

# Vote 09

## ***Economic Development, Environmental Affairs and Tourism***

**Table 1: Summary of departmental allocation**

**R'000**

To be appropriated by Vote in 2015/16	R1 181 858
Responsible Executive Authority	MEC of Economic Development, Environmental Affairs and Tourism
Administering Department	Department of Economic Development, Environmental Affairs and Tourism
Accounting Officer	Head of the Department: Department of Economic Development, Environmental Affairs and Tourism.

## **1. Overview**

### **1.1 Vision**

A Province where economic growth and sound environmental management underpin sustainable development.

### **1.2 Mission**

To lead economic and environmental management in the Eastern Cape.

### **1.3 Core functions and responsibilities**

The department's strategic goal is *"DEDEAT will be recognised as an innovative, professional organisation, which facilitates and regulates participation in a growing low-carbon provincial economy"*

The core functions are summarised as follows:

- To drive economic growth and development in the Eastern Cape;
- To develop and promote the provincial tourism sector;
- To provide consumer protection services, gambling and betting regulations, trade inspections and regulate the liquor industry; and
- To develop regulatory frameworks and monitor the implementation of policy for the protection of biodiversity and the environment in the province.

### **1.4 Main Services**

The department's main services are summarised as follows:

- Coordinating all strategic initiatives and activities relating to the creation of decent work through inclusive economic growth; including the implementation of the New Growth Path (NGP) and the aligned provincial growth strategies;
- To develop and utilise strategic frameworks and partnerships for the support and promotion of sustainable Small Medium and Micro Enterprises (SMMEs) in the province;
- To promote economic growth and development of local economies in partnership with key stakeholders by aligning Local Regional Economic Development (LRED) initiatives with government programmes and creating and facilitating an enabling environment for implementation;

- To increase the number of jobs created through sector and cluster development including tourism and auto sectors, particularly in respect of low-carbon activities;
- To facilitate the development of strategic infrastructure projects that will stimulate the competitiveness of priority sectors in the province;
- To promote consumer rights, develop systems for effective regulation of the liquor, gambling and betting industries in the province;
- To provide credible information and a databank that informs economic policy and planning processes;
- To establish, implement and maintain effective systems to manage sustainable utilisation of biological resources and conservation of ecosystems;
- To establish, implement and maintain effective systems using environmental legislation to protect the environment;
- To establish, implement and maintain effective environmental awareness programmes to empower communities to effectively participate in environmental management; and
- To facilitate informed environmental decision-making through the implementation of comprehensive environmental planning and coordination mechanisms.

### **1.5 Demands for and expected changes in the services**

There have been no significant changes in the demands for the services rendered by the department. The following have been noted:

- All 3C's public entities budget has been cut by 10 per cent and all 3D's operational budget has been cut which will result in the application of austerity measures by the public entities;
- Eastern Cape Parks and Tourism Agency (ECPTA) is receiving R12.600 million for improving infrastructure projects within the nature reserves and parks; and
- The department is faced with a demand to create more job opportunities, increase economic growth of the province and to develop and support Small, Medium and Micro Enterprises.

### **1.6 The Acts, rules and regulations**

The department operates in a highly regulated environment, with more than 100 Acts and Regulations that serve as operational boundaries of the DEDEAT Group (DEDEAT & 6 public entities). The following key acts, rules and regulations are applicable to the core functions of the department: Consumer Protection Act, 2008; Broad Based Black Economic Empowerment Amended Act, 2013; Co-operatives Bank Act, 2005; Amended Co-operatives Act, 2013; National Gambling and Betting Act, 2008; National Small Business Act, 1996; National Liquor Act, 2003; Eastern Cape Liquor Act, 2003; Unfair Business Act, 1998; National Credit Act, 2006; Eastern Cape Gambling and Betting Act, 1997; Eastern Cape Development Corporation Act, 1997; Eastern Cape Parks and Tourism Agency Act, 2010; Nature Conservation Ordinance, 1974; Environmental Management Act, 1998; Environmental Conservation Act, 1998; National Environmental Management Air Quality Act, 2004; National Environmental Management Biodiversity Act, 2004; National Environmental Management Integrated Coastal Management Act, 2008; National Environmental Management Waste Act, 2008; and National Environmental Management Protected Areas Act, 2009.

### **1.7 Budget decisions**

The department's budget declines by R346.089 million in 2015/16 from the baseline allocation due to budgetary pressures being experienced by government. All schedule 3C's (Eastern Cape Gambling and Betting Board (ECGBB), Eastern Cape Liquor Board (ECLB) and Eastern Cape Parks and Tourism Agency (ECPTA)) public entities budgets have been cut by 10 per cent and all schedule 3D's (Coega Development Corporation (CDC), Eastern Cape Development Corporation (ECD) and East London Industrial Development Zone (ELIDZ)) operational budgets have been cut which will result in the

application of austerity measures by the public entities. Funds allocated to ECDC for social infrastructure have been transferred to other departments for implementation. The challenge is further compounded by lack of funding clarity from the Department of Trade and Industry (DTI) since the enactment of the Social Economic Zone (SEZ) Act. The regulations which guide operations of the SEZs have not been finalised. The key budget decisions have been based on the following priorities:

- The departmental budget seeks to address issues of unemployment by creating job opportunities, SMME development and support and investment promotion. Supporting municipalities with local economic development planning and environmental management;
- Continued top and bulk infrastructure development within the industrial development zones, in support of new investors into the zones and the clustering of industries and mega-investment drive;
- Enhancing environmental and conservation awareness throughout the province; and
- Continued support to the agro-processing sector to create and sustain jobs.

### **1.8 Aligning departmental budgets to achieve government's prescribed outcomes**

The department contributes directly to Outcome 4 (decent employment through inclusive growth), partly to Outcome 5 (a skilled and capable workforce to support an inclusive growth path), Outcome 6 (an efficient, competitive and responsive economic infrastructure network), partly to Outcome 7 (rural development land and agrarian reform, food security), Outcome 10 (protect and enhance our environmental assets and natural resources) and partly to Outcome 12 (an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship).

The department will implement sector plans while revising the Provincial Industrial Development Strategy (PIDS). New opportunities and priorities have been identified, such as the oceans economy (Operation Phakisa) and shale gas exploration in the Karoo. No funding was made available for Operation Phakisa, as the department will play a coordinating role.

Key infrastructure projects will continue to be supported. These include lobbying for the Wild Coast SEZ and the associated agro-processing industries, port and rail expansion which is facilitated by Transnet and Original Equipment Manufacturers (OEMs) based in the Province. Renewable energy projects will be supported including capacitation of stakeholders and municipalities through the Independent Power Producers (IPP) programme managed by the Department of Energy as well as SMME Support Programme for Enterprises in the Energy Sector.

The department is the implementation backbone of the Eastern Cape Economic Cluster that primarily seeks to develop an integrated provincial perspective on rural development, consolidate support for the non-auto manufacturing and auto cluster initiatives, and strengthen sector analysis, capacity and action research.

With limited resources, the Environmental Affairs programme will continue with the compliance and enforcement work, process Environmental Impact Assessments (EIA) applications in support of development and manage biodiversity resources. This will be done by educating communities and other stakeholders for responsible environmental management.

## **2. Review of the current financial year (2014/15)**

The following are some of the key achievements and challenges of the department in the 2014/15 financial year:

## **2.1. Key achievements**

- A feasibility study for the Wild Coast SEZ is being completed. The department will continue to support the Wild Coast SEZ, until it is approved by the Department of Trade and Industry under the SEZ Act;
- With the ports being expanded and rail infrastructure being planned, projects by Transnet are showing significant progress, especially the manganese and iron ore rail from the Northern Cape to Port Elizabeth;
- Clusters for the auto and non-automotive sectors have been established to promote localisation of manufacturing in the province;
- The ECDC and other Development Financial Institutions (DFI) are instrumental in providing funding to Small Medium Micro Enterprises (SMME). There are still challenges with regards to provision of funding and support to SMME;
- The department has worked closely with various stakeholders especially in the tourism space to promote tourism. The department has successfully hosted the National Tourism Conference and Exhibition (NTCE); and
- The department continues to have community engagement on the Shale Gas project in the Karoo and other affected areas.

## **2.2. Challenges**

- The department is still faced with many challenges such as limited resources set aside to deal with poverty, unemployment, de-industrialisation and slow investment promotion in the province;
- ECDC infrastructure projects were not implemented due to limited project management skills, slow decision making processes, and challenges in accountability;
- Continued power challenges may hinder progress in renewable energy projects;
- Although the new Ministry of Small Businesses was established, the Ministry has not yet assisted the department in providing guidance and support;
- Investment promotion is being affected by the weak global economy. The two IDZs are still struggling to attract investments. The companies that won bids through the IPP programme are not fully functional due to challenges with funding and regulation;
- Rhino poaching and removal of protected plants and non-adherence to environmental legislation continues to be a problem in the province;
- The department could not achieve all its desired goals; the need for staff with specialised skills is still an issue to be addressed;
- Enhancing co-operatives to create sustainable jobs, as some of the co-operatives are in the rural areas and people managing these co-operatives lack business skills. The department is working with the local municipalities to ensure that the co-operatives are given the relevant training needed;
- Creating, developing sustainable SMMEs, due to limited resources available the department is unable to satisfy all SMMEs. The department and ECDC are ensuring that the deserving SMME or SMMEs meeting the required requirements receive non-financial and financial support.
- Creating sustainable jobs is still a challenge for the department as this province is still the second poorest province in the country and the unemployment rate is at an average of 28.3 per cent.

## **3. Outlook for the coming financial year (2015/16)**

The departmental strategic agenda of the previous financial year will continue. This includes the following:

### ***Infrastructure and Special Economic Development Zones***

- Facilitating the transition from the IDZs to SEZs and the support of the Wild Coast SEZ; and
- Continuing with support for the ELIDZ and Coega IDZ while promoting investments.

### ***Enterprise Development***

- Reviewing ECDC's financing mechanism in order to streamline funding to SMMEs in the province;
- Providing and leveraging financial and non-financial support to cooperatives;
- Finalising the provincial SMME development strategy which will be applicable for the next five-year strategic cycle;
- Reviewing the Local and Regional Economic Development (LRED) Fund's mandate and improving the performance of the fund; and
- Providing support to SMME and Co-operative through the Imvaba Fund and Job Stimulus Fund.

### ***Trade and Sector Development***

- Provide Green Skills to various stakeholders;
- Facilitating sustainable energy companies so that they are able to provide services;
- Conceptualise and develop the oceans economy and related industries in the province;
- Promote and develop the IPP programme; and
- Promote and develop local manufacturing to supply goods for domestic and export markets.

### ***Regulatory Services***

- Implement solutions to barriers identified;
- Operationalize the consumer call centre and monitor its functionality;
- Finalise legislation pertaining to the ECGBB and ECLB;
- Finalise the issuing of the remaining casino licence;
- Promote responsible gambling and liquor consumption;
- Regulate the liquor industry; and
- Collect revenues due to the province.

### ***Research and Planning***

- Research and publish socio-economic data to aid planning and decision making;
- Monitor progress with the shale gas research being conducted on behalf of the department by the Nelson Mandela Metropolitan University (NMMU); and
- Evaluate selected programmes to determine effectiveness and their impact.

### ***Tourism Development***

- Continue to do collaborative work with Transnet and other state agencies;
- Secure partnerships for tourism events such as the Grahamstown National Arts Festival, Kirkwood Wildsfees, Hogsback Christmas in July and Wildcoast Jikeleza;
- Mobilise external resources to supplement current departmental funding;
- Improve infrastructure and facilities in nature reserves and parks of the ECPTA;
- Promote tourism products in the province; and
- Host the last NTCE and other events such as Africa Open Golf Challenge and Isingqisethu Wild Coast Cultural Festival in Port St Johns.

### ***Environmental Management***

- Review all municipal IDPs for environmental content;
- Process Environmental Impact Assessment (EIA) applications within stipulated timeframes;
- Process waste license applications;

- Implement mitigation and adaptation projects in the province;
- Conduct capacity building activities throughout the province; and
- Promote recycling projects.

## 4. Reprioritisation

The department's utilisation of external consultants is done in areas where there are no specialised skills available, such as the manufacturing sector, automotive sector and development of systems. The introduction of video conferencing when interacting with regions has been put in place to cut traveling costs resulting in savings that will be utilised for other departmental projects.

## 5. Procurement

The department will procure a number of projects through the bidding process. A number of projects will also be procured through the quotation process. The method of procurement will be determined through discussions with the project leaders. The procurement processes will be aligned according to the implementation date of the projects as listed in the department's procurement plan.

## 6. Receipts and financing

### 6.1 Summary of receipts

Table 2: Summary of departmental receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Equitable share	883 891	806 407	1 353 266	1 442 257	1 331 257	1 153 572	1 179 858	1 150 787	1 319 409	2.3
Conditional grants	1 760	1 000	550	2 102	2 102	2 102	2 000	–	–	(4.9)
EPWP Integrated Grant	1 760	1 000	550	2 102	2 102	2 102	2 000	–	–	(4.9)
<b>Total receipts</b>	<b>885 651</b>	<b>807 407</b>	<b>1 353 816</b>	<b>1 444 359</b>	<b>1 333 359</b>	<b>1 155 674</b>	<b>1 181 858</b>	<b>1 150 787</b>	<b>1 319 409</b>	<b>2.3</b>
Of which										
Departmental receipts	167 911	217 311	125 866	134 125	138 839	145 801	153 701	169 869	187 610	5.4

% change from 2014/15 to 2015/16

Expenditure increased from R885.651 million in the 2011/12 financial year to a budget of R1.155 billion in the 2014/15 revised estimate, which is due to additional funding that was allocated to ECDC and CDC for the implementation of social infrastructure projects. When comparing the 2014/15 financial year revised estimate to the 2015/16 financial year allocation, there is an increase of 2.3 per cent, from R1.155 billion in the 2014/15 financial year revised estimate to R1.181 billion in the 2015/16 financial year, due to additional funding allocated for social infrastructure projects.

### 6.2 Departmental receipts collection

Table 3: Summary of departmental receipts and collections

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Tax receipts	122 755	122 525	123 484	132 578	137 292	139 849	151 999	167 936	185 581	8.7
Casino taxes	112 949	97 412	100 054	104 102	124 111	124 631	137 763	152 917	169 737	10.5
Horse racing taxes	7 299	20 004	17 872	22 184	6 889	6 614	7 234	7 596	7 976	9.4
Liquor licences	2 507	5 109	5 558	6 292	6 292	8 604	7 002	7 423	7 868	(18.6)
Motor vehicle licences	–	–	–	–	–	–	–	–	–	–
Sales of goods and services other than capital assets	735	763	802	1 124	1 124	1 154	1 237	1 298	1 362	7.2
Transfers received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	35	1 155	818	–	–	1 009	–	–	–	(100.0)
Interest, dividends and rent on land	630	475	331	400	400	432	440	609	639	1.9
Sales of capital assets	–	–	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	43 756	92 393	431	23	23	3 357	25	26	28	(99.3)
<b>Total departmental receipts</b>	<b>167 911</b>	<b>217 311</b>	<b>125 866</b>	<b>134 125</b>	<b>138 839</b>	<b>145 801</b>	<b>153 701</b>	<b>169 869</b>	<b>187 610</b>	<b>5.4</b>

% change from 2014/15 to 2015/16

Tables 2 and 3 above reflect the total departmental receipts over the period 2011/12 financial year to 2017/18 financial year. Departmental own receipts decreased from R167.911 million in the 2011/12 financial year to R153.701 million in the 2015/16. The decrease was evident in Transactions in Financial Assets and Liabilities due to once off exclusivity fee that was charged to the Board walk in the 2011/12 financial year and surrender of funds from public entities in the 2012/13 financial year. Although the departmental receipts are showing a decrease, Casino taxes are increasing due to the establishment of the additional 6 Bingo Halls in Mthatha, East London and Port Elizabeth. Horse racing taxes is also experiencing a slow recovery in respect of revenue collection due sluggish economic growth which resulted in reduced punters.

The ECGBB generates the highest revenue through tax collection from casinos and this is driven by the number of casino route operators, bingo halls, gambling machines, limited pay-out machines, tables per casino and horse racing. The ECLB collects liquor license fees from liquor outlets. In addition, the department is in the process of amending the Gambling Act, also fees charged for Casino taxes are lower than the Gauteng and Kwa-Zulu Natal provinces.

### 6.3 Official development assistance (donor funding)

**Table 4: Summary of departmental donor funding receipts**

R thousand	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Donor organisations</b>										
Learnership for Environmental Affairs (CATHSETA)			600	-	-	-	-	-	-	
Ecological Resource Management Sysytems for Schools (EUROPEAN UNION)				2 200	2 200	2 200	17 500	10 300	-	695.5
Sustainable Rural Villages Project (EUROPEAN UNION)				4 000	4 000	4 000	4 000	2 400	-	
<b>Total payments</b>	-	-	600	6 200	6 200	6 200	21 500	12 700	-	246.8

Table 4 above shows that the department has received donor funding of R6.2 million in the 2014/15 financial year. Over the 2015 MTEF, donor funding of R27.800 million for Ecological Resource management systems has been secured. These funds will be utilised for managing schools toilet waste in order to generate fertiliser and cooking gas for school garden and feeding schemes, which will be implemented by ECDC. The sustainable rural village project for the Chris Hani District Municipality expansion programme amounts to R6.400 million for the 2015 MTEF.

## 7. Payment summary

### 7.1 Key assumptions

The assumptions for crafting this budget was to provide a framework to the departmental officials for setting priorities, determining service levels and allocating financial resources efficiently.

The following assumptions were taken into consideration when this budget was formulated:

- Assumptions for salary increases were taken into account; and
- Assumptions for inflationary related items are based on CPI projections.

## 7.2 Programme summary

Table 5: Summary of payments and estimates by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
1. Administration	154 168	170 689	186 793	203 425	209 123	208 370	200 721	223 294	240 541	(3.7)
2. Economic Development And Tourism	513 028	370 086	881 037	936 035	819 435	640 806	683 551	629 330	765 797	6.7
3. Environmental Affairs	218 455	266 632	285 986	304 899	304 801	306 498	297 587	298 162	313 070	(2.9)
<b>Total payments and estimates</b>	<b>885 651</b>	<b>807 407</b>	<b>1 353 816</b>	<b>1 444 359</b>	<b>1 333 359</b>	<b>1 155 674</b>	<b>1 181 858</b>	<b>1 150 787</b>	<b>1 319 409</b>	<b>2.3</b>

% change from 2014/15 to 2015/16

## 7.3 Summary of economic classification

Table 6: Summary of payments and estimates by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>258 813</b>	<b>283 703</b>	<b>300 559</b>	<b>339 766</b>	<b>334 899</b>	<b>332 047</b>	<b>348 883</b>	<b>365 256</b>	<b>392 643</b>	<b>5.1</b>
Compensation of employees	171 525	182 487	194 492	201 238	213 468	214 631	225 531	240 191	252 201	5.1
Goods and services	87 288	101 216	106 068	138 528	121 431	117 416	123 352	125 065	140 443	5.1
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>622 462</b>	<b>512 642</b>	<b>1 038 016</b>	<b>1 093 501</b>	<b>986 174</b>	<b>812 358</b>	<b>823 192</b>	<b>770 900</b>	<b>911 404</b>	<b>1.3</b>
Provinces and municipalities	3 952	4 098	11 723	19 885	19 358	19 108	12 132	9 430	9 902	(36.5)
Departmental agencies and accounts	604 152	469 954	984 224	1 023 093	912 993	754 326	766 478	712 762	851 959	1.6
Higher education institutions	–	1 695	11 064	10 315	10 315	7 315	3 634	5 602	5 882	(50.3)
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	9 000	35 692	28 827	38 110	38 560	26 765	37 064	40 133	40 540	38.5
Non-profit institutions	–	144	1 000	1 300	2 650	2 616	1 000	1 300	1 365	(61.8)
Households	5 358	1 059	1 178	798	2 298	2 228	2 884	1 673	1 757	29.4
<b>Payments for capital assets</b>	<b>4 070</b>	<b>10 953</b>	<b>14 890</b>	<b>11 092</b>	<b>12 286</b>	<b>11 269</b>	<b>9 783</b>	<b>14 630</b>	<b>15 361</b>	<b>(13.2)</b>
Buildings and other fixed structures	–	–	8	–	–	–	–	–	–	–
Machinery and equipment	4 070	10 953	14 882	11 092	12 286	11 269	9 783	14 630	15 361	(13.2)
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>306</b>	<b>109</b>	<b>351</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>885 651</b>	<b>807 407</b>	<b>1 353 816</b>	<b>1 444 359</b>	<b>1 333 359</b>	<b>1 155 674</b>	<b>1 181 858</b>	<b>1 150 787</b>	<b>1 319 409</b>	<b>2.3</b>

% change from 2014/15 to 2015/16

Tables 5 and 6 reflect a summary of vote's payments and budgeted estimates over the MTEF by programme and economic classification. Using nominal rate, expenditure increased from R885.651 million in the 2011/12 financial year to R1.155 billion in the 2014/15 financial year revised estimate. Overall, the expenditure increased by 2.3 per cent from R1.155 billion in the 2014/15 financial year revised estimates to R1.181 billion in the 2015/16 financial year. The increase is due to additional funding allocated to ECDC and CDC for the social infrastructure projects. In the 2014/15 financial year, the budget was adjusted downwards due to devoted funds originally allocated to ECDC, for social infrastructure.

Compensation of Employees increased from R171.525 million in the 2011/12 financial year, to R214.631 million in the 2014/15 financial year revised estimate. The budget increases by 5.1 per cent in the 2015/16 financial year, from a revised estimate of R214.631 million. The increase is attributable to improvement in conditions of services throughout the years and also filling of critical posts such as industry sector specialists and supply chain management.

Goods and Services increased from R87.288 million in the 2011/12 financial year, to R117.416 million in the 2014/15 financial year revised estimate. The budget increases from R117.416 million revised estimate to R123.352 million in the 2015/16 financial year. The increase is due to the implementation of the Provincial Industrial Development Strategy (PIDS); the increase in operating lease as result of a decision made by the department to shift from buying computer equipment to leasing; the implementation of Economic Symposium projects such as Socio-Economic Review and Outlook; Tourism Statistical Framework (phase 2) and Emerging Views on the Eastern Cape Economy; implementation of Small Towns Revitalisation projects; and Buy Eastern Cape Campaign and the support to other projects.



Transfers and Subsidies is the main cost driver of expenditure, which increased from R622.462 million to R812.358 million in the 2014/15 financial year revised estimate. There is an increase of 1.3 per cent in the 2015/16 financial year, from R812.358 million in the 2014/15 financial year revised estimate to R823.192 million. The increase is attributable to the additional funding to ECDC and Coega for the implementation of the social infrastructure; and an increase in the Local Regional Enterprise Development (LRED).

Included in the total transfers to departmental agencies and accounts over the 2015 MTEF, is an amount of R751.644 million allocated for the social infrastructure to be implemented by ECDC and CDC. ECDC is allocated R82.394 million in the 2015/16 financial year for social infrastructure to complete projects committed to in the 2014/15 financial year projects. Whilst R669.250 million is allocated to Coega to implement the social infrastructure projects.

Payment of Capital Assets increased from R4.070 in the 2011/12 financial year to R11.269 million in the 2014/15 financial year revised estimate due to the change in the classification of fleet services (transport equipment) and cellphones; purchase of new office furniture for the departments' regional offices; and the acquisition of quad bikes for the Green Scorpions. The budget decreases from R11.269 million in the 2014/15 financial year revised estimate to R9.783 million in the 2015/16 financial year, this is attributable to the reprioritisation of funds for policy priority projects.

#### 7.4 Expenditure by municipal boundary

**Table 7: Summary of departmental payments and estimates by benefiting municipal boundary**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
R thousand	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Category A	-	-	-	-	-	-	-	-	-	
Nelson Mandela Metro										
Buffalo City Metro										
Category B	1 992	998	11 173	1 850	13 756	13 506	6 800	-	-	(49.7)
Amahlathi			200	350	2 350	2 100				(100.0)
Baviaans										
Blue Crane Route										
Camdeboo					2 000	2 000				(100.0)
Elundini			350							
Emalahleni					1 623	1 623				(100.0)
Engcobo										
Gariep			1 500		500	500				(100.0)
Great Kei										
Ikwezi										
Ingquza Hill							3 500			
Inkwanca										
Intsika Yethu			500							
Inxuba Yethemba										
King Sabata Dalindyebo										
Kouga										
Koukamma										
Lukhanji										
Makana										
Maletswai										
Matatiele							500			
Mbhashe										
Mbizana					3 290	3 290				(100.0)
Mhlontlo							500			
Mnquma										
Ndlambe										
Ngqushwa					-					
Nkonkobe							500			
Ntabankulu										
Nxuba										
Nyandeni							1 800			
Port St Johns	200		4 400	1 000	1 000	1 000				(100.0)
Qaukeni										
Sakiszizwe										
Senqu	300		1 523		2 493	2 493				(100.0)
Sundays River Valley										
Tsolwana										
Umkhumbhulu										
Umkhumbhulu										
Umkhumbhulu	500		2 700	500	500	500				(100.0)
Unallocated	992	998				-				
Category C	1 960	3 100	550	18 035	5 602	5 602	5 332	9 430	9 902	(4.8)
Alfred Nzo				-	-	-	-	-	-	
Amathole	155			-	-	-	-	-	-	
Cacadu				-			-	-	-	
Chris Hanu	1 805	2 500	550	2 500	4 602	4 602	3 532	-	-	(23.3)
OR Tambo				-			-	-	-	
Joe Gqabi		600					800	-	-	
Unallocated				15 535	1 000	1 000	1 000	9 430	9 902	
Total payments and estimates	3 952	4 098	11 723	19 885	19 358	19 108	12 132	9 430	9 902	(36.5)
Whole Province	881 699	803 309	1 342 093	1 424 474	1 314 001	1 136 566	1 169 726	1 141 357	1 309 507	2.9
Total payments and estimates	885 651	807 407	1 353 816	1 444 359	1 333 359	1 155 674	1 181 858	1 150 787	1 319 409	2.3

% change from 2014/15 to 2015/16

Table 7 above shows payments to benefiting municipalities. Of the R12.132 million allocated in the 2015/16 financial year, an amount of R9.832 will be transferred to Ngquza Hill Municipality; Chris Hani District Municipality; Mhlontlo Municipality; Matatiele Municipality and Nyandeni Municipality for environmental projects such as removal of alien plants, lapesi plants and promoting sustainable environmental management. The transfers to Nkonkobe Local Municipality and Joe Gqabi District Municipality, amounting to R1.3 million are for the feasibility studies for co-operatives that will be conducted by the development agencies within these municipalities. The remaining R1 million of the total R12.132 million relates to Greenest Town Awards to municipalities and Environmental Awards for schools.

## 7.2 Infrastructure payments

### 7.2.1 Departmental infrastructure payments

None.

### 7.2.2 Maintenance

None.

## 7.3 Departmental Public-Private Partnership (PPP) projects

None.

## 7.4 Conditional grant payments

### 7.4.1 Conditional grant payments by grant

Table 8: Summary of departmental conditional grants by grant

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
EPWP Integrated Grant	1 760	1 000	550	2 102	2 102	2 102	2 000	-	-	(4.9)
<b>Total</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>(4.9)</b>

% change from 2014/15 to 2015/16

### 7.4.2 Conditional grant payments by economic classification

Table 9: Summary of departmental conditional grants by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>										
Compensation of employees	-	-	-	-	-	-	-	-	-	
Goods and services	-	-	-	-	-	-	-	-	-	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>(4.9)</b>
Provinces and municipalities	1 760	1 000	550	2 102	2 102	2 102	2 000	-	-	(4.9)
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	-	-	-	-	-	-	-	-	-	
<b>Payments for capital assets</b>										
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	-	-	
<b>Payments for financial assets</b>										
<b>Total</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>(4.9)</b>

% change from 2014/15 to 2015/16

Tables 8 and 9 above show a summary of the department's conditional grants. Conditional grant allocations for the department increased from R1.760 million in the 2011/12 financial year to R2.102 million in the 2014/15 financial year revised estimate. R2 million is allocated in the 2015/16 for environmental related projects. The objectives of these projects are to eradicate alien plants, alleviate poverty and creation of jobs. The department, in partnership with local municipalities have been using this grant to create jobs in the environmental sector projects.

## 7.5 Transfers

### 7.5.1 Transfers to public entities

Table 10: Summary of transfers to public entities

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
East London Industrial Development Zone Corporation	141 614	46 051	114 907	113 792	114 092	114 092	94 932	100 868	106 767	(16.8)
Eastern Cape Development Corporation	255 169	144 659	497 944	366 535	155 535	155 535	207 680	146 509	155 435	33.5
EC Gambling and Betting Board	31 187	35 687	42 687	42 748	42 748	42 748	43 843	45 454	47 551	2.6
EC Liquor Board	32 325	35 131	41 131	42 736	42 736	42 736	41 942	43 728	45 841	(1.9)
EC Parks and Tourism Agency	143 857	190 426	196 387	207 282	207 882	207 882	193 081	191 204	197 116	(7.1)
Coega Development Corporation	-	18 000	82 000	250 000	350 000	350 000	185 000	185 000	299 250	(47.1)
<b>Total departmental transfers</b>	<b>604 152</b>	<b>469 954</b>	<b>975 056</b>	<b>1 023 093</b>	<b>912 993</b>	<b>912 993</b>	<b>766 479</b>	<b>712 762</b>	<b>851 960</b>	<b>(16.0)</b>

% change from 2014/15 to 2015/16

Table 10 reflects a summary of transfers to public entities. The relationship between the department and its entities is formalised through shareholder compacts and service level agreements (SLAs). The transfers to public entities are approximately 65 per cent of the department's budget.

Expenditure in public entities increased from R604.152 million in the 2011/12 financial year to R912.993 million in the 2014/15 financial year revised estimate, due to additional funding allocated to ECDC and Coega for social infrastructure. Transfers decreased by 16 per cent in the 2015/16 financial year, from R912.993 in the 2014/15 financial year revised estimate to R766.479 million in the 2015/16 financial year. Over the 2015 MTEF, the budget proposal was to cut 10 per cent for both Capex and Opex to all schedule 3C entities and only Opex for the schedule 3D entities. Included in the MTEF allocation, ECPTA has been allocated an additional R40 million for improving infrastructure within the nature reserves and parks, and ECGBB also received an additional R10.5 million for consumer protection programmes.

### 7.5.2 Transfers to other entities

Table 11: Summary of transfers to other entities

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Higher education institutions	-	1 695	11 064	10 315	-	7 315	3 634	5 602	5 882	(50.3)
Rhodes University		1 695	1 964	2 041		2 041	2 434			19.3
Fort Hare University			1 100							
Nelson Mandela Metropolitan University			8 000	8 274		5 274	1 200	5 602	5 882.1	(77.2)
Public Corporations and private enterprises	9 000	32 444	28 827	39 910	40 360	28 565	37 064	40 133	40 540	31.8
LRED Fund	9 000	32 444	28 827	38 110	38 560	26 765	35 264	40 133	40 540	31.8
Chemin Incubation				1 800	1 800	1 800	1 800			
<b>Total</b>	<b>9 000</b>	<b>34 139</b>	<b>39 891</b>	<b>50 225</b>	<b>40 360</b>	<b>35 880</b>	<b>40 698</b>	<b>45 735</b>	<b>46 422</b>	<b>13.4</b>

% change from 2014/15 to 2015/16

Table 11 above provides for all departmental transfers to other entities such as Higher Education Institutions, Public Corporations and Private Enterprises. The increase in transfers from R9 million in the 2011/12 financial year to R35.880 million in the 2014/15 financial year revised estimate is due to Local and Regional Economic Development (LRED) fund function shift from municipalities to the department in the 2012/13 financial year. The LRED funds are transferred to co-operatives from different sectors such as agriculture, manufacturing, tourism, agro-processing, aqua-culture, renewable energy, services, mining and construction. The partnership between the department and Rhodes University's labour market research unit will continue in the 2015/16 financial year. Transfers to Nelson Mandela Metropolitan University are for the Shale Gas Exploration. The Chemin Incubator transfer is for the training and support material for the students being trained in the chemistry incubators.

### 7.5.3 Transfers to local government by category

Table 12: Summary of transfers to municipal boundary (categories)

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Category A	-	-	-	-	-	-	-	-	-	
Category B	1 000	-	11 173	1 850	13 756	13 506	6 800	-	-	(49.7)
Category C	1 960	3 100	550	2 500	4 602	4 602	4 332	-	-	(5.9)
Unallocated	992	998	-	15 535	1 000	1 000	1 000	9 430	9 902	0
<b>Total departmental transfers</b>	<b>3 952</b>	<b>4 098</b>	<b>11 723</b>	<b>19 885</b>	<b>19 358</b>	<b>19 108</b>	<b>12 132</b>	<b>9 430</b>	<b>9 902</b>	<b>(36.5)</b>

% change from 2014/15 to 2015/16

Table 12 above reflects a summary of departmental transfers to local government by category. Transfers to local government increased from R3.952 million in the 2011/12 financial year to R19.108 million in the 2014/15 financial year revised estimate. In the 2015/16 financial year, there is a decrease of 36.5 per cent, from R19.108 million in the 2014/15 financial year revised estimate to R12.132 million as a result of a decrease in the number of projects to be implemented by municipalities.

## 7.5.4 Transfers to local government by grant name

**Table 13: Summary of transfers by grant name**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
EPWP Incentive Grant to Provinces	1 760	1 000	550	2 102	2 102	2 102	2 000	-	-	(4.9)
<b>Total</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>(4.9)</b>

% change from 2014/15 to 2015/16

Conditional grant allocations to the department increased from R1.760 million in the 2011/12 financial year to R2 million in the 2015/16 financial year, as shown in Table 13 above. The department, in partnership with local municipalities, has been utilising these grants to create jobs in the environmental sector projects.

## 8. Programme Description

### 8.1. Programme 1: Administration

**Objectives:** Provide leadership, strategic management in accordance with legislation, regulations, policies, and ensures appropriate support service to all other programmes. The programme is divided into 4 sub-programmes:

- **Office of the MEC:** Effectively and efficiently manages and directs the activities of the MEC;
- **Office of the HOD:** Manages and directs the departmental transversal administrative programmes that give leadership to the department and effectively maintains an oversight function on the whole department's mandate and function;
- **Financial Management** provides an effective financial management function to ensure compliance with the PFMA and other related financial regulations and policies as well as provide planning and budgeting support to the department to address risk management; and
- **Corporate Services** provides the strategic support function to the department and it is made up of Human Resource Development, Labour Relations, Legal Services, Information Technology and Corporate Communication.

**Table 14: Summary of departmental payments and estimates sub-programme: P1 – Administration**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
1. Office of the MEC	5 749	8 580	5 994	6 486	2 701	2 359	2 073	2 232	2 344	(12.1)
2. Office of the HOD	45 090	48 685	55 629	57 978	56 099	55 989	55 212	62 207	65 318	(1.4)
3. Financial Management	59 711	74 122	75 967	80 921	97 467	99 486	89 682	103 714	114 983	(9.9)
4. Corporate Services	43 618	39 302	49 203	58 040	52 856	50 536	53 754	55 140	57 897	6.4
<b>Total payments and estimates</b>	<b>154 168</b>	<b>170 689</b>	<b>186 793</b>	<b>203 425</b>	<b>209 123</b>	<b>208 370</b>	<b>200 721</b>	<b>223 294</b>	<b>240 541</b>	<b>(3.7)</b>

% change from 2014/15 to 2015/16

**Table 15: Summary of departmental payments and estimates by economic classification: P1 – Administration**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>149 235</b>	<b>158 872</b>	<b>170 464</b>	<b>191 535</b>	<b>194 539</b>	<b>194 873</b>	<b>188 054</b>	<b>206 991</b>	<b>223 424</b>	<b>(3.5)</b>
Compensation of employees	81 544	83 809	95 166	97 314	106 044	105 811	107 193	115 434	121 206	1.3
Goods and services	67 691	75 063	75 298	94 221	88 495	89 062	80 861	91 557	102 217	(9.2)
Interest and rent on land	—	—	—	—	—	—	—	—	—	—
<b>Transfers and subsidies to:</b>	<b>557</b>	<b>755</b>	<b>1 096</b>	<b>798</b>	<b>2 298</b>	<b>2 228</b>	<b>2 884</b>	<b>1 673</b>	<b>1 757</b>	<b>29.4</b>
Provinces and municipalities	—	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	—	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—	—
Non-profit institutions	—	—	—	—	—	—	—	—	—	—
Households	557	755	1 096	798	2 298	2 228	2 884	1 673	1 757	29.4
<b>Payments for capital assets</b>	<b>4 070</b>	<b>10 953</b>	<b>14 882</b>	<b>11 092</b>	<b>12 286</b>	<b>11 269</b>	<b>9 783</b>	<b>14 630</b>	<b>15 361</b>	<b>(13.2)</b>
Buildings and other fixed structures	—	—	8	—	—	—	—	—	—	—
Machinery and equipment	4 070	10 953	14 874	11 092	12 286	11 269	9 783	14 630	15 361	(13.2)
Heritage Assets	—	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—	—
<b>Payments for financial assets</b>	<b>306</b>	<b>109</b>	<b>351</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total economic classification</b>	<b>154 168</b>	<b>170 689</b>	<b>186 793</b>	<b>203 425</b>	<b>209 123</b>	<b>208 370</b>	<b>200 721</b>	<b>223 294</b>	<b>240 541</b>	<b>(3.7)</b>

% change from 2014/15 to 2015/16

Tables 14 and 15 above, show that actual expenditure increased from R154.168 million in the 2011/12 financial year to R208.370 million in the 2014/15 financial year revised estimate. The bulk of the increase is in Compensation of Employees, which increased from R81.544 million in the 2011/12 financial year to R105.811 million revised estimate in the 2014/15 financial year. The net increase of 1.3 per cent, from R105.811 in the 2014/15 financial year revised estimate to R107.193 million in the 2015/16 financial year is due to filling of critical vacant post in Supply Chain Management and ICS adjustments. Non-critical vacant positions will not be filled.

Goods and Services increased from R67.691 million in the 2011/12 financial year to R89.062 million in the 2014/15 financial year revised estimate, due to the increase in finance lease payments; telephone costs; operating leases and increased cost pressure on security services. In the 2015/16 financial year, goods and services decreased by 9.2 per cent, from R89.062 million in the 2014/15 financial year revised estimate to R80.861 million in the 2015/16 financial year. The reduction is as a result of the reprioritisation to fund policy priority projects.

Transfers and Subsidies increased from R557 thousand in the 2011/12 financial year to R2.228 million in the 2014/15 financial year revised estimate. Transfers also increased from R2.228 in the 2014/15 financial year revised estimate to R2.884 in the 2015/16 financial year, due to transfers that will be made to exiting staff as a result of reaching retirement age, resignations and leave gratuities.

Payment of Capital Assets increased from R4.070 million in the 2011/12 financial year to R11.269 million in the 2014/15 financial year revised estimate, due to the change in classification of fleet services (transport equipment) and cellphone payments as well as purchase of new furniture for regional offices. In the 2015/16 the budget decreases from R11.269 million in the 2014/15 financial year revised estimate to R9.783 million in the 2015/16 financial year as a result of the reprioritisation to fund policy priority projects.

### 8.1.1 Service Delivery Measures

None

## 8.2. Programme 2: Economic Development and Tourism

**Objectives:** The programme is primarily responsible for administering sustainable economic policies and developing appropriate strategies to promote business development and job creation. The overall

goal of the programme is to sustain economic development through policies and partnership. The programme is divided into 5 sub-programmes:

- **Integrated Economic Development Services:** Promotes and supports economic development through shared partnerships;
- **Trade and Sector Development:** Stimulates economic growth through industry development, trade and investment promotion;
- **Business Regulation and Governance:** Ensures an enabling socially responsible business environment that allows for predictability;
- **Economic planning:** Develops provincial economic policies and strategies to achieve and measure sustainable economic development; and
- **Tourism:** Creates an enabling tourism environment through legislation, policy and strategy development. Creates demand and supply for tourism.

**Table 16: Summary of departmental payments and estimates sub-programme: P2 – Economic Development & Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
1. Integrated Economic Development Services	198 315	123 112	140 726	148 395	148 195	69 929	159 895	181 450	192 023	128.7
2. Trade And Sector Development	235 882	151 953	625 599	660 120	550 420	451 245	402 587	323 368	446 287	(10.8)
3. Business Regulation & Governance	73 700	91 419	106 109	116 289	109 389	108 615	110 494	112 523	115 899	1.7
4. Economic Planning	4 638	3 602	5 650	6 436	7 236	6 797	6 104	7 603	7 984	(10.2)
5. Tourism	493	–	2 953	4 795	4 195	4 220	4 471	4 386	3 605	5.9
<b>Total payments and estimates</b>	<b>513 028</b>	<b>370 086</b>	<b>881 037</b>	<b>936 035</b>	<b>819 435</b>	<b>640 806</b>	<b>683 551</b>	<b>629 330</b>	<b>765 797</b>	<b>6.7</b>

% change from 2014/15 to 2015/16

**Table 17: Summary of departmental payments and estimates by economic classification: P2 – Economic Development and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>39 253</b>	<b>54 144</b>	<b>52 069</b>	<b>65 819</b>	<b>60 269</b>	<b>56 352</b>	<b>68 156</b>	<b>62 037</b>	<b>64 532</b>	<b>20.9</b>
Compensation of employees	29 821	39 025	36 128	36 512	39 012	39 613	42 892	43 397	45 567	8.3
Goods and services	9 432	15 119	15 942	29 307	21 257	16 739	25 264	18 641	18 965	50.9
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>473 775</b>	<b>315 942</b>	<b>828 960</b>	<b>870 216</b>	<b>759 166</b>	<b>584 454</b>	<b>615 395</b>	<b>567 293</b>	<b>701 265</b>	<b>5.3</b>
Provinces and municipalities	–	1 100	1 150	6 500	4 350	2 500	1 300	–	–	(48.0)
Departmental agencies and accounts	460 295	279 528	787 837	815 811	705 111	547 044	573 397	521 558	654 843	4.8
Higher education institutions	–	1 695	11 064	10 315	10 315	7 315	3 634	5 602	5 882	(50.3)
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	9 000	33 458	28 827	37 590	38 040	26 245	37 064	40 133	40 540	41.2
Non-profit institutions	–	–	–	–	1 350	1 350	–	–	–	(100.0)
Households	4 480	161	82	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	8	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>513 028</b>	<b>370 086</b>	<b>881 037</b>	<b>936 035</b>	<b>819 435</b>	<b>640 806</b>	<b>683 551</b>	<b>629 330</b>	<b>765 797</b>	<b>6.7</b>

% change from 2014/15 to 2015/16

Tables 16 and 17 above, show expenditure and the budget allocation for Programme 2. Sub-programme 1 (Integrated Economic Development Services); sub-programme 2 (Trade and Sector Development) and sub-programme 3 (Business Regulation and Governance) are mainly driven by public entities.

The bulk of the expenditure is in the Transfers to departmental agencies and accounts for the following entities: ECDC, CDC, ELIDZ, ECLB and ECGBB. Expenditure increased from R513.028 million in the 2011/12 financial year to R640.806 million in the 2014/15 financial year revised estimate. The 2015/16 budget increases by 6.7 per cent, from R640.806 million in the 2014/15 financial year revised estimate to R683.551 in the 2015/16 financial year. The increase is due to funds allocated to ECDC and Coega for social infrastructure projects and LRED funds for the co-operatives.

Compensation of Employees increased from R29.821 million in the 2011/12 financial year to R39.613 million in the 2014/15 financial year revised estimate. The 2015/16 budget has increased from R39.613 in the 2014/15 financial year revised estimate to R42.892 million in the 2015/16 financial year, due to the filling of eight critical posts (sector specialists) which will be strengthening programme performance and enhancing the oversight function of public entities.

Goods and Services increased from R9.432 million in the 2011/12 financial year to R16.739 million in the 2014/15 financial year revised estimate. The 2015/16 budget also increased by 50.9 per cent from R16.739 million in the 2014/15 financial year revised estimate to R25.264 million in the 2015/16 financial year, due to the implementation of the PIDS; focus on the implementation of projects emanating from the Economic Symposium such as Socio-Economic Review and Outlook, Tourism Statistical Framework (phase 2) and Emerging Views on the Eastern Cape Economy; implementation of Small Towns Revitalisation projects and the Buy Eastern Cape Campaign.

Transfers and Subsidies is the main expenditure cost driver of which increased from R473.775 million in the 2011/12 financial year to R584.454 million in the 2014/15 financial year revised estimate. In the 2015/16 the budget increases by 5.3 per cent, from R584.454 in the 2014/15 financial year revised estimate to R615.395 in the 2015/16 financial year. The increase is due to additional funding allocated to ECDC and Coega for the implementation of social infrastructure. Included in the allocation over the MTEF, R10.5 million and R4.5 million has been allocated to ECGBB and ECLB respectively.

## Service Delivery Measures

**Table 18: Selected service delivery measures for the programme: P2: Economic Development and Tourism**

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18
Number of existing SMME's supported	240	280	300	350
Number of existing cooperatives supported	100	60	70	100
Number of capacity building interventions to municipalities	15	15	15	15
Number of job opportunities created through economic development programmes	20 376	17 435	23 000	25 000
Number of investments projects realized	15	14	14	15
Value of investments realized (billion)	2	2	5	5
Number of businesses assisted with export support	45	50	55	60
Number of people trained (sector development)	14 601	16 055	17 000	17 000
Number of entrepreneurs in the incubation programmes	32	32	34	40
Number of infrastructure projects supported	19	11	6	8
Number of sustainable energy initiatives facilitated	5	5	5	8
Number of consumer education programmes conducted	6	6	6	6
Percentage of complaints received resolved/finalised	856	1	1	1
Number of liquor licenses issued	8 075	6 520	6 770	6 820
Number of gambling licenses issued	14	4	5	6
Number of awareness programmes conducted (Gambling & Betting)	10	4	4	4
Value of resources mobilised for strategic projects (R'm)	15	15	25	30
Number of provincial economic intelligence reports produced	2	3	4	4
Number of tourism supply initiatives implemented	-	3	4	4

Table 18 above reflects amongst other service delivery measures, that the department will train 16 055 people on sector development and support 280 SMMEs in the 2015/16 financial year.



### 8.3. Programme 3: Environmental Affairs

**Objectives:** Responsible for administering environmental policies that are cascaded from national level. The portfolio is also responsible for developing strategies in line with the mandate of the department. Importantly, the component regulates developments and biodiversity through instruments such as environmental impact assessments, compliance and enforcement. The programme is divided into 5 sub-programmes:

- **Environmental Policy, Planning and Coordination:** Ensures the integration of environmental objectives in national, provincial and local government planning including provincial growth and development strategies and local economic development plans and integrated development plans. This programme includes cross-cutting functions such as research, departmental strategy and information management;
- **Compliance and Enforcement:** Ensures that environmental compliance monitoring systems are established and implemented as well as the enforcement of legislation and environmental authorisations. It also builds compliance monitoring and enforcement capacity through the establishment and training of environmental management inspectorates. The unit also acts on complaints and notifications of environmental infringements, monitors these complaints and enforce environmental compliance where required;
- **Environmental Quality Management:** Establishes legislation, policies, norms, standards and guidelines for environmental impact management, air quality management and waste management and pollution at provincial and local spheres of government;
- **Biodiversity Management:** Promotes equitable and sustainable use of ecosystems, contributing to economic development by simultaneously managing biodiversity and its components, processes, habitats and functions; and
- **Environmental Empowerment Services:** Implements and enhances programmes to interact with stakeholders and empower communities to partner with government in implementing environmental and social economic programmes.

**Table 19: Summary of departmental payments and estimates sub-programme: P3 – Environmental Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
1. Environmental Policy, Planning And Coordination	31 260	15 826	22 971	22 508	24 055	24 367	23 984	22 565	23 650	(1.6)
2. Compliance And Enforcement	27 262	37 156	39 946	21 294	43 839	43 849	21 473	23 120	24 276	(51.0)
3. Environmental Quality Management	8 866	11 672	12 659	16 334	12 083	14 165	21 664	21 257	22 319	52.9
4. Biodiversity Management	147 140	195 239	201 362	233 867	216 249	215 706	219 777	219 832	230 855	1.9
5. Environmental Empowerment Services	3 927	6 739	9 048	10 896	8 575	8 411	10 689	11 388	11 970	27.1
<b>Total payments and estimates</b>	<b>218 455</b>	<b>266 632</b>	<b>285 986</b>	<b>304 899</b>	<b>304 801</b>	<b>306 498</b>	<b>297 587</b>	<b>298 162</b>	<b>313 070</b>	<b>(2.9)</b>

% change from 2014/15 to 2015/16

**Table 20: Summary of departmental payments and estimates by economic classification: P3 – Environmental Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>70 325</b>	<b>70 687</b>	<b>78 026</b>	<b>82 412</b>	<b>80 091</b>	<b>80 822</b>	<b>92 673</b>	<b>96 228</b>	<b>104 688</b>	14.7
Compensation of employees	60 160	59 653	63 198	67 412	68 412	69 207	75 447	81 360	85 428	9.0
Goods and services	10 165	11 034	14 828	15 000	11 679	11 615	17 227	14 868	19 260	48.3
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>148 130</b>	<b>195 945</b>	<b>207 960</b>	<b>222 487</b>	<b>224 710</b>	<b>225 676</b>	<b>204 913</b>	<b>201 935</b>	<b>208 382</b>	(9.2)
Provinces and municipalities	3 952	2 998	10 573	13 385	15 008	16 608	10 832	9 430	9 902	(34.8)
Departmental agencies and accounts	143 857	190 426	196 387	207 282	207 882	207 282	193 081	191 205	197 116	(6.9)
Higher education institutions	–	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	2 234	–	520	520	520	–	–	–	(100.0)
Non-profit institutions	–	144	1 000	1 300	1 300	1 266	1 000	1 300	1 365	(21.0)
Households	321	143	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>218 455</b>	<b>266 632</b>	<b>285 986</b>	<b>304 899</b>	<b>304 801</b>	<b>306 498</b>	<b>297 587</b>	<b>298 162</b>	<b>313 070</b>	(2.9)

% change from 2014/15 to 2015/16

Tables 19 and 20 above reflect expenditure increasing from R218.455 million in the 2011/12 financial year to R306.498 million in the 2014/15 financial year revised estimate. The increase is due to the recruitment of environmental officers and law enforcement officers and additional funding allocated to ECPTA for infrastructure projects. In the 2015/16 financial year, the 2.9 per cent decrease from R306.498 million in the 2014/15 financial year revised estimate to R297.587 million in the 2015/16 financial year is attributable to the decision to reduce the entities' budget.

Compensation of Employees increased from R60.160 million in the 2011/12 financial year to R69.207 million in the 2014/15 financial year revised estimate. In the 2015/16 financial year, the budget has increased by 9 per cent due to the recruitment of environmental officers and law enforcement officers.

Goods and Services increased from R10.165 million in the 2011/12 financial year to R11.615 million in the 2014/15 financial year revised estimate. In the 2015/16 financial year, budget increases by 48.3 per cent, from R11.615 million in the 2014/15 financial year revised estimate to R17.227 million in the 2015/16 is to finalize the projects already commenced.

Transfers and Subsidies increased from R148.130 million in the 2011/12 financial year to R225.676 million in the 2014/15 financial year revised estimate. The department has also increased the funding for projects in municipalities to enhance the job creation programme, from R3.952 million in the 2011/12 financial year to R16.608 million in the 2014/15 financial year revised estimate. The increase is due to additional funding allocated to ECPTA for the rehabilitation of nature reserves and parks. R40 million is ring-fenced over the MTEF for improving infrastructure in ECPTA. In the 2015/16 financial year, the budget decreases by 9.2 per cent, from R225.676 million in the 2014/15 financial year revised estimate to R204.913 million in the 2015/16 financial year, as a result of the reduction in transfers to ECPTA.

## Service Delivery Measures

**Table 21: Selected service delivery measures for the programme: P3 – Environmental Affairs**

Selected Programme Performance Indicators	Estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18
Number of environmental research projects undertaken	1	1	0	1
Number of criminal enforcement actions finalized for non-compliance with environmental management legislation	105	105	100	100
Number of compliance inspections conducted	106	80	85	90
Percentage of Atmosphere Emission Licences with complete applications issued within legislated timeframes,	127	98%	98%	98%
Percentage of waste licences applications finalised within legislated timeframes	16	100% (6)	100% (12)	100%(6)
Number of hectares in the conservation estate	524 800	539800	554800	579800
Number of job opportunities created through environmental programmes	940	950	1000	1500
Number of environmental awareness activities conducted	26	25	25	30

The department plans to increase the number of job opportunities created through environmental programmes. The department will continue to ensure that protected areas are approved with management plans.

## 9. Other programme information

### 9.1 Personnel numbers and costs by programme

**Table 22: Personnel numbers and costs**

Personnel numbers	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	Projected 31 March 2015	Projected 31 March 2016	Projected 31 March 2017	Projected 31 March 2018
1. Administration	298	338	348	371	339	339	339
2. Economic Development And Tourism	133	97	94	111	110	110	110
3. Environmental Affairs	197	190	177	170	191	191	191
<b>Total provincial personnel numbers</b>	<b>628</b>	<b>625</b>	<b>619</b>	<b>652</b>	<b>640</b>	<b>640</b>	<b>640</b>
Total provincial personnel cost (R thousand)	171 525	182 487	194 492	214 631	225 531	240 191	252 201
Unit cost (R thousand)	273	292	314	329	352	375	394

Table 22 above shows personnel numbers and personnel per unit cost for the 2015 MTEF period. The total personnel numbers increase slightly from 628 in 2011/12 to 640 in 2015/16 remaining constant in the outer years. It is projected that personnel numbers will decrease because the department will not replace non-critical staff, while focussing on increasing personnel numbers on core programmes to improve service delivery. In Administration, lower level vacant posts will not be filled after retirements and resignations. This serves to correct the number of posts in Administration that are more than core programmes. Included in Administration are abnormal appointments (interns) that service all three programmes, hence the increase in personnel numbers.

## 9.2 Personnel numbers and costs by component

Table 23: Personnel numbers and costs by component

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
<b>Total for province</b>									
Personnel numbers (head count)	628	625	619	652	652	652	640	640	640
Personnel cost (R thousands)	171 525	182 487	194 492	201 238	213 468	214 631	225 531	240 191	252 201
<b>Human resources component</b>									
Personnel numbers (head count)	199	143	143	143	143	143	143	143	143
Personnel cost (R thousands)	35 974	30 210	30 912	30 863	30 863	30 863	31 394	33 372	36 789
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Finance component</b>									
Personnel numbers (head count)	302	123	125	118	118	118	125	125	125
Personnel cost (R thousands)	42 442	29 879	31 543	31 464	31 464	31 464	33 224	35 317	37 865
Head count as % of total for department	48.1%	19.7%	20.2%	18.1%	18.1%	18.1%	19.5%	19.5%	19.5%
Personnel cost as % of total for department	24.7%	16.4%	16.2%	15.6%	14.7%	14.7%	14.7%	14.7%	15.0%
<b>Full time workers</b>									
Personnel numbers (head count)	628	593	569	652	652	652	590	590	590
Personnel cost (R thousands)	171 525	170 596	183 731	214 631	214 631	214 631	219 374	234 034	246 044
Head count as % of total for department	100.0%	94.9%	91.9%	100.0%	100.0%	100.0%	92.2%	92.2%	92.2%
Personnel cost as % of total for department	100.0%	93.5%	94.5%	106.7%	100.5%	100.0%	97.3%	97.4%	97.6%
<b>Part-time workers</b>									
Personnel numbers (head count)	–	–	21	–	–	–	35	35	35
Personnel cost (R thousands)	–	–	516	–	–	–	175	175	175
Head count as % of total for department	0.0%	0.0%	3.4%	0.0%	0.0%	0.0%	5.5%	5.5%	5.5%
Personnel cost as % of total for department	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
<b>Contract workers</b>									
Personnel numbers (head count)	–	32	29	–	–	–	15	15	15
Personnel cost (R thousands)	–	11 891	10 245	–	–	–	5 982	5 982	5 982
Head count as % of total for department	0.0%	5.1%	4.7%	0.0%	0.0%	0.0%	2.3%	2.3%	2.3%
Personnel cost as % of total for department	0.0%	6.5%	5.3%	0.0%	0.0%	0.0%	2.7%	2.5%	2.4%

Table 23 above gives a breakdown of full-time workers, part-time workers and contract workers. Due to budget constraints the department plans to keep the number of interns (part-time) constant over the 2015 MTEF. Contract workers are all the employees in the supply chain unit, consumer tribunal office and for the specialised sectors in the core programmes. The department is planning to reduce the number contract workers and increase full-time employees by filling vacant critical positions in the core programmes.

## 9.3 Payments on training by programme

Table 24: Summary of payments on training by programme

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
<b>R thousand</b>										
1. Administration	2 935	491	2 453	2 356	2 356	2 356	4 300	5 043	5 295	82.5
Subsistence and travel	–	–	–	2 356	2 356	2 356	4 300	5 043	5 295	82.5
Payments on tuition	–	–	–	–	–	–	–	–	–	–
Other	2 935	491	2 453	–	–	–	–	–	–	–
2. Economic Development And Tourism	–	862	113	1 981	1 981	1 981	1 069	2 167	2 275	(46.0)
Subsistence and travel	–	–	–	–	–	–	–	–	–	–
Payments on tuition	–	–	–	1 981	1 981	1 981	1 069	2 167	2 275	(46.0)
Other	–	862	113	–	–	–	–	–	–	–
3. Environmental Affairs	236	3 780	3 923	1 177	1 177	1 177	1 185	1 356	1 424	0.7
Subsistence and travel	–	–	–	–	–	–	–	–	–	–
Payments on tuition	–	–	–	1 177	1 177	1 177	1 185	1 356	1 424	0.7
Other	236	3 780	3 923	–	–	–	–	–	–	–
<b>Total payments on training</b>	<b>3 171</b>	<b>5 133</b>	<b>6 489</b>	<b>5 514</b>	<b>5 514</b>	<b>5 514</b>	<b>6 554</b>	<b>8 566</b>	<b>8 994</b>	<b>18.9</b>

% change from 2014/15 to 2015/16

As shown in Table 24 above, total payments for training depict a fluctuating trend from 2011/12 to the 2014/15 revised estimate. It increases from R3.171 million in 2011/12 to R6.554 million in 2015/16, and is projected to increase over the MTEF due to provision of 1 per cent of the skills development levy and training of employees. The department is no longer offering external bursaries.

## 9.4 Information on training

Table 25: Information on training

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
Number of staff	628	625	619	652	652	652	640	640	640	(1.8)
Number of personnel trained	125	363	30	250	250	250	260	260	260	4.0
of which										
Male	40	135	18	100	100	100	105	105	105	5.0
Female	85	228	12	150	150	150	155	155	155	3.3
Number of training opportunities	7	16	4	45	45	45	50	50	50	11.1
of which										
Tertiary	4	10	3	8	8	8	10	10	10	25.0
Workshops	3	5	1	5	5	5	8	8	8	60.0
Seminars	—	1	—	10	10	10	8	8	8	(20.0)
Other	—	—	—	22	22	22	24	24	24	9.1
Number of bursaries offered	29	69	74	185	185	185	190	190	190	2.7
Number of interns appointed	—	—	—	35	35	35	35	35	35	
Number of learnerships appointed	—	1	2	—	—	—	—	—	—	
Number of days spent on training	—	—	20	25	25	25	30	30	30	20.0

% change from 2014/15 to 2015/16

Number of staff trained increased from 125 in 2011/12 to 260 in the 2015/16 financial year as shown in table 25 above. The department has decided to invest in human capital development in order to increase the number of skilled employees which will result in the improvement in service delivery.

## 9.5 Structural changes

None.

**Annexure to the  
Estimates of Provincial Revenue  
and Expenditure**

**Department of Economic Development,  
Environmental Affairs and Tourism**

Table B. 1: Specification of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
<b>Tax receipts</b>	<b>122 755</b>	<b>122 525</b>	<b>123 484</b>	<b>132 578</b>	<b>137 292</b>	<b>139 849</b>	<b>151 999</b>	<b>167 936</b>	<b>185 581</b>	<b>8.7</b>
Casino taxes	112 949	97 412	100 054	104 102	124 111	124 631	137 763	152 917	169 737	10.5
Horse racing taxes	7 299	20 004	17 872	22 184	6 889	6 614	7 234	7 596	7 976	9.4
Liquor licences	2 507	5 109	5 558	6 292	6 292	8 604	7 002	7 423	7 868	(18.6)
Motor vehicle licences	—	—	—	—	—	—	—	—	—	—
<b>Sales of goods and services other than capital assets</b>	<b>735</b>	<b>763</b>	<b>802</b>	<b>1 124</b>	<b>1 124</b>	<b>1 154</b>	<b>1 237</b>	<b>1 298</b>	<b>1 362</b>	<b>7.2</b>
Sale of goods and services produced by department (excluding capital assets)	735	763	802	1 124	1 124	1 154	1 237	1 298	1 362	7.2
Sales by market establishments	735	763	802	1 124	1 124	1 154	1 237	1 298	1 362	7.2
Administrative fees	—	—	—	—	—	—	—	—	—	—
Other sales	—	—	—	—	—	—	—	—	—	—
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	—	—	—	—	—	—	—	—	—	—
<b>Transfers received from:</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Other governmental units	—	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—	—
Foreign governments	—	—	—	—	—	—	—	—	—	—
International organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—	—
Households and non-profit institutions	—	—	—	—	—	—	—	—	—	—
<b>Fines, penalties and forfeits</b>	<b>35</b>	<b>1 155</b>	<b>818</b>	<b>—</b>	<b>—</b>	<b>1 009</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(100.0)</b>
<b>Interest, dividends and rent on land</b>	<b>630</b>	<b>475</b>	<b>331</b>	<b>400</b>	<b>400</b>	<b>432</b>	<b>440</b>	<b>609</b>	<b>639</b>	<b>1.9</b>
Interest	630	475	331	400	400	432	440	609	639	1.9
Dividends	—	—	—	—	—	—	—	—	—	—
Rent on land	—	—	—	—	—	—	—	—	—	—
<b>Sales of capital assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Other capital assets	—	—	—	—	—	—	—	—	—	—
<b>Transactions in financial assets and liabilities</b>	<b>43 756</b>	<b>92 393</b>	<b>431</b>	<b>23</b>	<b>23</b>	<b>3 357</b>	<b>25</b>	<b>26</b>	<b>28</b>	<b>(99.3)</b>
<b>Total departmental receipts</b>	<b>167 911</b>	<b>217 311</b>	<b>125 866</b>	<b>134 125</b>	<b>138 839</b>	<b>145 801</b>	<b>153 701</b>	<b>169 869</b>	<b>187 610</b>	<b>5.4</b>

% change from 2014/15 to 2015/16

**Estimates of Provincial Revenue and Expenditure (EPRE) – 2015/2016 Financial Year**

**Table B. 2: Details of payments and estimates by economic classification: Summary: Economic Development, Environmental Affairs and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>258 813</b>	<b>283 703</b>	<b>300 559</b>	<b>339 766</b>	<b>334 899</b>	<b>332 047</b>	<b>348 883</b>	<b>365 256</b>	<b>392 643</b>	<b>5.1</b>
Compensation of employees	171 525	182 487	194 492	201 238	213 468	214 631	225 531	240 191	252 201	5.1
Salaries and wages	171 525	182 487	194 492	201 238	213 468	214 631	225 531	240 191	252 201	5.1
Social contributions	—	—	—	—	—	—	—	—	—	—
Goods and services	87 288	101 216	106 068	138 528	121 431	117 416	123 352	125 065	140 443	5.1
Administrative fees	1 981	70	177	410	80	334	240	264	277	(28.1)
Advertising	1 319	1 612	4 329	3 755	3 715	3 090	3 047	3 352	3 520	(1.4)
Assets less than the capitalisation threshold	757	536	728	905	905	582	619	1 069	1 122	6.4
Audit cost: External	3 665	4 897	3 447	4 000	4 000	4 659	5 373	4 461	4 684	15.3
Bursaries: Employees	238	1 859	1 286	1 744	1 653	1 446	1 885	1 922	2 019	30.4
Catering: Departmental activities	1 271	1 281	1 488	2 371	2 061	2 524	2 363	1 394	1 464	(6.4)
Communication (G&S)	4 229	7 141	3 724	6 750	6 075	4 971	5 696	5 256	5 519	14.6
Computer services	6 849	9 842	9 349	7 495	4 055	4 568	9 349	9 768	10 256	104.7
Consultants and professional services: Business and advisory services	12 597	14 482	5 482	25 310	14 978	15 407	14 946	9 047	12 499	(3.0)
Consultants and professional services: Infrastructure and planning	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Laboratory services	—	—	—	—	—	20	—	—	—	(100.0)
Consultants and professional services: Scientific and technological services	—	—	—	—	—	20	—	528	554	(100.0)
Consultants and professional services: Legal costs	4 544	4 817	4 415	12 076	6 451	2 993	5 903	5 252	5 514	97.2
Contractors	259	904	1 526	1 270	1 270	531	1 759	130	137	231.3
Agency and support / outsourced services	6 081	2 845	2 298	3 304	3 454	20	312	329	345	1460.0
Entertainment	—	—	—	432	432	—	—	-0	-0	—
Fleet services (including government motor transport)	—	—	5 491	932	932	5 761	1 037	—	—	(82.0)
Housing	—	—	—	—	—	—	—	—	—	—
Inventory: Clothing material and accessories	—	—	534	—	—	—	—	—	—	—
Inventory: Farming supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Food and food supplies	165	246	—	276	276	350	100	321	337	(71.4)
Inventory: Fuel, oil and gas	—	2 795	—	6 500	6 500	2 742	7 500	6 684	7 018	173.5
Inventory: Learner and teacher support material	—	—	—	—	—	—	—	—	—	—
Inventory: Materials and supplies	156	159	—	112	112	358	203	241	253	(43.3)
Inventory: Medical supplies	—	—	—	—	—	36	—	-0	-0	(100.0)
Inventory: Medicine	—	—	—	—	—	—	—	—	—	—
Medias inventory interface	—	—	—	—	—	100	—	—	—	(100.0)
Inventory: Other supplies	—	—	27	100	100	74	200	212	223	170.3
Consumable supplies	613	622	1 406	1 195	1 195	708	623	657	690	(12.0)
Consumable: Stationery, printing and office supplies	1 678	1 427	1 607	5 186	4 259	1 661	2 505	4 733	4 969	50.8
Operating leases	21 037	14 710	18 510	15 965	24 255	32 837	25 216	33 789	41 562	(23.2)
Property payments	1	3 607	3 401	4 642	4 642	4 285	5 447	7 532	7 909	27.1
Transport provided: Departmental activity	—	—	—	265	-36	307	—	—	—	(100.0)
Travel and subsistence	13 768	18 980	25 147	18 495	18 114	17 277	17 897	17 749	16 886	3.6
Training and development	2 236	2 717	1 302	5 514	3 325	2 755	3 924	2 429	2 550	42.4
Operating payments	1 433	1 266	2 518	2 191	2 191	2 400	2 386	1 981	5 730	(0.6)
Venues and facilities	2 411	4 401	7 806	7 237	6 437	4 435	4 390	5 685	4 097	(1.0)
Rental and hiring	—	—	70	96	—	165	432	280	307	161.8
Interest and rent on land	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Rent on land	—	—	—	—	—	—	—	—	—	—
<b>Transfers and subsidies</b>	<b>622 462</b>	<b>512 642</b>	<b>1 038 016</b>	<b>1 093 501</b>	<b>986 174</b>	<b>812 358</b>	<b>823 192</b>	<b>770 900</b>	<b>911 404</b>	<b>1.3</b>
Provinces and municipalities	3 952	4 098	11 723	19 885	19 358	19 108	12 132	9 430	9 902	(36.5)
Provinces	—	—	—	—	—	—	—	—	—	—
Provincial Revenue Funds	—	—	—	—	—	—	—	—	—	—
Provincial agencies and funds	—	—	—	—	—	—	—	—	—	—
Municipalities	3 952	4 098	11 723	19 885	19 358	19 108	12 132	9 430	9 902	(36.5)
Municipalities	3 952	4 098	11 723	19 885	19 358	19 108	12 132	9 430	9 902	(36.5)
Municipal agencies and funds	—	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	604 152	469 954	984 224	1 023 093	912 993	754 326	766 478	712 762	851 959	1.6
Social security funds	—	—	—	—	—	—	—	—	—	—
Provide list of entities receiving transfers	604 152	469 954	984 224	1 023 093	912 993	754 326	766 478	712 762	851 959	1.6
Higher education institutions	—	1 695	11 064	10 315	10 315	7 315	3 634	5 602	5 882	(50.3)
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	9 000	35 692	28 827	38 110	38 560	26 765	37 064	40 133	40 540	38.5
Public corporations	—	—	—	—	—	—	—	—	—	—
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	—	—	—	—	—
Private enterprises	9 000	35 692	28 827	38 110	38 560	26 765	37 064	40 133	40 540	38.5
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	9 000	35 692	28 827	38 110	38 560	26 765	37 064	40 133	40 540	38.5
Non-profit institutions	—	144	1 000	1 300	2 650	2 616	1 000	1 300	1 365	(61.8)
Households	5 358	1 059	1 178	798	2 298	2 228	2 884	1 673	1 757	29.4
Social benefits	65	—	—	—	—	—	—	—	—	—
Other transfers to households	5 293	1 059	1 178	798	2 298	2 228	2 884	1 673	1 757	29.4
<b>Payments for capital assets</b>	<b>4 070</b>	<b>10 953</b>	<b>14 890</b>	<b>11 092</b>	<b>12 286</b>	<b>11 269</b>	<b>9 783</b>	<b>14 630</b>	<b>15 361</b>	<b>(13.2)</b>
Buildings and other fixed structures	—	—	8	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—	—	—
Other fixed structures	—	—	8	—	—	—	—	—	—	—
Machinery and equipment	4 070	10 953	14 882	11 092	12 286	11 269	9 783	14 630	15 361	(13.2)
Transport equipment	—	—	13 818	6 558	9 040	8 869	4 110	6 528	6 855	(53.7)
Other machinery and equipment	4 070	10 953	1 064	4 534	3 246	2 400	5 673	8 101	8 506	136.4
Heritage Assets	—	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—	—
<b>Payments for financial assets</b>	<b>306</b>	<b>109</b>	<b>351</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total economic classification</b>	<b>885 651</b>	<b>807 407</b>	<b>1 353 816</b>	<b>1 444 359</b>	<b>1 333 359</b>	<b>1 155 674</b>	<b>1 181 858</b>	<b>1 150 787</b>	<b>1 319 409</b>	<b>2.3</b>

% change from 2014/15 to 2015/16



Table B.2A: Details of payments and estimates by economic classification: P1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>149 235</b>	<b>158 872</b>	<b>170 464</b>	<b>191 535</b>	<b>194 539</b>	<b>194 873</b>	<b>188 054</b>	<b>206 991</b>	<b>223 424</b>	<b>(3.5)</b>
Compensation of employees	81 544	83 809	95 166	97 314	106 044	105 811	107 193	115 434	121 206	1.3
Salaries and wages	81 544	83 809	95 166	97 314	106 044	105 811	107 193	115 434	121 206	1.3
Social contributions	—	—	—	—	—	—	—	—	—	—
Goods and services	67 691	75 063	75 298	94 221	88 495	89 062	80 861	91 557	102 217	(9.2)
Administrative fees	1 969	68	124	277	277	241	113	122	128	(53.1)
Advertising	922	670	2 303	2 177	2 177	1 875	1 694	1 726	1 813	(9.7)
Assets less than the capitalisation threshold	708	500	654	775	775	510	452	1 046	1 098	(11.4)
Audit cost: External	3 665	4 897	3 447	4 000	4 000	4 659	5 373	4 461	4 684	15.3
Bursaries: Employees	238	1 859	1 286	1 700	1 609	1 446	1 785	1 816	1 907	23.4
Catering: Departmental activities	572	493	549	730	570	585	326	401	421	(44.3)
Communication (G&S)	3 196	5 502	2 015	4 875	5 947	4 394	5 404	3 411	3 581	23.0
Computer services	6 849	9 760	9 349	5 196	1 756	2 715	5 451	9 411	9 882	100.8
Consultants and professional services: Business and advisory services	7 548	6 633	2 715	11 890	7 458	8 071	1 706	1 919	2 015	(78.9)
Consultants and professional services: Infrastructure and planning	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Laboratory services	—	—	—	—	—	20	—	—	—	(100.0)
Consultants and professional services: Scientific and technological services	—	—	—	—	—	20	—	—	—	(100.0)
Consultants and professional services: Legal costs	2 996	4 659	3 625	10 233	6 351	2 993	4 559	4 816	5 057	52.3
Contractors	259	848	1 452	1 270	1 270	418	1 709	142	149	308.9
Agency and support / outsourced services	6 081	2 058	1 714	3 304	3 454	20	—	-0	-1	(100.0)
Entertainment	—	—	—	432	432	—	—	-0	-0	—
Fleet services (including government motor transport)	—	—	5 491	932	932	5 761	1 037	—	—	(82.0)
Housing	—	—	—	—	—	—	—	—	—	—
Inventory: Clothing material and accessories	—	—	534	—	—	—	—	—	—	—
Inventory: Farming supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Food and food supplies	165	246	—	276	276	350	100	321	337	(71.4)
Inventory: Fuel, oil and gas	—	2 795	—	6 500	6 500	2 742	7 500	6 684	7 018	173.5
Inventory: Learner and teacher support material	—	—	—	—	—	—	—	—	—	—
Inventory: Materials and supplies	149	159	8	62	62	308	103	135	142	(66.6)
Inventory: Medical supplies	—	—	—	—	—	36	—	-0	-0	(100.0)
Inventory: Medicine	—	—	—	—	—	—	—	—	—	—
Medias inventory interface	—	—	—	—	—	—	—	—	—	—
Inventory: Other supplies	—	—	-15	—	—	—	—	—	—	—
Consumable supplies	383	530	1 107	785	785	654	—	0	0	(100.0)
Consumable: Stationery, printing and office supplies	1 588	1 423	1 096	4 836	3 909	1 325	1 811	4 000	4 200	36.7
Operating leases	19 756	14 710	18 510	15 965	24 255	32 837	24 216	33 789	41 562	(26.3)
Property payments	1	3 607	3 401	4 642	4 642	4 285	5 447	7 532	7 909	27.1
Transport provided: Departmental activity	—	—	—	265	265	265	—	—	—	(100.0)
Travel and subsistence	5 268	9 156	12 446	6 890	6 673	7 616	6 798	5 146	5 403	(10.7)
Training and development	2 392	1 546	973	3 403	1 314	1 619	2 924	2 429	2 551	80.6
Operating payments	1 430	1 266	733	2 161	2 161	2 288	1 747	1 782	1 871	(23.6)
Venues and facilities	1 556	1 678	1 774	645	645	1 009	440	467	490	(56.4)
Rental and hiring	—	—	7	—	—	—	166	—	—	—
Interest and rent on land	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Rent on land	—	—	—	—	—	—	—	—	—	—
<b>Transfers and subsidies</b>	<b>557</b>	<b>755</b>	<b>1 096</b>	<b>798</b>	<b>2 298</b>	<b>2 228</b>	<b>2 884</b>	<b>1 673</b>	<b>1 757</b>	<b>29.4</b>
Provinces and municipalities	—	—	—	—	—	—	—	—	—	—
Provinces	—	—	—	—	—	—	—	—	—	—
Provincial Revenue Funds	—	—	—	—	—	—	—	—	—	—
Provincial agencies and funds	—	—	—	—	—	—	—	—	—	—
Municipalities	—	—	—	—	—	—	—	—	—	—
Municipalities	—	—	—	—	—	—	—	—	—	—
Municipal agencies and funds	—	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	—	—	—	—	—	—	—	—	—	—
Social security funds	—	—	—	—	—	—	—	—	—	—
Provide list of entities receiving transfers	—	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—	—
Public corporations	—	—	—	—	—	—	—	—	—	—
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	—	—	—	—	—
Private enterprises	—	—	—	—	—	—	—	—	—	—
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	—	—	—	—	—
Non-profit institutions	—	—	—	—	—	—	—	—	—	—
Households	557	755	1 096	798	2 298	2 228	2 884	1 673	1 757	29.4
Social benefits	—	—	—	—	—	—	—	—	—	—
Other transfers to households	557	755	1 096	798	2 298	2 228	2 884	1 673	1 757	29.4
<b>Payments for capital assets</b>	<b>4 070</b>	<b>10 953</b>	<b>14 882</b>	<b>11 092</b>	<b>12 286</b>	<b>11 269</b>	<b>9 783</b>	<b>14 630</b>	<b>15 361</b>	<b>(13.2)</b>
Buildings and other fixed structures	—	—	8	—	—	—	—	—	—	—
Buildings	—	—	8	—	—	—	—	—	—	—
Other fixed structures	—	—	—	—	—	—	—	—	—	—
Machinery and equipment	4 070	10 953	14 874	11 092	12 286	11 269	9 783	14 630	15 361	(13.2)
Transport equipment	—	—	13 818	6 558	9 040	8 869	4 110	6 528	6 855	(53.7)
Other machinery and equipment	4 070	10 953	1 056	4 534	3 246	2 400	5 673	8 101	8 506	136.4
Heritage Assets	—	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—	—
<b>Payments for financial assets</b>	<b>306</b>	<b>109</b>	<b>351</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total economic classification</b>	<b>154 168</b>	<b>170 689</b>	<b>186 793</b>	<b>203 425</b>	<b>209 123</b>	<b>208 370</b>	<b>200 721</b>	<b>223 294</b>	<b>240 541</b>	<b>(3.7)</b>

% change from 2014/15 to 2015/16

**Table B.2B: Details of payments and estimates by economic classification: P2: Economic Development and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>39 253</b>	<b>54 144</b>	<b>52 069</b>	<b>65 819</b>	<b>60 269</b>	<b>56 352</b>	<b>68 156</b>	<b>62 037</b>	<b>64 532</b>	<b>20.9</b>
Compensation of employees	29 821	39 025	36 128	36 512	39 012	39 613	42 892	43 397	45 567	8.3
Salaries and wages	29 821	39 025	36 128	36 512	39 012	39 613	42 892	43 397	45 567	8.3
Social contributions	—	—	—	—	—	—	—	—	—	—
Goods and services	9 432	15 119	15 942	29 307	21 257	16 739	25 264	18 641	18 965	50.9
Administrative fees	8	2	53	50	-250	10	44	56	59	340.0
Advertising	395	942	1 828	1 195	1 195	686	670	907	952	(2.3)
Assets less than the capitalisation threshold	—	3	12	130	130	—	167	23	24	—
Audit cost: External	—	—	—	—	—	—	—	—	—	—
Bursaries: Employees	—	—	—	44	44	—	100	106	111	—
Catering: Departmental activities	478	658	722	901	901	672	2 037	994	1 044	203.1
Communication (G&S)	329	698	939	1 177	127	502	84	1 345	1 412	(83.3)
Computer services	—	82	—	2 299	2 299	1 853	3 898	356	374	110.4
Consultants and professional services: Business and advisory services	1 185	6 477	2 478	12 089	6 189	6 157	9 156	4 476	7 699	48.7
Consultants and professional services: Infrastructure and planning	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Laboratory services	—	—	—	—	—	—	—	—	—	—
Consultants and professional services: Scientific and technological services	—	—	—	—	—	—	—	528	554	—
Consultants and professional services: Legal costs	886	158	—	—	—	—	—	—	—	—
Contractors	—	48	47	—	—	10	50	53	56	400.0
Agency and support / outsourced services	—	102	192	—	—	—	—	—	—	—
Entertainment	—	—	—	—	—	—	—	—	—	—
Fleet services (including government motor transport)	—	—	—	—	—	—	—	—	—	—
Housing	—	—	—	—	—	—	—	—	—	—
Inventory: Clothing material and accessories	—	—	—	—	—	—	—	—	—	—
Inventory: Farming supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Food and food supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Fuel, oil and gas	—	—	—	—	—	—	—	—	—	—
Inventory: Learner and teacher support material	—	—	—	—	—	—	—	—	—	—
Inventory: Materials and supplies	5	—	—	—	—	—	—	—	—	—
Inventory: Medical supplies	—	—	—	—	—	—	—	—	—	—
Inventory: Medicine	—	—	—	—	—	—	—	—	—	—
Medias inventory interface	—	—	—	—	—	—	—	—	—	—
Inventory: Other supplies	—	—	15	—	—	—	100	106	111	—
Consumable supplies	—	2	—	—	—	—	—	—	—	—
Consumable: Stationery, printing and office supplies	—	—	38	350	350	155	594	627	658	283.2
Operating leases	1 281	—	—	—	—	—	1 000	—	—	—
Property payments	—	—	—	—	—	—	—	—	—	—
Transport provided: Departmental activity	—	—	—	—	—	42	—	—	—	(100.0)
Travel and subsistence	4 294	4 157	4 672	4 196	4 196	3 179	4 482	5 447	3 969	41.0
Training and development	—	113	177	2 011	2 011	1 034	—	-0	-0	(100.0)
Operating payments	—	—	43	30	30	34	639	199	209	1779.4
Venues and facilities	571	1 677	4 663	4 835	4 035	2 405	2 243	3 417	1 730	(6.7)
Rental and hiring	—	—	63	—	—	—	—	—	—	—
Interest and rent on land	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Rent on land	—	—	—	—	—	—	—	—	—	—
<b>Transfers and subsidies</b>	<b>473 775</b>	<b>315 942</b>	<b>828 960</b>	<b>870 216</b>	<b>759 166</b>	<b>584 454</b>	<b>615 395</b>	<b>567 293</b>	<b>701 265</b>	<b>5.3</b>
Provinces and municipalities	—	1 100	1 150	6 500	4 350	2 500	1 300	—	—	(48.0)
Provinces	—	—	—	—	—	—	—	—	—	—
Provincial Revenue Funds	—	—	—	—	—	—	—	—	—	—
Provincial agencies and funds	—	—	—	—	—	—	—	—	—	—
Municipalities	—	1 100	1 150	6 500	4 350	2 500	1 300	—	—	(48.0)
Municipalities	—	1 100	1 150	6 500	4 350	2 500	1 300	—	—	(48.0)
Municipal agencies and funds	—	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	460 295	279 528	787 837	815 811	705 111	547 044	573 397	521 558	654 843	4.8
Social security funds	—	—	—	—	—	—	—	—	—	—
Provide list of entities receiving transfers	460 295	279 528	787 837	815 811	705 111	547 044	573 397	521 558	654 843	4.8
Higher education institutions	—	1 695	11 064	10 315	10 315	7 315	3 634	5 602	5 882	(50.3)
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	9 000	33 458	28 827	37 590	38 040	26 245	37 064	40 133	40 540	41.2
Public corporations	—	—	—	—	—	—	—	—	—	—
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	—	—	—	—	—	—	—	—	—	—
Private enterprises	9 000	33 458	28 827	37 590	38 040	26 245	37 064	40 133	40 540	41.2
Subsidies on production	—	—	—	—	—	—	—	—	—	—
Other transfers	9 000	33 458	28 827	37 590	38 040	26 245	37 064	40 133	40 540	41.2
Non-profit institutions	—	—	—	—	1 350	1 350	—	—	—	(100.0)
Households	4 480	161	82	—	—	—	—	—	—	—
Social benefits	—	—	—	—	—	—	—	—	—	—
Other transfers to households	4 480	161	82	—	—	—	—	—	—	—
<b>Payments for capital assets</b>	<b>—</b>	<b>—</b>	<b>8</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Buildings and other fixed structures	—	—	—	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—	—	—
Other fixed structures	—	—	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	8	—	—	—	—	—	—	—
Transport equipment	—	—	—	—	—	—	—	—	—	—
Other machinery and equipment	—	—	8	—	—	—	—	—	—	—
Heritage Assets	—	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—	—
<b>Payments for financial assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total economic classification</b>	<b>513 028</b>	<b>370 086</b>	<b>881 037</b>	<b>936 035</b>	<b>819 435</b>	<b>640 806</b>	<b>683 551</b>	<b>629 330</b>	<b>765 797</b>	<b>6.7</b>

% change from 2014/15 to 2015/16

Table B.2C: Details of payments and estimates by economic classification: P3: Environmental Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	<b>70 325</b>	<b>70 687</b>	<b>78 026</b>	<b>82 412</b>	<b>80 091</b>	<b>80 822</b>	<b>92 673</b>	<b>96 228</b>	<b>104 688</b>	14.7
Compensation of employees	60 160	59 653	63 198	67 412	68 412	69 207	75 447	81 360	85 428	9.0
Salaries and wages	60 160	59 653	63 198	67 412	68 412	69 207	75 447	81 360	85 428	9.0
Social contributions	-	-	-	-	-	-	-	-	-	-
Goods and services	10 165	11 034	14 828	15 000	11 679	11 615	17 227	14 868	19 260	48.3
Administrative fees	4	-	-	83	53	83	83	86	90	-
Advertising	2	-	198	383	343	529	683	719	755	29.1
Assets less than the capitalisation threshold	49	33	62	-	-	72	-	-	-	(100.0)
Audit cost: External	-	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	221	130	217	740	590	1 267	0	-0	-0	(100.0)
Communication (G&S)	704	941	770	698	1	75	207	500	525	176.6
Computer services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	3 864	1 372	289	1 331	1 331	1 179	4 084	2 652	2 785	246.4
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	662	-	790	1 843	100	-	1 344	436	457	-
Contractors	-	8	27	-	-	103	-	-65	-68	(100.0)
Agency and support / outsourced services	-	685	392	-	-	-	312	329	345	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2	-	-8	50	50	50	100	106	111	100.0
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	100	-	-	-	(100.0)
Inventory: Other supplies	-	-	27	100	100	74	100	106	111	35.1
Consumable supplies	230	90	299	410	410	54	623	657	690	1053.7
Consumable: Stationery, printing and office supplies	90	4	473	-	-	181	100	106	111	(44.8)
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-301	-	-	-	-	-
Travel and subsistence	4 206	5 667	8 029	7 409	7 245	6 482	6 617	7 156	7 514	2.1
Training and development	-156	1 058	152	100	-	102	1 000	-0	-0	880.5
Operating payments	3	-	1 742	-	-	78	0	-0	3 649	(99.7)
Venues and facilities	284	1 046	1 369	1 757	1 757	1 021	1 707	1 801	1 877	67.2
Rental and hiring	-	-	-	96	-	165	266	280	307	61.2
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>148 130</b>	<b>195 945</b>	<b>207 960</b>	<b>222 487</b>	<b>224 710</b>	<b>225 676</b>	<b>204 913</b>	<b>201 935</b>	<b>208 382</b>	(9.2)
Provinces and municipalities	3 952	2 998	10 573	13 385	15 008	16 608	10 832	9 430	9 902	(34.8)
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	3 952	2 998	10 573	13 385	15 008	16 608	10 832	9 430	9 902	(34.8)
Municipalities	3 952	2 998	10 573	13 385	15 008	16 608	10 832	9 430	9 902	(34.8)
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	143 857	190 426	196 387	207 282	207 882	207 282	193 081	191 205	197 116	(6.9)
Social security funds	-	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	143 857	190 426	196 387	207 282	207 882	207 282	193 081	191 205	197 116	(6.9)
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	2 234	-	520	520	520	-	-	-	(100.0)
Public corporations	-	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-	-
Private enterprises	-	2 234	-	520	520	520	-	-	-	(100.0)
Subsidies on production	-	-	-	-	-	-	-	-	-	-
Other transfers	-	2 234	-	520	520	520	-	-	-	(100.0)
Non-profit institutions	-	144	1 000	1 300	1 300	1 266	1 000	1 300	1 365	(21.0)
Households	321	143	-	-	-	-	-	-	-	-
Social benefits	65	-	-	-	-	-	-	-	-	-
Other transfers to households	256	143	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>218 455</b>	<b>266 632</b>	<b>285 986</b>	<b>304 899</b>	<b>304 801</b>	<b>306 498</b>	<b>297 587</b>	<b>298 162</b>	<b>313 070</b>	(2.9)

% change from 2014/15 to 2015/16

**Table B. 3: Conditional grant payments and estimates by economic classification: EPWP Incentive Grant**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Current payments</b>	-	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	-	-	<b>(4.9)</b>
Provinces and municipalities	1 760	1 000	550	2 102	2 102	2 102	2 000	-	-	(4.9)
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 760</b>	<b>1 000</b>	<b>550</b>	<b>2 102</b>	<b>2 102</b>	<b>2 102</b>	<b>2 000</b>	-	-	<b>(4.9)</b>

% change from 2014/15 to 2015/16

**Table B. 4: Detailed financial information for other entities**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
Higher education institutions	-	1 695	11 064	10 315	-	7 315	3 634	5 602	5 882	(50.3)
Rhodes Unuversity	-	1 695	1 964	2 041	-	2 041	2 434	-	-	19.3
Fort Hare University	-	-	1 100	-	-	-	-	-	-	-
Nelson Mandela Metropolitan University	-	-	8 000	8 274	-	5 274	1 200	5 602	5882.1	(77.2)
Public Corporations and private enterprises	<b>9 000</b>	<b>32 444</b>	<b>28 827</b>	<b>39 910</b>	<b>40 360</b>	<b>28 565</b>	<b>37 064</b>	<b>40 133</b>	<b>40 540</b>	<b>31.8</b>
LRED Fund	9 000	32 444	28 827	38 110	38 560	26 765	35 264	40 133	40540	31.8
Chemin Incubation	-	-	-	1 800	1 800	1 800	1 800	-	-	-
<b>Total</b>	<b>9 000</b>	<b>34 139</b>	<b>39 891</b>	<b>50 225</b>	<b>40 360</b>	<b>35 880</b>	<b>40 698</b>	<b>45 735</b>	<b>46 422</b>	<b>13.4</b>

change from 2014/15 to 2015/16

**Table B. 5: Transfers to local government by transfer / grant type, category and municipality –**

**Summary**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2014/15
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	
<b>Category A</b>	–	–	–	–	–	–	–	–	–	
Buffalo City	–	–	–	–	–	–	–	–	–	
Nelson Mandela	–	–	–	–	–	–	–	–	–	
<b>Category B</b>	<b>1 000</b>	–	<b>11 173</b>	<b>1 850</b>	<b>13 756</b>	<b>13 506</b>	<b>6 800</b>	–	–	(49.7)
Camdeboo	–	–	–	–	2 000	2 000	–	–	–	(100.0)
Blue Crane Route	–	–	–	–	–	–	–	–	–	
Ikwezi	–	–	–	–	–	–	–	–	–	
Makana	–	–	–	–	–	–	–	–	–	
Ndlambe	–	–	–	–	–	–	–	–	–	
Sundays River Valley	–	–	–	–	–	–	–	–	–	
Baviaans	–	–	–	–	–	–	–	–	–	
Kouga	–	–	–	–	–	–	–	–	–	
Koukamma	–	–	–	–	–	–	–	–	–	
Mbhashe	–	–	–	–	–	–	–	–	–	
Mnquma	–	–	–	–	–	–	–	–	–	
Great Kei	–	–	–	–	–	–	–	–	–	
Amahlathi	–	–	200	350	2 350	2 100	–	–	–	(100.0)
Ngqushwa	–	–	–	–	–	–	–	–	–	
Nkonkobe	–	–	–	–	–	–	500	–	–	
Nxuba	–	–	–	–	–	–	–	–	–	
Inxuba Yethemba	–	–	–	–	–	–	–	–	–	
Tsolwana	–	–	–	–	–	–	–	–	–	
Inkwanca	–	–	–	–	–	–	–	–	–	
Lukhanji	–	–	–	–	–	–	–	–	–	
Intsika Yethu	–	–	500	–	–	–	–	–	–	
Emalahleni	–	–	–	–	1 623	1 623	–	–	–	(100.0)
Engcobo	–	–	–	–	–	–	–	–	–	
Sakhisizwe	–	–	–	–	–	–	–	–	–	
Elundini	–	–	350	–	–	–	–	–	–	
Senqu	300	–	1 523	–	2 493	2 493	–	–	–	(100.0)
Maletswai	–	–	–	–	–	–	–	–	–	
Gariep	–	–	1 500	–	500	500	–	–	–	(100.0)
Ngquza Hill	–	–	–	–	–	–	3 500	–	–	
Port St. Johns	200	–	4 400	1 000	1 000	1 000	–	–	–	(100.0)
Nyandeni	–	–	–	–	–	–	1 800	–	–	
Mhlontlo	–	–	–	–	–	–	500	–	–	
King Sabata Dalindyebo	–	–	–	–	–	–	–	–	–	
Matatiele	–	–	–	–	–	–	500	–	–	
Umtzimvubu	500	–	2 700	500	500	500	–	–	–	(100.0)
Mbizana	–	–	–	–	3 290	3 290	–	–	–	(100.0)
Ntabankulu	–	–	–	–	–	–	–	–	–	
<b>Category C</b>	<b>1 960</b>	<b>3 100</b>	<b>550</b>	<b>2 500</b>	<b>4 602</b>	<b>4 602</b>	<b>4 332</b>	–	–	(5.9)
Cacadu District Municipality	–	–	–	–	–	–	–	–	–	
Amatole District Municipality	155	–	–	–	–	–	–	–	–	
Chris Hani District Municipality	1 805	2 500	550	2 500	4 602	4 602	3 532	–	–	(23.3)
Joe Gqabi District Municipality	–	600	–	–	–	–	800	–	–	
O.R. Tambo District Municipality	–	–	–	–	–	–	–	–	–	
Alfred Nzo District Municipality	–	–	–	–	–	–	–	–	–	
<b>Unallocated</b>	<b>992</b>	<b>998</b>	<b>–</b>	<b>15 535</b>	<b>1 000</b>	<b>1 000</b>	<b>1 000</b>	<b>9 430</b>	<b>9 902</b>	
<b>Total transfers to municipalities</b>	<b>3 952</b>	<b>4 098</b>	<b>11 723</b>	<b>19 885</b>	<b>19 358</b>	<b>19 108</b>	<b>12 132</b>	<b>9 430</b>	<b>9 902</b>	(36.5)

% change from 2014/15 to 2015/16

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