	890 431	939 419	991 088	13.2%	83.7%
Households	25	—	—	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	—	98 378	—	—	—	3.1%	—	—	—	—	—
Machinery and equipment	—	11 031	—	—	—	0.3%	—	—	—	—	—
Software and other intangible assets	—	87 347	—	—	—	2.7%	—	—	—	—	—
Total	655 028	872 451	794 191	875 586	10.2%	100.0%	1 045 912	1 102 700	1 163 743	9.9%	100.0%
Proportion of total programme expenditure to vote expenditure	9.2%	11.6%	10.0%	12.2%	—	—	14.1%	14.0%	13.8%	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	25	—	—	—	—	—	—	—	—	—	—
Employee social benefits	25	—	—	—	-100.0%	—	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	21 109	50 538	68 155	61 600	42.9%	—	90 128	94 371	99 012	17.1%	—
National Nuclear Regulator	21 109	40 538	38 155	16 068	-8.7%	—	42 629	44 974	47 448	43.5%	—
National Radioactive Waste Disposal Institute	—	10 000	30 000	45 532	—	—	47 499	49 397	51 564	4.2%	—
Capital	378	398	418	442	5.4%	—	467	493	520	5.6%	—
National Nuclear Regulator	378	398	418	442	5.4%	—	467	493	520	5.6%	—
Foreign governments and international organisations											
Current	27 886	19 753	23 257	22 290	-7.2%	—	23 538	24 832	26 197	5.5%	—
International Atomic Energy Agency	27 886	19 753	22 691	21 549	-8.2%	—	22 756	24 007	25 327	5.5%	—
Generation IV International Forum	—	—	566	741	—	—	782	825	870	5.5%	—
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	498 777	513 461	574 000	587 313	5.6%	0.1%	789 688	833 135	878 958	14.4%	0.1%
South African Nuclear Energy Corporation	498 777	513 461	574 000	587 313	5.6%	0.1%	789 688	833 135	878 958	14.4%	0.1%
Capital	81 581	85 877	90 171	95 401	5.4%	—	100 743	106 284	112 130	5.5%	—
South African Nuclear Energy Corporation	81 581	85 877	90 171	95 401	5.4%	—	100 743	106 284	112 130	5.5%	—

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

Personnel information

Table 26.18 Nuclear Energy personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment														Number		
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost
Nuclear Energy			31	20.8	0.7	30	21.8	0.7	33	24.9	0.8	31	26.2	0.8	34	28.6	0.8	4.3%	100.0%
1 – 6	2	2	4	0.6	0.2	4	0.6	0.2	6	1.3	0.2	4	0.9	0.2	7	1.5	0.2	20.5%	16.4%
7 – 10	10	–	9	3.8	0.4	8	3.5	0.4	8	3.8	0.5	8	4.1	0.5	8	4.4	0.6	–	25.0%
11 – 12	10	–	10	7.7	0.8	10	8.3	0.8	11	9.8	0.9	11	10.5	1.0	11	11.2	1.0	3.2%	33.6%
13 – 16	9	–	8	8.7	1.1	8	9.4	1.2	8	10.0	1.3	8	10.7	1.3	8	11.5	1.4	–	25.0%

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

2. Rand million.

Programme 6: Clean Energy

Programme purpose

Manage and facilitate the development and implementation of clean and renewable energy initiatives, as well as energy efficiency and demand-side management initiatives.

Objectives

- Manage climate change response and environmental compliance issues by:
 - monitoring the implementation of energy-related climate change regulations to mitigate the risk of environmental impact on an ongoing basis
 - publishing energy-related climate change strategies and plans over the medium term.
- Promote, facilitate and monitor the implementation of renewable energy initiatives on an ongoing basis.
- Promote, facilitate and monitor the implementation of energy efficiency and demand-side management initiatives on an ongoing basis by:
 - developing regulations and standards for energy management and energy saving
 - measuring, reporting and verifying strategies to save energy
 - coordinating, monitoring and reporting on the progress and impact of strategies for energy efficiency and demand management
 - developing and/or reviewing incentives and other financing schemes for energy efficiency.

Subprogrammes

- *Energy Efficiency* advances energy efficiency improvements in South Africa by planning and coordinating initiatives and interventions focused on developing and improving the energy efficiency market, and ensures the integration and coordination of energy efficiency initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers in respect of the solar water heater programme and municipal energy efficiency programmes.
- *Renewable Energy* ensures the integration of renewable energy into South Africa's mainstream energy supply by planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market, and ensures the integration and coordination of renewable energy initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers to the South African National Energy Development Institute.
- *Climate Change and Designated National Authority* ensures that climate change and environment response measures, in terms of mitigation and adaptation, are implemented within the energy sector. It also ensures the fulfilment of international energy commitments and obligations under the United Nations Framework Convention on Climate Change.

Expenditure trends and estimates

Table 26.19 Clean Energy expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation				Medium-term expenditure estimate				
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16	2018/19		2019/20	2020/21	2021/22	2018/19	2021/22
Energy Efficiency	206 211	527 139	537 514	400 244	24.7%		86.3%	318 911	346 255	366 127	-2.9%	79.6%
Renewable Energy	69 774	25 240	64 204	75 796	2.8%		12.1%	80 070	84 459	89 102	5.5%	18.3%
Climate Change and Designated National Authority	5 798	7 722	7 837	8 667	14.3%		1.6%	9 102	9 605	10 128	5.3%	2.1%
Total	281 783	560 101	609 555	484 707	19.8%		100.0%	408 083	440 319	465 357	-1.3%	100.0%
Change to 2018 Budget estimate				114 524				(1 818)	(2 382)	(1 923)		
Economic classification												
Current payments	37 710	31 321	110 058	196 695	73.4%		19.4%	103 965	119 488	126 880	-13.6%	30.4%
Compensation of employees	14 336	16 264	17 246	19 906	11.6%		3.5%	19 607	20 673	22 630	4.4%	4.6%
Goods and services ¹	23 374	15 057	92 812	176 789	96.3%		15.9%	84 358	98 815	104 250	-16.1%	25.8%
of which:												
Advertising	4 571	1 864	17	837	-43.2%		0.4%	871	919	970	5.0%	0.2%
Consultants: Business and advisory services	10 667	7 636	734	7 771	-10.0%		1.4%	67 679	81 217	85 684	122.6%	13.5%
Agency and support/outsourced services	1 095	1 094	–	–	-100.0%		0.1%	10 063	10 616	11 200	–	1.8%
Consumables: Stationery, printing and office supplies	53	83	46	184	51.4%		–	194	205	216	5.5%	–
Travel and subsistence	5 573	2 122	2 065	3 496	-14.4%		0.7%	3 738	3 943	4 160	6.0%	0.9%
Venues and facilities	415	728	467	1 317	47.0%		0.2%	1 356	1 430	1 508	4.6%	0.3%
Transfers and subsidies ¹	244 073	528 780	499 497	288 012	5.7%		80.6%	304 118	320 831	338 477	5.5%	69.6%
Provinces and municipalities	177 899	185 625	203 236	215 024	6.5%		40.4%	227 065	239 554	252 729	5.5%	52.0%
Departmental agencies and accounts	64 861	20 625	59 774	70 241	2.7%		11.1%	74 151	78 215	82 517	5.5%	17.0%
Foreign governments and international organisations	1 313	2 216	1 015	2 747	27.9%		0.4%	2 902	3 062	3 231	5.6%	0.7%
Public corporations and private enterprises	–	320 314	235 472	–	–		28.7%	–	–	–	–	–
Total	281 783	560 101	609 555	484 707	19.8%		100.0%	408 083	440 319	465 357	-1.3%	100.0%
Proportion of total programme expenditure to vote expenditure	3.9%	7.5%	7.7%	6.8%	–		–	5.5%	5.6%	5.5%	–	–
Details of transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	64 861	20 625	59 774	70 241	2.7%		–	74 151	78 215	82 517	5.5%	–
South African National Energy Development Institute	64 861	20 625	59 774	70 241	2.7%		–	74 151	78 215	82 517	5.5%	–
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	177 899	185 625	203 236	215 024	6.5%		–	227 065	239 554	252 729	5.5%	0.1%
Energy efficiency and demand-side management grant	177 899	185 625	203 236	215 024	6.5%		–	227 065	239 554	252 729	5.5%	0.1%
Foreign governments and international organisations												
Current	1 313	2 216	1 015	2 747	27.9%		–	2 902	3 062	3 231	5.6%	–
International Energy Forum	–	–	–	337	–		–	356	376	397	5.6%	–
International Renewable Energy Agency	1 313	2 216	1 015	1 137	-4.7%		–	1 201	1 267	1 337	5.5%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	1 273	–		–	1 345	1 419	1 497	5.6%	–
Public corporations and private enterprises												
Private enterprises												
Private enterprises (subsidies on products and production)												
Capital	–	320 314	235 472	–	–		–	–	–	–	–	–
Various institutions: Solar water heater programme	–	320 314	235 472	–	–		–	–	–	–	–	–

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

Personnel information

Table 26.20 Clean Energy personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019			Number and cost ² of personnel posts filled/planned for on funded establishment													Number			
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	2018/19 - 2021/22
Clean Energy	24	2	24	17.2	0.7	27	19.9	0.7	23	19.6	0.9	22	20.6	0.9	23	22.6	1.0	-5.2%	100.0%
1 – 6	1	1	1	0.1	0.1	3	0.6	0.2	1	0.3	0.3	1	0.3	0.3	1	0.4	0.4	-30.7%	6.3%
7 – 10	8	—	8	3.9	0.5	8	4.3	0.5	7	4.2	0.6	6	4.0	0.7	7	4.9	0.7	-4.4%	29.5%
11 – 12	9	1	9	7.1	0.8	10	8.5	0.9	9	8.1	0.9	9	8.7	1.0	9	9.3	1.0	-3.5%	38.9%
13 – 16	6	—	6	6.6	1.0	6	6.6	1.1	6	7.0	1.2	6	7.5	1.3	6	8.0	1.3	—	25.3%

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

2. Rand million.

Entities

Central Energy Fund

Mandate

The Central Energy Fund is listed in schedule 2 of the Public Finance Management Act (1999), and is governed by the Central Energy Fund Act (1977) and the Companies Act (2008). Its mandate is to research, finance, develop and exploit appropriate energy solutions across the spectrum of energy sources to meet South Africa's future energy needs.

Through its eight operating subsidiaries, the entity is also mandated to finance and promote the acquisition of coal; exploit coal deposits; manufacture liquid fuel, oil, and other products from coal; and market these products. It is also mandated to acquire, generate, manufacture, market, distribute or research any other form of energy. The subsidiaries are: the Petroleum Oil and Gas Corporation of South Africa (PetroSA); the South African Gas Development Company; the Petroleum Agency of South Africa; Oil Pollution Control South Africa; the Strategic Fuel Fund Association; the African Exploration Mining and Finance Corporation; ETA Energy; and CCE Solutions. The Petroleum Agency of South Africa and the African Exploration Mining and Finance Corporation are in the process of being transferred to the Department of Mineral Resources.

Selected performance indicators

Table 26.21 Central Energy Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total indigenous production of fuel supplied to the market per year (million barrels)	Oil and gas, national oil company	Entity mandate	5.039	2.766	6.286	— ¹	— ¹	— ¹	— ¹
Number of reportable environmental incidents at the Central Energy Fund group per year	Oil and gas, national oil company		8	5	2	10	10	10	10
Number of tons (measured per thousand) of coal produced/sold at Vlakfontein by the African Exploration Mining and Finance Corporation per year	Mining, coal		1 565	1 389	1 400	2 000	3 000	4 000	5 000

1. No projections as the measurement has been changed from million barrels per year to barrels per day.

Expenditure analysis

Over the medium term, the Central Energy Fund aims to reduce costs and manage portfolios more effectively, optimise gas feedstock to improve its gross profit margin and facilitate the transition to clean fuels, improve profitability through new business development and expanding its subsidiaries, foster strategic partnerships, enhance liquidity through the management of working capital, and improve solvency by disposing of non-core assets.

As part of its drive to manage its portfolios more effectively, in 2019/20, the fund intends to restructure the Central Energy Fund group (comprising the fund and its subsidiaries) to improve accountability, and ensure that it operates efficiently and maximises synergies. This restructuring process will include plans for the turnaround of PetroSA.

To facilitate the transition to clean fuels and improve its gross profit margin over the MTEF period, the fund intends to optimise gas feedstock by assessing the viability of a cross-border and national gas pipeline to enable gas supply to its subsidiaries. In terms of new business development and expanding its subsidiaries, over the same period, the fund intends to investigate acquisitions in specific areas of the energy value chain such as downstream petroleum. The fund also intends to promote rural development through strategic mergers or partnerships in renewable energy investments for rural deployment.

To ensure that these objectives are met, the fund's subsidiaries will conduct several projects over the medium term: PetroSA will focus on increasing its revenue through increased production and feedstock optimisation; the Strategic Fuel Fund Association is charged with refurbishing its infrastructure to increase storage capacity; the Petroleum Agency of South Africa will focus on its financial viability; the South African Gas Development Company will set out to become an active infrastructure partner for increased gas supply; and the African Exploration Mining and Finance Corporation is expected to increase its coal supply capacity and revenue at the Tshilwavirusiku, Mzimkhulu and Vlaktefontein mines. To achieve these objectives, the fund has allocated R3.2 billion in capital assets over the MTEF period.

Total expenditure is expected to increase at an average annual rate of 15.4 per cent, from R13.8 billion in 2018/19 to R21.2 billion in 2021/22. This increase is mainly driven by expected increases in production at PetroSA and the African Exploration Mining and Finance Corporation. The number of personnel in the fund is expected to remain at 1 862 over the medium term. As such, spending on compensation of employees is expected to increase at an average annual rate of 6.1 per cent, from R1.6 billion in 2018/19 to R1.9 billion in 2021/22.

Revenue is expected to increase at an average annual rate of 14.8 per cent, from R13.2 billion in 2018/19 to R20 billion in 2021/22, due to an expected increase in the sale of petroleum products, oil and coal as a result of increased production.

Programmes/Objectives/Activities

Table 26.22 Central Energy Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand											
Administration	222 239	113 020	211 249	443 422	25.9%	1.6%	293 267	273 133	289 385	-13.3%	1.9%
Clean and renewable energy and Oil pollution	16 963	16 258	62 031	3 188	-42.7%	0.2%	3 342	3 509	3 690	5.0%	0.0%
Oil and gas, national oil company	16 963 062	12 392 197	12 077 716	11 963 983	-11.0%	84.9%	17 456 269	17 453 851	18 190 589	15.0%	88.1%
Strategic stock	4 873 745	703 956	741 374	344 930	-58.6%	8.6%	365 628	387 563	410 817	6.0%	2.1%
Mining, coal	383 227	424 636	521 064	753 141	25.3%	3.5%	938 022	1 121 475	1 993 434	38.3%	6.4%
Gas and gas infrastructure	20 336	41 837	35 671	101 879	71.1%	0.3%	118 255	128 012	127 907	7.9%	0.7%
Promotion, licensing and regulation	108 191	112 359	113 569	151 039	11.8%	0.8%	156 506	165 387	156 372	1.2%	0.9%
Total	22 587 763	13 804 263	13 762 674	13 761 582	-15.2%	100.0%	19 331 289	19 532 931	21 172 194	15.4%	100.0%

Statements of historical financial performance and position

Table 26.23 Central Energy Fund statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	19 936 402	22 393 806	18 213 859	13 183 443	18 104 081	13 544 689	21 220 843	13 211 182	80.5%
Sale of goods and services other than capital assets	19 187 205	21 379 462	17 344 253	11 940 101	17 261 496	12 131 020	19 883 342	12 198 257	78.2%
of which:									
Sales by market establishment	19 187 205	21 379 462	17 344 253	11 940 101	17 261 496	12 131 020	19 883 342	12 198 257	78.2%
Other non-tax revenue	749 197	1 014 344	869 606	1 243 342	842 585	1 413 669	1 337 501	1 012 924	123.3%
Total revenue	19 960 910	22 393 806	18 213 859	13 183 443	18 104 081	14 116 542	21 220 843	13 211 182	81.2%
Expenses									
Current expenses	19 348 749	22 219 434	17 788 520	13 502 823	18 703 607	13 687 487	19 630 945	13 638 424	83.5%
Compensation of employees	1 013 412	1 377 568	1 080 286	1 366 404	1 620 251	1 432 870	1 855 186	1 600 251	103.7%
Goods and services	18 139 574	18 816 388	15 566 428	10 414 354	16 789 685	10 632 777	16 483 386	11 706 652	77.0%
Depreciation	73 325	1 913 126	1 007 445	1 127 362	91 817	1 048 203	1 064 031	100 244	187.3%
Interest, dividends and rent on land	122 438	112 352	134 361	594 704	201 854	573 637	228 341	231 277	220.1%
Total expenses	19 470 566	22 587 763	17 816 356	13 804 263	18 769 080	13 762 674	19 828 357	13 761 582	84.2%
Surplus/(Deficit)	490 344	(193 957)	397 503	(620 820)	(664 999)	353 868	1 392 487	(550 400)	
Statement of financial position									
Carrying value of assets	14 678 785	12 494 369	14 031 150	11 408 656	17 390 710	9 044 795	20 526 262	9 257 334	63.3%
of which:									
Acquisition of assets	(3 883 208)	(2 152 920)	(2 382 247)	(852 896)	(4 079 054)	(279 749)	(3 081 488)	(1 949 512)	39.0%
Investments	7 768 229	1 989 357	5 636 358	1 092 678	5 775 318	1 051 193	5 925 589	1 558 781	22.7%
Inventory	2 290 728	1 992 402	1 986 146	2 749 753	2 216 904	2 759 913	2 468 548	3 043 316	117.7%
Loans	—	236 062	—	32 829	—	46 575	—	70 489	—
Receivables and prepayments	2 080 554	2 507 122	1 575 906	2 202 053	1 964 198	2 293 632	2 196 026	1 125 483	104.0%
Cash and cash equivalents	8 085 795	16 153 551	8 799 138	15 694 839	8 667 400	17 186 008	8 120 642	16 635 497	195.0%
Non-current assets held for sale	—	50 000	35 972	88 639	—	34 333	—	16 000	525.3%
Taxation	5 540	392 158	4 933	349 702	5 540	586 260	5 540	—	6 162.1%
Total assets	34 909 631	35 815 021	32 069 603	33 619 149	36 020 070	33 002 709	39 242 607	31 706 900	94.3%
Accumulated surplus/(deficit)	18 314 501	12 950 318	13 866 245	14 765 600	16 012 796	14 870 530	17 439 276	12 798 959	84.4%
Capital and reserves	275 974	2 070 964	1 704 074	(1 321 139)	1 704 074	(1 281 077)	1 704 074	1 534 783	18.6%
Borrowings	1 330 005	1 618 875	1 022 320	866 846	2 196 332	770 171	3 177 365	999 144	55.1%
Finance lease	—	—	—	—	—	812 583	—	819 250	—
Accrued interest	435	—	—	—	—	—	—	—	—
Trade and other payables	2 880 392	5 463 354	1 525 420	6 800 163	1 599 291	7 070 757	1 806 131	4 887 866	310.1%
Taxation	1 654 494	1 774 611	1 838 938	1 888 793	1 838 929	1 457 421	1 838 888	892 956	83.9%
Provisions	9 882 601	11 864 956	11 555 106	10 431 165	12 104 148	9 140 651	12 685 373	9 630 654	88.8%
Derivatives financial instruments	571 229	71 943	557 500	187 721	564 500	161 673	591 500	143 288	24.7%
Total equity and liabilities	34 909 631	35 815 021	32 069 603	33 619 149	36 020 070	33 002 709	39 242 607	31 706 900	94.3%

Statements of estimates of financial performance and position

Table 26.24 Central Energy Fund statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Non-tax revenue	13 211 182	-16.1%	99.0%	20 006 111	19 093 465	19 963 645	14.8%	100.0%
Sale of goods and services other than capital assets	12 198 257	-17.1%	91.1%	18 666 293	18 021 645	18 827 366	15.6%	93.6%
of which:								
Sales by market establishment	12 198 257	-17.1%	91.1%	18 666 293	18 021 645	18 827 366	15.6%	93.6%
Other non-tax revenue	1 012 924	-0.0%	7.9%	1 339 818	1 071 821	1 136 280	3.9%	6.4%
Total revenue	13 211 182	-16.1%	100.0%	20 006 111	19 093 465	19 963 645	14.8%	100.0%
Expenses								
Current expenses	13 638 424	-15.0%	98.7%	19 123 173	19 354 820	20 785 884	15.1%	98.8%
Compensation of employees	1 600 251	5.1%	9.5%	1 690 766	1 792 887	1 910 454	6.1%	9.6%
Goods and services	11 706 652	-14.6%	80.3%	17 256 761	17 394 546	18 704 017	16.9%	87.9%
Depreciation	100 244	-62.6%	6.2%	108 673	102 857	105 115	1.6%	0.6%
Interest, dividends and rent on land	231 277	27.2%	2.7%	66 973	64 530	66 297	-34.1%	0.7%
Total expenses	13 761 582	-15.2%	100.0%	19 331 289	19 532 931	21 172 194	15.4%	100.0%
Surplus/(Deficit)	(550 400)			674 822	(439 465)	(1 208 548)		

Table 26.24 Central Energy Fund statements of estimates of financial performance and position

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Carrying value of assets	9 257 334	-9.5%	31.4%	9 476 010	8 969 581	8 682 555	-2.1%	28.2%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(1 949 512)</i>	-3.3%	-3.9%	<i>(1 381 724)</i>	<i>(874 615)</i>	<i>(912 007)</i>	-22.4%	-4.0%
Investments	1 558 781	-7.8%	4.2%	1 636 748	1 860 562	2 496 456	17.0%	5.8%
Inventory	3 043 316	15.2%	7.9%	3 170 423	3 100 085	3 068 324	0.3%	9.6%
Loans	70 489	-33.2%	0.3%	75 824	50 700	56 496	-7.1%	0.2%
Receivables and prepayments	1 125 483	-23.4%	6.0%	1 667 178	1 632 664	1 702 172	14.8%	4.7%
Cash and cash equivalents	16 635 497	1.0%	49.1%	16 633 598	16 742 689	16 386 682	-0.5%	51.4%
Non-current assets held for sale	16 000	-31.6%	0.1%	—	—	—	-100.0%	0.0%
Total assets	31 706 900	-4.0%	100.0%	32 659 781	32 356 281	32 392 685	0.7%	100.0%
Accumulated surplus/(deficit)	12 798 959	-0.4%	41.4%	13 514 290	13 084 138	11 871 115	-2.5%	39.7%
Capital and reserves	1 534 783	-9.5%	0.7%	1 604 467	1 628 847	1 628 847	2.0%	5.0%
Borrowings	999 144	-14.9%	3.1%	865 619	476 088	968 622	-1.0%	2.6%
Finance lease	819 250	—	1.3%	820 266	820 266	820 266	0.0%	2.5%
Trade and other payables	4 887 866	-3.6%	18.1%	4 616 537	4 495 159	4 631 078	-1.8%	14.4%
Taxation	892 956	-20.5%	4.5%	890 703	914 353	946 196	1.9%	2.8%
Provisions	9 630 654	-6.7%	30.6%	10 195 830	10 767 227	11 351 559	5.6%	32.5%
Derivatives financial instruments	143 288	25.8%	0.4%	152 069	170 203	175 002	6.9%	0.5%
Total equity and liabilities	31 706 900	-4.0%	100.0%	32 659 781	32 356 281	32 392 685	0.7%	100.0%

Personnel information

Table 26.25 Central Energy Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Central Energy Fund			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	1 862	1 862	1 862	1 432.9	0.8	1 862	1 600.3	0.9	1 862	1 690.8	0.9	1 862	1 792.9	1.0	1 862	1 910.5	1.0	6.1%	100.0%
7 – 10	1 079	1 079	1 079	575.0	0.5	1 079	642.6	0.6	1 079	683.6	0.6	1 079	730.5	0.7	1 079	793.0	0.7	7.3%	57.9%
11 – 12	276	276	276	234.2	0.8	276	259.1	0.9	276	258.7	0.9	276	275.4	1.0	276	282.4	1.0	2.9%	14.8%
13 – 16	507	507	507	623.7	1.2	507	698.6	1.4	507	748.4	1.5	507	787.0	1.6	507	835.1	1.6	6.1%	27.2%

1. Rand million.

South African Nuclear Energy Corporation

Mandate

The South African Nuclear Energy Corporation is listed as a schedule 2 public entity. It derives its mandate from the Nuclear Energy Act (1999), the 2008 nuclear energy policy and directives conferred on it by the Minister of Energy. It is responsible for operating the SAFARI-1 research nuclear reactor for research and technology development, providing irradiation services for the production of radioisotopes, decommissioning and decontaminating nuclear facilities, and contributing to South Africa's obligations in terms of international nuclear treaties and agreements. Its subsidiaries include Pelchem, a supplier of fluorine and fluorine-based products, and Nuclear Technology Products (NTP) Radioisotopes, which supplies radiation-based products and services.

The corporation will aim to improve its sustainability through a greater focus on targeted technology platforms through which it will be able to commercialise products and generate new business.

Selected performance indicators**Table 26.26 South African Nuclear Energy Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of product and process innovations per year	Administration	Entity mandate	12	15	10	8	6	6	6
Number of scientific articles published per year	Administration		55	43	45	29	26	23	20
Number of days per year that the reactor is operationally available	Radiation products and services		287	289	300	287	287	287	287
Maximum allowable annual radiation dose (microsievert) in terms of licence conditions	Radiation products and services		6µSv	5.6µSv	4.8µSv	5µSv	5µSv	5µSv	5µSv

Expenditure analysis

Over the medium term, the South African Nuclear Energy Corporation will focus on growing the portfolio of radioisotope and radiopharmaceutical products that may be commercialised; decommissioning old nuclear facilities; acquiring assets to strengthen its ability to host nuclear programmes; and ensuring that Pelchem grows and remains sustainable.

The corporation aims to strengthen the global market position of NTP Radioisotopes over the medium term by focusing on the production and sale of medical radioisotopes and radiopharmaceutical products locally and internationally for the diagnosis and treatment of cancers. To increase the company's portfolio of radioisotope and radiopharmaceutical products that may be commercialised, over the MTEF period, the corporation intends to operate the SAFARI-1 reactor for 287 days a year to maximise production while remaining compliant with international safety requirements. Activities related to the production of radioisotopes and radiopharmaceutical products are carried out in the radiation products and services programme, the corporation's largest programme, in which spending is expected to increase at an average annual rate of 8.4 per cent, from R1.6 billion in 2018/19 to R2 billion in 2021/22.

Stage 1 of the process to decommission certain nuclear facilities involves dismantling and decontaminating old plants and facilities that formed part of South Africa's apartheid-era nuclear defence programme. Over the medium term, R539.2 million has been allocated for these activities in the radiation products and services programme.

The corporation plans to carry out the following activities towards strengthening its ability to host nuclear programmes: installing technologies related to small angle neutron scattering and neutron radiography facilities to enhance research and development infrastructure capabilities; and upgrading and refurbishing critical site infrastructure, which includes liquid effluent management services, analytical and calibration services, material test reactor fuel facilities and security upgrades. R315.8 million is allocated over the MTEF period for the acquisition of assets to carry out these activities.

Total expenditure is expected to increase at an average annual rate of 6.9 per cent, from R3.1 billion in 2018/19 to R3.7 billion in 2021/22. Spending on compensation of employees accounts for an estimated 36 per cent of the corporation's total expenditure, increasing at an average annual rate of 9 per cent, from R1.1 billion in 2018/19 to R1.4 billion in 2021/22. This increase is mainly because of an expected increase in personnel, from 2 339 in 2018/19 to 2 436 in 2021/22, due to the filling of critical posts.

The corporation generates revenue through the sale of nuclear technology products, chemical products and nuclear engineering services; and transfers from the department. Total revenue is expected to increase at an average annual rate of 7.1 per cent, from R3.1 billion in 2018/19 to R3.9 billion 2021/22, mainly due to an expected increase in the sale of nuclear radiation products.

Programmes/Objectives/Activities**Table 26.27 South African Nuclear Energy Corporation 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 thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	386 922	442 739	464 317	487 531	8.0%	13.7%	511 906	524 442	550 664	4.1%	15.0%
Nuclear energy	391 224	409 777	409 531	429 301	3.1%	12.5%	474 367	498 087	517 934	6.5%	13.9%
Radiation products and services	3 800 512	1 514 435	1 553 027	1 589 445	-25.2%	58.3%	1 820 473	1 965 973	2 026 454	8.4%	53.5%
South African Nuclear Energy Corporation as a host of nuclear programmes	391 382	509 677	535 161	561 918	12.8%	15.5%	590 015	619 515	650 492	5.0%	17.6%
Total	4 970 040	2 876 628	2 962 036	3 068 195	-14.9%	100.0%	3 396 761	3 608 017	3 745 544	6.9%	100.0%

Statements of historical financial performance and position**Table 26.28 South African Nuclear Energy Corporation statements of historical financial performance and position**

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	
Revenue										
Non-tax revenue	1 613 276	4 670 010	1 929 057	2 281 748	1 948 885	2 216 122	2 041 454	2 031 606		148.7%
Sale of goods and services other than capital assets	1 511 710	1 509 999	1 883 421	1 622 819	1 736 070	1 513 768	1 875 464	1 674 812		90.2%
<i>of which:</i>										
<i>Sales by market establishment</i>	<i>1 511 710</i>	<i>1 509 999</i>	<i>1 883 421</i>	<i>1 622 819</i>	<i>1 736 070</i>	<i>1 513 768</i>	<i>1 875 464</i>	<i>1 674 812</i>		<i>90.2%</i>
Other non-tax revenue	101 566	3 160 011	45 636	658 929	212 815	702 354	165 990	356 794		927.4%
Transfers received	650 463	614 268	649 376	637 112	837 548	763 948	793 110	1 116 015		106.9%
Total revenue	2 263 739	5 284 278	2 578 433	2 918 860	2 786 433	2 980 070	2 834 564	3 147 621		137.0%
Expenses										
Current expenses	2 382 408	4 888 241	2 598 050	2 805 811	2 395 786	2 887 678	2 741 023	2 990 119		134.1%
Compensation of employees	916 852	863 953	916 136	989 397	990 036	1 016 292	1 065 975	1 066 400		101.2%
Goods and services	1 387 862	3 923 736	1 611 874	1 740 773	1 313 181	1 791 963	1 583 321	1 840 327		157.7%
Depreciation	77 694	94 802	65 524	70 764	87 441	74 302	87 756	78 015		99.8%
Interest, dividends and rent on land	—	5 750	4 516	4 877	5 128	5 121	3 971	5 377		155.2%
Total expenses	2 430 437	4 970 040	2 663 624	2 876 628	2 482 202	2 962 036	2 806 692	3 068 195		133.7%
Surplus/(Deficit)	(166 698)	314 238	(85 191)	42 232	304 231	18 034	27 872	79 426		
Statement of financial position										
Carrying value of assets	1 391 386	1 338 158	1 463 356	1 376 599	1 603 016	1 456 575	1 758 625	1 785 294		95.8%
<i>of which:</i>										
<i>Acquisition of assets</i>	<i>(174 404)</i>	<i>(398 688)</i>	<i>(109 964)</i>	<i>(166 240)</i>	<i>(244 444)</i>	<i>(138 738)</i>	<i>(160 164)</i>	<i>(231 934)</i>		<i>135.8%</i>
Investments	294 794	3 327 811	3 340 544	3 172 042	3 333 617	4 116 602	3 455 817	3 691 813		137.3%
Inventory	221 660	231 886	256 406	238 065	343 395	275 393	336 586	389 853		98.0%
Loans	—	—	—	—	36 589	—	36 589	—		—
Receivables and prepayments	212 391	407 569	279 899	205 110	397 548	459 385	586 692	495 114		106.1%
Cash and cash equivalents	594 006	781 511	598 334	1 065 283	531 932	507 915	32 853	152 171		142.7%
Taxation	1 257	59 201	15 741	41 016	32 065	49 374	32 021	30 745		222.4%
Total assets	2 715 494	6 146 136	5 954 280	6 098 115	6 278 162	6 865 244	6 239 183	6 544 990		121.1%
Accumulated surplus/(deficit)	482 061	509 265	267 086	503 964	763 223	617 703	791 095	196 419		79.3%
Capital and reserves	367 948	545 729	422 412	600 381	145 357	592 572	152 589	691 376		223.3%
Capital reserve fund	703 317	—	601 608	—	198 873	—	206 960	—		—
Borrowings	31 523	82 734	85 238	123 721	5 991	32 000	16 861	30 318		192.5%
Finance lease	10 902	8 202	4 641	5 305	4 416	1 487	4 118	5 800		86.4%
Deferred income	—	446 339	—	594 362	594 366	579 751	575 464	644 992		193.7%
Trade and other payables	321 682	252 076	226 887	196 080	361 385	387 366	519 840	291 875		78.9%
Benefits payable	—	—	—	23 808	—	33 489	—	35 163		—
Taxation	—	19 954	—	1 100	22 345	2 071	22 345	296		52.4%
Provisions	748 506	691 161	992 714	739 267	972 417	782 073	1 028 191	1 149 172		89.8%
Managed funds (e.g. poverty alleviation fund)	—	33 049	—	—	—	—	—	—		—
Derivatives financial instruments	49 555	3 557 627	3 353 694	3 310 127	3 087 770	3 836 732	2 785 120	3 499 579		153.1%
Total equity and liabilities	2 715 494	6 146 136	5 954 280	6 098 115	6 156 143	6 865 244	6 102 583	6 544 990		122.6%

Statements of estimates of financial performance and position

Table 26.29 South African Nuclear Energy Corporation statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2018/19			2019/20	2020/21	2021/22		
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Non-tax revenue	2 031 606	-24.2%	76.4%	2 375 686	2 494 341	2 583 318	8.3%	66.3%
Sale of goods and services other than capital assets	1 674 812	3.5%	47.0%	2 288 169	2 408 841	2 507 384	14.4%	61.8%
of which:								
Sales by market establishment	1 674 812	3.5%	47.0%	2 288 169	2 408 841	2 507 384	14.4%	61.8%
Other non-tax revenue	356 794	-51.7%	29.3%	87 517	85 500	75 934	-40.3%	4.5%
Transfers received	1 116 015	22.0%	23.6%	1 170 086	1 232 920	1 287 368	4.9%	33.7%
Total revenue	3 147 621	-15.9%	100.0%	3 545 772	3 727 261	3 870 686	7.1%	100.0%
Expenses								
Current expenses	2 990 119	-15.1%	97.7%	3 314 781	3 521 938	3 655 161	6.9%	97.6%
Compensation of employees	1 066 400	7.3%	30.2%	1 220 015	1 308 298	1 382 143	9.0%	36.0%
Goods and services	1 840 327	-22.3%	65.0%	2 007 204	2 121 700	2 176 482	5.8%	59.0%
Depreciation	78 015	-6.3%	2.4%	81 916	86 012	90 312	5.0%	2.4%
Interest, dividends and rent on land	5 377	-2.2%	0.2%	5 646	5 928	6 224	5.0%	0.2%
Total expenses	3 068 195	-14.9%	100.0%	3 396 761	3 608 017	3 745 544	6.9%	100.0%
Surplus/(Deficit)	79 426			149 011	119 244	125 142		
Statement of financial position								
Carrying value of assets	1 785 294	10.1%	23.2%	1 820 884	1 860 297	1 912 942	2.3%	26.3%
of which:								
Acquisition of assets	(231 934)	-16.5%	-3.7%	(70 936)	(116 048)	(128 804)	-17.8%	-2.0%
Investments	3 691 813	3.5%	55.6%	3 878 064	4 069 315	4 235 982	4.7%	56.4%
Inventory	389 853	18.9%	4.4%	520 645	567 122	604 429	15.7%	7.4%
Receivables and prepayments	495 114	6.7%	6.1%	563 557	620 430	690 280	11.7%	8.4%
Cash and cash equivalents	152 171	-42.0%	10.0%	67 245	32 234	67 564	-23.7%	1.2%
Taxation	30 745	-19.6%	0.7%	30 745	30 745	30 745	-	0.4%
Total assets	6 544 990	2.1%	100.0%	6 881 140	7 180 143	7 541 942	4.8%	100.0%
Accumulated surplus/(deficit)	196 419	-27.2%	7.1%	334 562	441 366	551 812	41.1%	5.3%
Capital and reserves	691 376	8.2%	9.5%	698 616	706 837	716 613	1.2%	10.0%
Borrowings	30 318	-28.4%	1.1%	29 802	69 136	153 636	71.8%	1.0%
Finance lease	5 800	-10.9%	0.1%	6 654	7 478	7 608	9.5%	0.1%
Deferred income	644 992	13.1%	8.8%	633 850	694 243	719 907	3.7%	9.6%
Trade and other payables	291 875	5.0%	4.4%	332 175	351 529	388 587	10.0%	4.8%
Benefits payable	35 163	-	0.4%	36 921	-	-	-100.0%	0.3%
Taxation	296	-75.4%	0.1%	311	327	343	5.0%	0.0%
Provisions	1 149 172	18.5%	13.1%	1 218 878	1 252 217	1 285 936	3.8%	17.4%
Derivatives financial instruments	3 499 579	-0.5%	55.4%	3 589 371	3 657 010	3 717 500	2.0%	51.5%
Total equity and liabilities	6 544 990	2.1%	100.0%	6 881 140	7 180 143	7 541 942	4.8%	100.0%

Personnel information

Table 26.30 South African Nuclear Energy Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost
South African Nuclear Energy Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	2 507	2 506	2 484	1 016.3	0.4	2 339	1 066.4	0.5	2 437	1 220.0	0.5	2 459	1 308.3	0.5	2 436	1 382.1	0.6	9.0%	100.0%
1 – 6	681	684	818	85.2	0.1	671	86.5	0.1	677	94.2	0.1	672	102.8	0.2	676	107.9	0.2	7.6%	27.9%
7 – 10	1 307	1 289	1 266	473.6	0.4	1 179	463.4	0.4	1 239	517.1	0.4	1 227	554.3	0.5	1 228	603.3	0.5	9.2%	50.4%
11 – 12	283	296	226	161.4	0.7	271	229.9	0.8	289	259.8	0.9	296	281.0	0.9	294	288.5	1.0	7.9%	11.9%
13 – 16	222	222	168	280.2	1.7	204	252.1	1.2	217	313.7	1.4	250	328.7	1.3	224	339.0	1.5	10.4%	9.2%
17 – 22	14	15	6	15.9	2.7	14	34.5	2.5	15	35.3	2.4	14	41.5	3.0	14	43.5	3.1	8.0%	0.6%

1. Rand million.

National Energy Regulator of South Africa

Mandate

The National Energy Regulator of South Africa was established in 2005 in terms of the National Energy Regulator Act (2004) and is listed as a schedule 3A public entity in the Public Finance Management Act (1999). It is mandated to regulate the electricity industry in terms of the Electricity Regulation Act (2006), the piped gas industry in terms of the Gas Act (2001), and the petroleum pipelines industry in terms of the Petroleum Pipelines Act (2003). This includes issuing licences, setting or approving tariffs and prices, monitoring and enforcing compliance with licensee conditions, registering import and production activities, and resolving disputes through mediation, arbitration and the handling of complaints. The regulator must perform the functions assigned to it by the Minister of Energy or under these acts.

Selected performance indicators

Table 26.31 National Energy Regulator of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of licence applications considered per year within 120 days after the period of objections expired and no objections were received	Electricity	Outcome 6: An efficient, competitive and responsive economic infrastructure network	100% (20)	100% (36)	100% (34)	100%	100%	100%	100%
Percentage of applications for registration considered per year within 120 days from receipt of all required information ¹	Electricity		— ¹	— ¹	— ¹	100%	100%	100%	100%
Number of consolidated audit reports on the state of compliance of licensees with licence conditions considered per year	Electricity		— ¹	3	1	3	3	3	3
Percentage of licence applications considered per year within 60 days from date of close of public comment period or period of applicant's response to objections received	Piped gas	Entity mandate	100% (4)	100% (2)	100% (5)	100%	100%	100%	100%
Percentage of registration applications of gas activities processed and considered per year within 60 days, from date of close of public comment period	Piped gas		100% (5)	100% (3)	100% (13)	100%	100%	100%	100%
Percentage of maximum price applications considered per year within 120 days after date of publication of preliminary assessment of maximum price application	Piped gas		— ¹	100% (6)	100% (8)	100%	100%	100%	100%
Percentage of licence applications per year considered within statutory deadline of 60 days	Petroleum pipelines		100% (18)	100% (18)	100% (8)	100%	100%	100%	100%

1. No historical data available.

2. Indicator has been discontinued.

Expenditure analysis

Over the medium term, the National Energy Regulator of South Africa intends to continue ensuring the security, accessibility and affordability of energy supply, as well as fair competition and regulatory certainty in the energy sector. It plans to achieve this by setting and approving energy tariffs; licensing and registering energy service providers; monitoring and enforcing compliance with regulations; setting rules and developing frameworks that facilitate new energy infrastructure; and monitoring compliance through technical audits to ensure the regular maintenance and refurbishment of energy infrastructure.

Major activities over the MTEF period include analysing Eskom's performance based on regulatory financial reports submitted by the entity; reviewing tariff methodology; and assessing the impact of the maximum pricing methodology for the piped gas industry. The regulator also plans to improve on its response in instances of non-compliance with licence conditions by issuing notices and taking remedial action against licensees, and conduct investigations into suspected unlicensed activities in the petroleum pipeline industry. To support these activities, expenditure is expected to increase at an average annual rate of 7.1 per cent, from R341.7 million in 2018/19 to R419.6 million in 2021/22.

The entity derives its revenue mainly through licence fees and levies on the electricity, piped gas and petroleum pipelines sectors, and through interest earned on investments. Total revenue is expected to increase at an average annual rate of 6.9 per cent, from R343.5 million in 2018/19 to R419.6 million in 2021/22.

Programmes/Objectives/Activities

Table 26.32 National Energy Regulator of South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
R thousand											
Administration	157 626	165 485	168 721	186 448	5.8%	58.8%	200 069	214 479	229 965	7.2%	54.8%
Electricity	55 890	60 074	72 755	86 503	15.7%	23.6%	91 947	99 093	106 805	7.3%	25.4%
Piped gas	21 360	24 337	25 301	38 270	21.5%	9.3%	39 541	42 576	45 851	6.2%	11.0%
Petroleum pipelines	25 433	21 346	18 279	30 447	6.2%	8.2%	31 806	34 288	36 967	6.7%	8.8%
Total	260 309	271 243	285 056	341 668	9.5%	100.0%	363 363	390 436	419 587	7.1%	100.0%

Statements of historical financial performance

Table 26.33 National Energy Regulator of South Africa statements of historical financial performance

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
Revenue										
Non-tax revenue	315 693	314 658	296 497	288 698	308 595	316 717	343 509	343 509	99.9%	
Sale of goods and services other than capital assets	308 945	305 137	288 937	276 181	302 505	302 631	332 164	332 164	98.7%	
of which:										
Sales by market establishment	308 945	305 137	288 937	276 181	302 505	302 631	332 164	332 164	98.7%	
Electricity levies	179 666	171 547	166 210	154 012	177 563	181 988	194 487	194 487	97.8%	
Piped gas levies	57 702	58 144	55 946	55 426	57 879	56 530	69 356	69 356	99.4%	
Petroleum pipeline levies	71 577	75 446	66 781	66 743	67 063	64 113	68 322	68 322	100.3%	
Other non-tax revenue	6 748	9 520	7 560	12 517	6 090	14 087	11 345	11 345	149.5%	
Total revenue	315 693	314 658	296 497	288 698	308 595	316 717	343 509	343 509	99.9%	
Expenses										
Current expenses	285 453	260 309	295 446	271 243	305 774	285 056	343 509	341 668	94.2%	
Compensation of employees	175 104	165 250	189 523	179 652	210 606	195 919	242 516	242 516	95.8%	
Goods and services	102 442	90 474	96 746	87 105	95 168	83 833	100 992	99 151	91.2%	
Depreciation	7 908	4 585	9 177	4 486	—	5 305	—	—	84.1%	
Total expenses	285 453	260 309	295 446	271 243	305 774	285 056	343 509	341 668	94.2%	
Surplus/(Deficit)	30 240	54 349	1 051	17 455	2 821	31 661	—	1 841		

Statements of estimates of financial performance

Table 26.34 National Energy Regulator of South Africa statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Non-tax revenue	343 509	3.0%	100.0%	356 504	390 436	419 587	6.9%	100.0%
Sale of goods and services other than capital assets	332 164	2.9%	96.2%	347 413	383 147	413 738	7.6%	97.7%
of which:								
Sales by market establishment	332 164	2.9%	96.2%	347 413	383 147	413 738	7.6%	97.7%
Electricity levies	194 487	4.3%	55.5%	205 154	223 651	238 767	7.1%	57.1%
Piped gas levies	69 356	6.1%	18.9%	73 902	85 175	96 715	11.7%	21.4%
Petroleum pipeline levies	68 322	-3.3%	21.8%	68 357	74 322	78 257	4.6%	19.2%
Other non-tax revenue	11 345	6.0%	3.8%	9 091	7 289	5 849	-19.8%	2.3%
Total revenue	343 509	3.0%	100.0%	356 504	390 436	419 587	6.9%	100.0%
Expenses								
Current expenses	341 668	9.5%	100.0%	363 363	390 436	419 587	7.1%	100.0%
Compensation of employees	242 516	13.6%	67.4%	254 406	275 486	298 315	7.1%	70.7%
Goods and services	99 151	3.1%	31.3%	108 958	114 950	121 272	6.9%	29.3%
Total expenses	341 668	9.5%	100.0%	363 363	390 436	419 587	7.1%	100.0%
Surplus/(Deficit)	1 841			(6 859)	-	-		

Personnel information

Table 26.35 National Energy Regulator of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
National Energy Regulator of South Africa																			
Salary level	260	260	215	195.9	0.9	260	242.5	0.9	256	254.4	1.0	256	275.5	1.1	256	298.3	1.2	7.1%	100.0%
1 – 6	4	4	–	9.4	–	4	8.1	2.0	4	9.2	2.3	4	9.9	2.5	4	10.7	2.7	10.0%	1.6%
7 – 10	158	158	133	79.8	0.6	158	89.9	0.6	142	89.4	0.6	142	96.8	0.7	142	104.9	0.7	5.3%	56.8%
11 – 12	42	42	26	24.6	0.9	42	47.6	1.1	35	36.9	1.1	35	40.0	1.1	35	43.3	1.2	-3.1%	14.3%
13 – 16	56	56	56	82.1	1.5	56	97.0	1.7	75	119.0	1.6	75	128.8	1.7	75	139.5	1.9	12.9%	27.4%

1. Rand million.

National Nuclear Regulator

Mandate

The National Nuclear Regulator is listed as a schedule 3A public entity in the Public Finance Management Act (1999) and derives its mandate from the National Nuclear Regulator Act (1999). In terms of the act, the regulator is mandated to:

- provide protection to persons, property and the environment against nuclear damage by establishing safety standards and regulatory practices
- exercise regulatory control related to safety over the setting, design, construction, operation and manufacture of component parts; and the decontamination, decommissioning and closure of nuclear installations
- exercise regulatory control through granting nuclear authorisations
- provide assurance of compliance with the conditions of nuclear authorisations by implementing a system of compliance inspections
- fulfil national obligations in relation to international legal instruments governing nuclear safety
- ensure that provisions are in place for nuclear emergency planning.

Selected performance indicators

Table 26.36 National Nuclear Regulator performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of compliance assurance inspections conducted per year at Koeberg nuclear power station	Compliance assurance and enforcement	Entity mandate	72	56	56	56	56	56	56
Number of compliance assurance inspections conducted per year related to nuclear technology and waste products	Compliance assurance and enforcement		146	144	144	144	144	144	144
Number of compliance assurance inspections conducted per year related to naturally occurring radioactive materials	Compliance assurance and enforcement		181	126	80	80	80	80	80
Number of compliance audits conducted per year related to naturally occurring radioactive materials	Compliance assurance and enforcement		16	14	8	– ¹	– ¹	– ¹	– ¹
Number of compliance assurance inspections conducted per year related to nuclear security	Compliance assurance and enforcement		21	16	16	16	16	16	16

1. Indicator discontinued.

Expenditure analysis

Over the medium term, the National Nuclear Regulator is expected to focus on strengthening its information security capacity by completing the information management system project. It also plans to collaborate with strategic partners to strengthen the training and capacity development of regulatory staff, and train inspectors to improve compliance and ensure that radioactive materials, nuclear technology and waste products are managed in line with acceptable safety standards and regulatory practices.

Expenditure is expected to increase at an average annual rate of 6.2 per cent, from R228.5 million in 2018/19 to R273.7 million in 2021/22. Income generated through tariffs accounts for an estimated R622 million of the regulator's revenue over the medium term, with the bulk of the remainder generated through transfers from the department.

Programmes/Objectives/Activities

Table 26.37 National Nuclear Regulator expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
R thousand											
Administration	100 450	94 691	111 544	110 897	3.4%	49.5%	113 654	125 394	132 290	6.1%	48.2%
Standards authorisations and review assessments	63 861	68 396	96 044	76 198	6.1%	35.8%	80 465	86 902	91 682	6.4%	33.5%
Compliance assurance and enforcement	28 808	26 283	28 354	41 367	12.8%	14.7%	43 684	47 178	49 773	6.4%	18.2%
Total	193 119	189 370	235 942	228 462	5.8%	100.0%	237 803	259 475	273 745	6.2%	100.0%

Statements of historical financial performance

Table 26.38 National Nuclear Regulator statements of historical financial performance

Statement of financial performance									Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
Revenue										
Non-tax revenue	147 887	159 873	174 534	183 563	198 145	212 155	211 952	211 952	104.8%	
Sale of goods and services other than capital assets	143 739	147 443	156 676	161 755	170 776	172 549	180 339	180 339	101.6%	
of which:										
Administrative fees	143 739	147 443	156 676	161 755	170 776	172 549	180 339	180 339	101.6%	
Other non-tax revenue	4 148	12 430	17 858	21 808	27 369	39 606	31 613	31 613	130.2%	
Transfers received	21 487	21 487	40 936	40 936	38 573	38 573	16 510	16 510	100.0%	
Total revenue	169 374	181 360	215 470	224 499	236 718	250 728	228 462	228 462	104.1%	
Expenses										
Current expenses	169 374	193 119	215 470	189 370	236 718	235 942	228 462	228 462	99.6%	
Compensation of employees	108 716	122 353	118 428	124 331	138 156	138 449	142 350	142 350	103.9%	
Goods and services	42 205	52 068	80 402	48 861	84 675	82 219	72 025	72 025	91.4%	
Depreciation	13 090	12 774	11 886	10 468	9 801	10 443	10 369	10 369	97.6%	
Interest, dividends and rent on land	5 363	5 924	4 754	5 710	4 086	4 831	3 718	3 718	112.6%	
Total expenses	169 374	193 119	215 470	189 370	236 718	235 942	228 462	228 462	99.6%	
Surplus/(Deficit)	–	(11 759)	–	35 129	–	14 785	–	–		

Statements of estimates of financial performance

Table 26.39 National Nuclear Regulator statements of estimates of financial performance

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
R thousand					2019/20	2020/21	2021/22		
	2018/19		2015/16 - 2018/19					2018/19 - 2021/22	
Revenue									
Non-tax revenue	211 952	9.9%	86.8%	194 707	214 007	225 778	2.1%	84.9%	
Sale of goods and services other than capital assets	180 339	6.9%	75.3%	190 438	210 042	221 504	7.1%	80.2%	
of which:									
Administrative fees	180 339	6.9%	75.3%	190 438	210 042	221 504	7.1%	80.2%	
Other non-tax revenue	31 613	36.5%	11.6%	4 269	3 965	4 274	-48.7%	4.7%	
Transfers received	16 510	-8.4%	13.2%	43 096	45 467	47 968	42.7%	15.1%	
Total revenue	228 462	8.0%	100.0%	237 803	259 474	273 746	6.2%	100.0%	
Expenses									
Current expenses	228 462	5.8%	100.0%	237 803	259 474	273 745	6.2%	100.0%	
Compensation of employees	142 350	5.2%	62.5%	150 495	161 613	170 501	6.2%	62.5%	
Goods and services	72 025	11.4%	29.8%	72 432	82 503	87 041	6.5%	31.4%	
Depreciation	10 369	-6.7%	5.3%	10 950	11 826	12 476	6.4%	4.6%	
Interest, dividends and rent on land	3 718	-14.4%	2.4%	3 926	3 533	3 727	0.1%	1.5%	
Total expenses	228 462	5.8%	100.0%	237 803	259 474	273 745	6.2%	100.0%	
Surplus/(Deficit)	-			-	-	-			

Personnel information

Table 26.40 National Nuclear Regulator personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled / planned for on funded establishment													Number			
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost	
National Nuclear Regulator			139	138.4	1.0	153	142.4	0.9	154	150.5	1.0	156	161.6	1.0	160	170.5	1.1		
Salary level	151	150	139	138.4	1.0	153	142.4	0.9	154	150.5	1.0	156	161.6	1.0	160	170.5	1.1	6.2%	100.0%
1 – 6	12	12	12	1.4	0.1	12	1.6	0.1	12	1.5	0.1	12	2.0	0.2	12	1.5	0.1	-1.8%	7.7%
7 – 10	50	49	44	28.0	0.6	50	28.8	0.6	50	30.3	0.6	50	31.8	0.6	54	32.2	0.6	3.8%	32.7%
11 – 12	16	16	12	11.1	0.9	16	12.3	0.8	13	10.4	0.8	14	13.4	1.0	14	14.1	1.0	4.7%	9.2%
13 – 16	72	72	70	95.4	1.4	74	97.0	1.3	78	105.4	1.4	79	111.3	1.4	79	119.3	1.5	7.2%	49.8%
17 – 22	1	1	1	2.5	2.5	1	2.7	2.7	1	2.9	2.9	1	3.2	3.2	1	3.4	3.4	7.5%	0.6%

1. Rand million.

National Radioactive Waste Disposal Institute

Mandate

The National Radioactive Waste Disposal Institute was established through the National Radioactive Waste Disposal Institute Act (2008) to manage radioactive waste disposal nationally. It is listed as a schedule 3A public entity in the Public Finance Management Act (1999). The institute is mandated to develop and implement a management approach for the long-term care and disposal of radioactive waste that is safe, technically sound, socially acceptable, environmentally responsible and economically feasible.

Selected performance indicators

Table 26.41 National Radioactive Waste Disposal Institute performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of safety forum meetings conducted per year	Radwaste operations	Entity mandate	— ¹	— ¹	4	4	4	4	4
Percentage of compliance with the safety health environment quality audit per year	Radwaste operations		— ¹	— ¹	94% (9.4/10)	80%	85%	85%	85%
Number of International Organisation for Standardisation certifications maintained per year	Radwaste operations		— ¹	— ¹	2	2	2	2	2
Number of scientific and technical reports completed for the development and maintenance of safety cases per year	Radwaste, technology and siting		— ¹	— ¹	— ¹	1	1	1	1
Percentage of quality management system checks completed per year	Radwaste compliance management		— ¹	— ¹	75% (7.5/10)	50%	100%	100%	100%

1. No historical data available.

Expenditure analysis

Over the medium term, the National Radioactive Waste Disposal Institute intends to continue focusing on the disposal of low-level waste while planning for the management of the national inventory of radioactive waste (categorised as intermediate-level waste, long-lived waste, spent/used nuclear fuel and disused sealed radioactive sources). This is expected to involve researching and designing alternative disposal methods for future use.

The institute also plans to finalise the process of acquiring the licence, which the South African Nuclear Energy Corporation currently holds, to dispose of low-level waste at the Vaalputs national radioactive waste disposal facility. This will enable the institute to generate its own revenue through charging fees for the disposal of radioactive waste.

This institute's expenditure is expected to increase at an average annual rate of 4.7 per cent, from R46.9 million in 2018/19 to R53.9 million in 2021/22, with the bulk of spending on research and the finalisation of the licence application. The institute is set to receive transfers amounting to R148.5 million over the MTEF period from the department.

Programmes/Objectives/Activities**Table 26.42 National Radioactive Waste Disposal Institute 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 thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	7 039	24 925	19 497	29 361	61.0%	81.7%	30 887	32 696	34 105	5.1%	63.1%
Radwaste Operations	–	–	3 074	4 309	–	4.8%	4 630	4 894	5 131	6.0%	9.4%
Radwaste, Technology and Siting	–	–	4 036	4 566	–	5.8%	4 937	5 239	5 520	6.5%	10.1%
Radwaste Compliance Management	–	–	3 713	8 712	–	7.7%	8 570	8 662	9 172	1.7%	17.5%
Total	7 039	24 925	30 320	46 948	88.2%	100.0%	49 025	51 491	53 928	4.7%	100.0%

Statements of historical financial performance**Table 26.43 National Radioactive Waste Disposal Institute statements of historical financial performance**

Statement of financial performance		Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19			2015/16 - 2018/19
R thousand										
Revenue										
Non-tax revenue	–	1 030	–	5 525	–	1 211	–	1 416	–	–
Other non-tax revenue	–	1 030	–	5 525	–	1 211	–	1 416	–	–
Transfers received	–	–	–	10 000	–	30 000	–	45 532	–	–
Total revenue	–	1 030	–	15 525	–	31 211	–	46 948	–	–
Expenses										
Current expenses	–	7 039	–	24 925	2 926	30 320	4 309	46 948	–	1 509.7%
Compensation of employees	–	396	–	15 465	2 846	26 192	3 725	35 139	–	1 174.8%
Goods and services	–	6 614	–	9 383	80	3 861	585	11 480	–	4 716.7%
Depreciation	–	28	–	78	–	267	–	329	–	–
Total expenses	–	7 039	–	24 925	2 926	30 320	4 309	46 948	–	1 509.7%
Surplus/(Deficit)	–	(6 009)	–	(9 401)	(2 926)	891	(4 309)	–	–	–

Statements of estimates of financial performance**Table 26.44 National Radioactive Waste Disposal Institute statements of estimates of financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand	2018/19							
Revenue								
Non-tax revenue	1 416	11.2%	35.6%	1 526	2 094	2 364	18.6%	3.6%
Other non-tax revenue	1 416	11.2%	35.6%	1 526	2 094	2 364	18.6%	3.6%
Transfers received	45 532	–	64.4%	47 499	49 397	51 564	4.2%	96.4%
Total revenue	46 948	257.3%	100.0%	49 025	51 491	53 928	4.7%	100.0%
Expenses								
Current expenses	46 948	88.2%	100.0%	49 025	51 491	53 928	4.7%	100.0%
Compensation of employees	35 139	345.9%	57.2%	40 171	42 771	45 549	9.0%	81.1%
Goods and services	11 480	20.2%	42.2%	8 444	8 288	7 924	-11.6%	18.1%
Depreciation	329	126.6%	0.6%	410	431	455	11.4%	0.8%
Total expenses	46 948	88.2%	100.0%	49 025	51 491	53 928	4.7%	100.0%
Surplus/(Deficit)	–			–	–	–		

Personnel information

Table 26.45 National Radioactive Waste Disposal Institute personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
National Radioactive Waste Disposal Institute																			
Salary level	34	34	25	26.2	1.0	34	32.8	1.0	36	40.2	1.1	36	42.8	1.2	36	45.5	1.3	11.6%	100.0%
1 – 6	2	2	2	0.3	0.1	2	0.3	0.1	2	0.3	0.1	2	0.3	0.2	2	0.3	0.2	4.2%	5.6%
7 – 10	11	11	6	3.2	0.5	11	5.0	0.5	13	8.1	0.6	12	7.9	0.7	9	6.1	0.7	6.8%	31.7%
11 – 12	2	2	3	2.7	0.9	2	1.9	1.0	2	1.9	1.0	2	1.8	0.9	4	3.2	0.8	18.2%	7.0%
13 – 16	19	19	14	20.1	1.4	19	25.5	1.3	18	27.4	1.5	16	23.5	1.5	16	23.8	1.5	-2.3%	48.7%
17 – 22	—	—	—	—	—	—	—	—	1	2.4	2.4	4	9.3	2.3	5	12.1	2.4	—	6.9%

1. Rand million.

South African National Energy Development Institute

Mandate

The South African National Energy Development Institute is established in terms of the National Energy Act (2008) and is listed as a section 3A public entity in the Public Finance Management Act (1999). Its objectives are to direct, monitor and conduct applied energy research and development, and demonstrate and undertake measures to promote the uptake of green energy and energy efficiency in South Africa.

In relation to energy research and development, the institute is mandated to stimulate innovation in energy research and development; conduct and implement research in all energy fields other than nuclear energy; register patents and intellectual property from its activities and issue licences for their use; make grants available for research; promote the training of research workers; and advise the Minister of Energy and the Minister of Science and Technology on research in the field of energy technology.

In relation to energy and efficiency, the entity is mandated to undertake energy efficiency measures as directed by the Minister of Energy, increase energy efficiency throughout the economy, increase GDP per unit of energy consumed and optimise the use of finite energy resources.

Selected performance indicators

Table 26.46 South African National Energy Development Institute performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Number of research development reports provided per year	Working for energy	Entity mandate	– ¹	1	1	1	1	1	1
Number of energy efficiency solutions implemented per year	Applied energy research, development and innovation		50	56	63	59	56	56	56
Number of energy solutions assessed per year	Working for energy		3	3	3	2	2	2	2

1. No historical data available.

Expenditure analysis

Over the medium term, the South African National Energy Development Institute aims to conduct and implement the findings of research in renewable energy fields, stimulate innovation in energy efficiency, develop new business models for data knowledge management processes, and administer tax incentives for energy efficiency in terms of the Taxation Laws Amendment Act (2016).

Major projects over the medium term include carbon capture storage; determining the feasibility of the cool surfaces project, which uses a chemical compound roof paint that improves insulation; and increasing research capacity in the field of renewable energy. The institute also plans to implement 2 energy efficiency projects in

partnership with the department to improve the use of energy in government buildings and create energy efficient wastewater plants.

To carry out these projects, expenditure is expected to increase at an average annual rate of 5.8 per cent, from R174 million in 2018/19 to R206.2 million in 2021/22. The institute is set to receive 38.8 per cent (R234.9 million) of its total estimated revenue over the MTEF period through transfers from the department, and most of the balance (R370.9 million) through project-specific funding from various donors.

Programmes/Objectives/Activities

Table 26.47 South African National Energy Development Institute 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 thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	52 100	80 713	52 754	40 354	-8.2%	39.2%	40 202	44 628	46 564	4.9%	20.5%
Cleaner Fossil Fuels	12 190	2 997	14 731	87 978	93.3%	17.3%	106 969	101 233	106 950	6.7%	47.9%
Energy efficiency programme	7 305	4 784	631	7 384	0.4%	3.1%	61 200	61 733	22 789	45.6%	17.0%
Smart grids	81 283	12 885	53 482	5 433	-59.4%	22.4%	5 788	6 163	6 594	6.7%	2.9%
Working for Energy	16 875	1 220	6 735	5 741	-30.2%	4.2%	5 929	6 255	6 652	5.0%	2.9%
Clean energy solutions	36 252	3 112	14 633	20 852	-16.8%	10.5%	5 203	5 568	9 938	-21.9%	5.4%
Centre for Energy Systems	2 157	3 900	1 744	3 688	19.6%	2.0%	4 618	5 984	4 212	4.5%	2.2%
Analysis and Research											
Cleaner Mobility	—	821	1 721	2 601	—	0.9%	2 505	2 677	2 491	-1.4%	1.2%
Shale gas	4 199	—	—	—	-100.0%	0.5%	—	—	—	—	—
Total	212 361	110 432	146 431	174 031	-6.4%	100.0%	232 414	234 241	206 190	5.8%	100.0%

Statements of historical financial performance

Table 26.48 South African National Energy Development Institute statements of historical financial performance

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Average Outcome/Budget (%)	
R thousand		2015/16		2016/17		2016/17		2017/18		2017/18		2018/19		2018/19		2018/19		2015/16 - 2018/19	
Revenue																			
Non-tax revenue		—	19 679	16 130	30 593	4 716	17 744	6 000	6 000	275.7%									
Sale of goods and services other than capital assets		—	—	—	—	—	3 776	—	—	—									
of which:																			
Administrative fees		—	—	—	—	—	3 776	—	—	—									
Other non-tax revenue		—	19 679	16 130	30 593	4 716	13 968	6 000	6 000	261.6%									
Transfers received		403 550	186 948	308 522	54 177	234 203	124 853	168 031	168 031	47.9%									
Total revenue		403 550	206 627	324 652	84 770	238 919	142 597	174 031	174 031	53.3%									
Expenses																			
Current expenses		316 550	212 361	324 652	110 432	238 919	146 431	174 031	174 031	61.0%									
Compensation of employees		45 711	44 638	51 961	49 637	46 512	47 084	56 803	50 233	95.3%									
Goods and services		267 091	164 029	267 084	59 450	190 018	99 348	114 708	121 278	52.9%									
Depreciation		3 748	3 694	5 607	1 345	2 389	—	2 520	2 520	53.0%									
Transfers and subsidies		87 000	—	—	—	—	—	—	—	—									
Total expenses		403 550	212 361	324 652	110 432	238 919	146 431	174 031	174 031	56.4%									
Surplus/(Deficit)		—	(5 734)	—	(25 662)	—	(3 834)	—	—										

Statements of estimates of financial performance

Table 26.49 South African National Energy Development Institute statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)		Average Expenditure/ Total (%)		Average growth rate (%)		Average Expenditure/ Total (%)	
R thousand	Revised estimate	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20	2020/21
Revenue									
Non-tax revenue	6 000	-32.7%	15.4%	6 330	6 678	1 000	-45.0%	2.4%	
Other non-tax revenue	6 000	-32.7%	14.7%	6 330	6 678	1 000	-45.0%	2.4%	
Transfers received	168 031	-3.5%	84.6%	226 084	227 563	205 190	6.9%	97.6%	
Total revenue	174 031	-5.6%	100.0%	232 414	234 241	206 190	5.8%	100.0%	

Table 26.49 South African National Energy Development Institute statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Expenses								
Current expenses	174 031	-6.4%	100.0%	232 414	234 241	206 190	5.8%	100.0%
Compensation of employees	50 233	4.0%	31.7%	50 735	54 103	57 540	4.6%	25.4%
Goods and services	121 278	-9.6%	67.2%	179 020	177 333	145 676	6.3%	73.3%
Depreciation	2 520	-12.0%	1.1%	2 659	2 805	2 974	5.7%	1.3%
Total expenses	174 031	-6.4%	100.0%	232 414	234 241	206 190	5.8%	100.0%
Surplus/(Deficit)	-			-	-	-		

Personnel information**Table 26.50 South African National Energy Development Institute personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number			
Number of funded posts		Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
South African National Energy Development Institute			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	65	65	65	47.1	0.7	65	50.2	0.8	65	50.7	0.8	65	54.1	0.8	65	57.5	0.9	4.6%	100.0%
1 – 6	17	17	17	3.1	0.2	17	3.3	0.2	17	3.4	0.2	17	3.6	0.2	17	3.8	0.2	4.6%	26.2%
7 – 10	22	22	22	11.3	0.5	22	12.0	0.5	22	12.2	0.6	22	13.0	0.6	22	13.8	0.6	4.6%	33.8%
11 – 12	8	8	8	6.4	0.8	8	6.8	0.9	8	6.9	0.9	8	7.3	0.9	8	7.8	1.0	4.6%	12.3%
13 – 16	18	18	18	26.3	1.5	18	28.1	1.6	18	28.3	1.6	18	30.2	1.7	18	32.1	1.8	4.6%	27.7%

1. Rand million.

Additional tables

Table 26.A Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Conditional grants to municipalities							
Electrification and Energy Programme and Project Management							
Integrated national electrification programme (municipal) grant	1 980 340	1 946 246	2 087 048	1 904 477	1 863 328	1 977 364	2 131 018
Clean Energy							
Energy efficiency and demand-side management grant	177 899	185 625	203 236	215 024	227 065	239 554	252 729
Total	2 158 239	2 131 871	2 290 284	2 119 501	2 090 393	2 216 918	2 383 747

1. Detail provided in the Division of Revenue Act (2019).

Table 26.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Integrated national electrification programme: Eskom	Provision of capital subsidies to Eskom to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	On-going	52 969 626	3 613 243	3 526 334	3 846 154	3 962 031	3 374 053	3 062 738	3 820 670
Integrated national electrification programme: Municipalities	Provision of capital subsidies to municipalities to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	On-going	29 375 710	1 980 340	1 946 246	2 087 048	1 904 477	1 863 328	1 977 364	2 131 018
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Integrated national electrification programme: Non-grid	Provision of capital subsidies to non-grid electrification service providers to address electrification backlogs	On-going	2 770 074	156 179	137 733	158 960	149 149	212 941	224 653	237 009
Total			85 115 410	5 749 762	5 610 313	6 092 162	6 015 657	5 450 322	5 264 755	6 188 697

Table 26.C Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand													
Foreign In cash													
Switzerland	Support for energy efficiency monitoring and implementation project	Clean Energy	1 August 2010 - 31 December 2013	13 950	Departmental agencies and accounts	Support to the energy efficiency monitoring and implementation project	2 865	–	–	–	–	–	–
European Union	Smart metering implementation programme (general budget support)	Clean Energy	1 April 2012 - 31 March 2018	179 500	Departmental agencies and accounts	Support to the renewable energy independent power producers programme	151 593	68 460	18 022	–	–	–	–
Danish government	South African-Danish renewable energy development programme	Clean Energy	1 April 2014 - November 2017	40 000	Departmental agencies and accounts	Wind Atlas for South Africa (phase 2)	31 079	23 362	33 090	2 684	–	–	–
National Treasury	South African National Energy Development Institute: Achieving a net-zero energy wastewater treatment plants in South Africa	Clean Energy	1 April 2019 - 31 March 2022	60 000	Departmental agencies and accounts	South African National Energy Development Institute: Achieving a net-zero energy wastewater treatment plants in South Africa	–	–	–	–	31 750	23 500	4 750
National Treasury	South African National Energy Development Institute: Improving the enrgy performance of government buildings	Clean Energy	1 April 2019 - 31 March 2022	60 000	Departmental agencies and accounts	South African National Energy Development Institute: Improving the enrgy performance of government buildings	–	–	–	–	21 660	29 570	8 770

Table 26.C Summary of donor funding

R thousand	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Local													
In kind													
Energy and Water Sector Education Training Authority, Chemical Industries Education Training Authority	Appointment of interns as part of in-service training programmes, bursaries, programmes to non-officials	Administration	1 April 2014 - continues based on annual applications approved for assistance by sector education and training authorities	–	Households	Training on electrification programmes	1 059	1 745	1 750	1 500	1 750	1 750	1 846
Total				353 450			186 596	93 567	52 862	4 184	55 160	54 820	15 366



2019 BUDGET

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