

Vote 09

Department: Economic Development, Environmental Affairs and Tourism

Table 1: Summary of departmental allocation

To be appropriated by Vote in 2024/25	R 2 130 722 000
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 Department

1. Overview

1.1 Vision

By 2030, the Province will have a growing, transformed, diversified and inclusive green economy in a sustainable environment.

1.2 Mission

A provincial catalyst for sustainable and inclusive economic development that promotes sound environmental management.

1.3 Core functions and responsibilities

The core functions of the department are summarised as follows:

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

1.4 Main Services

The department's core services are centred around economic and tourism development as well as environmental management. These services include but not limited to:

- Coordinate all strategic initiatives relating to the creation of decent work through inclusive economic growth; including the implementation of the relevant components of the National Development Plan, Vision 2030 and a number of sector strategies;
- Develop and utilise strategic frameworks and partnerships for the support and promotion of sustainable Micro Small Medium and Enterprises (MSME) and Cooperatives as well as support local procurement in the province;
- Promote economic development through the Economic Stimulus Fund as well as through the Economic Development Fund;

- Promote economic growth and development of local economies in partnership with key stakeholders by aligning Local Economic Development (LED) initiatives with government programmes as well as creating and facilitating an enabling environment for implementation. This includes small town revitalisation and the development of township economies;
- Increase the number of jobs created through sector and cluster development and support sustainable initiatives, agro-processing, manufacturing and the revitalisation of old industrial parks;
- Facilitate the development of strategic infrastructure projects that will stimulate the competitiveness of priority sectors in the provincial economy. Focus is placed on socio-economic infrastructure, Operation Phakisa, the Black Industrialisation Programme and support of Strategic Infrastructure Programmes (SIPs);
- Support manufacturing and service industries through the promotion of special economic zones;
- Promote consumer rights, develop systems for effective regulation of the liquor, gambling and betting industries in the province;
- Provide credible information and databank that informs economic policy and planning processes;
- Support the development of tourism in the province for competitive product offerings;
- Establish, implement and maintain effective systems to manage the sustainable utilisation of biological resources and conservation of ecosystems;
- Establish, implement and maintain effective systems using environmental legislation to protect the environment and implement environmental awareness programmes to empower communities; and
- 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

DEDEAT had experience a wide range of challenges with a high rate of demand to improve provincial economy, mainly due to slower recovery of the economy post COVID-19 pandemic. This has been further exacerbated by the uncertain global inflation trend, domestic energy crisis, middle east crisis, Ukraine-Russian war, slow recovery of China and trade decoupling, which resulted in stagnant job creation. Despite these challenges the province witnessed significant uptick in construction projects for sustainable growth and development. This requires a different approach to how work is delivered together with other partners and stakeholders since the focus is now on economic recovery both at a provincial and national level.

DEDEAT through collaboration, co-ordination, facilitation, integration and support provided to all Economic Development (ED) cluster departments is the centre in order to improve economic growth and sustainable development. The province is faced with high unemployment rate as well as high level of inequality and distribution of income. Furthermore, de-industrialisation and the poor investor climate create a challenging environment for the department to create economic opportunities for investment and associated job creation. The Provincial Economic Development Strategy (PEDS) and the Jobs Strategy require a new set of industrial skills in areas such as petrochemicals, green technology manufacturing, agro-processing, and auto-manufacturing.

Over the 2024 MTEF, the focus will be on the coordination and implementation of key economic projects to stimulate economic growth and development in the province. The Premier, during the State of the Province Address, made an announcement that re-industrialisation, industrial parks, agricultural industry, tourism industry, retail and trade sector, creative sector, support to SMME, intervention for youth development, economic enablers, rail and logistics are the pillars of the provincial economy. It means DEDEAT has to actively support all applicable infrastructure projects and improve collaboration and integration of programmes for renewable energy, digital economy, SMME development and climate change through District Development Model for economic emancipation and job creation.

DEDEAT in terms of mandate paper has also align with Priority 2 “Eastern Seaboard Development, rural and township enterprises, informal and micro businesses, revitalisation of industrial parks, oceans economy projects, energy sector development and support to municipalities (including mini grids, power producer processes, liquified natural gas, green hydrogen and other sustainable energy initiatives) as well as support implementation of climate change adaptation strategies; and Priority 7 “increase the provincial

share of global foreign-direct investment and position the province as global destination of choice for trade and tourism, and support African free trade agreement initiatives”.

The Local and Regional Economic Development (LRED) programme continues while previously funded stimulus fund projects will be monitored and supported. There is also a huge demand for SMME assistance with financing through the Eastern Cape Development Corporation (ECDC), which is unable to meet demand. However, funding challenges are impacting the advancement of loans to SMMEs. For 2024/25, the target is to support 700 SMMEs through non-financial support. Furthermore, the establishment of the Economic Development fund under the ECDC in 2024/25 will provide resources to overcome these challenges.

The department foresees an increased demand on skills development programmes at ECDC and Coega Development Corporation (CDC) as well as applications for financial and non-financial support from SMME's and cooperatives. The department still aims to support about 200 cooperatives, which will be manageable through greater interactions with prospective communities. The fourth industrial revolution requires new types of skills, which cannot be implemented by the department alone and therefore support and collaboration with the private sector will be sought.

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 (department and its six public entities). The key acts, rules and regulations are applicable to the core functions of the department, which are:

- 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;
- Eastern Cape Liquor Authority Act, 2018 (No. 4 of 2018)
- Eastern Cape Liquor Act, 2003;
- Eastern Cape Consumer Protection Act, 2018 (No. 3 of 2018)
- Eastern Cape Development Corporation Act, 1997;
- Eastern Cape Eastern Cape Gambling Amendment Act, (No. 1 of 2015);
- Eastern Cape Parks and Tourism Agency Act, 2010 (No 2 of 2010);
- 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 Protected Areas Act, 2009, National Small Business Act, 1996;
- National Environmental Management Waste Act, 2008;
- National Credit Act, 2006;
- National Liquor Act, 2003;
- Nature Conservation Ordinance, 1974;
- Public Finance Management Act (Act 1 of 1999) and Regulations;
- Public Service Act (Act 103 of 1994) and Regulations 2001 as amended;
- Special Economic Zones Act, 2014; and
- Unfair Business Act, 1998.

The Eastern Cape Parks and Tourism Agency Act was reviewed. The Eastern Cape Parks and Tourism Bill, 2018 was published for public comment on 12 February 2018. The Bill will promote alignment with the National tourism legislation whilst it will seek to address gaps that have been identified, which have a direct impact on implementation.

The department has reviewed the Eastern Cape Development Corporation Act, 1997 (Act no. 2 of 1997). A White Paper on the Eastern Cape Development Corporation is being developed which will inform the Eastern Cape Development Corporation Bill to align with the Economic Policy direction of the country and the province.

Formal and Informal businesses are currently governed by the Business Act, 1991 (Act No. 71 of 1991) which predates the Constitution of the Republic of South Africa, 1996. The Department is currently working on the policy development of a White Paper on Businesses in the Eastern Cape, which will culminate in the publication for comment of the Eastern Cape Businesses Bill. The overall intention of the Bill will be to repeal the Business Act, 1991 (Act no. 71 of 1991), provide for measures to protect consumers in the province against unhealthy, harmful, and unsafe goods and business practises.

1.7 Budget decisions

There has been tightening of the fiscal envelope caused by the weak economic environment. The deterioration of the economic climate and associated fiscal constraints placed on the provincial financial resources has directed the department to reprioritise its budget allocation within the programmes. The department continues to ensure that the budget decisions focus on the following:

- Implementation of Provincial Economic Development Strategy (PEDS) priority sectors;
- Continue to work on the high impact projects such as revitalisation of economic industrial parks as well rural and township economy and climate change support.
- Supporting sectors like tourism development, trade and sector development, oceans economy, renewable energy, SMME and auto industry;
- Support the SEZ mandate and also play a critical role in the work of the Wild Coast SEZ programme through Coega Development Cooperation (CDC);
- Undertaking the N2 Wild Coast biodiversity offset project through Eastern Cape Parks and Tourism Agency (ECPTA); and
- Implementation of Budget Facility for Infrastructure (BFI) for water effluent project through CDC.

These are aligned with provincial priorities pertaining to the need for intensified support and oversight of the Public Entities. In order to realise the budget decision, integration and collaboration with other sector department for sustainable growth and development need to be improved. The downward economic growth forecast presents further challenges government's ability to generate revenue to meet the ever-increasing service delivery targets. Reprioritisation within programmes and sub-programmes to accommodate fiscal consolidation was undertaken without severely affecting the service delivery for the 2024 MTEF. The baseline reprioritisation exercise was necessary to re-direct funds to enhance the assistance to SMME, Auto Sector Manufacturing, and provision for Special Economic Zone (SEZ) operational cost and Wild Coast SEZ operational costs. The departmental service delivery model has largely been impacted by the COVID-19 pandemic as well as the increasing demand for support to SMMEs. To this end, the continuation with the Economic Development Fund to be implemented by EDCD, will assist in addressing these demands and garner support from the private sector to augment this fund.

Budget decisions in the department are largely influenced by various factors that are prioritised in order to promote economic development, tourism and taking into consideration our environmental affairs. The department will continue with its untiring efforts of donor mobilisation and work with the private sector in order to leverage on their resources in projects where there are common goals. Cost containment measures and value for money spending will continue to be applied by the department over the 2024 MTEF period.

1.8 Aligning departmental budgets to achieve government's prescribed outcomes.

The departmental budget is supported by a Strategic Plan (SP), Annual Performance Plan (APP) that have been aligned to the Medium-Term Strategic Framework (MSTF), Provincial Development Plan (PDP) Goals and Vision 2030. The department's work is influenced by a combination of economic and environmental imperatives in the Eastern Cape; key alignment instruments of the international, national, provincial, and local levels; and the structural organisation of the DEDEAT Group as well as the available human and financial resource envelope. The department will continue to make use of policies and strategies that enhance economic, environmental management and tourism development. These include the Eastern Cape Biodiversity Strategy and Action Plan (ECBSAP), Climate Change Response Strategy, Provincial Sustainable Energy Strategy, National Biodiversity Economy Strategy, Integrated Waste Management Plans, Eastern Cape Youth Development Strategy, Provincial National Protected Area Expansion Strategy, Industry Action Plan, Agricultural Policy Action Plan, Tourism Master Implementation Plan, BBBEE policy, ECAIF Automotive Strategy 2024, AIDC Automotive Strategy 2024, EC Tooling sector strategy 2024, Provincial EC Integrated SMME Strategy 2015-2020 (being reviewed), Co-operative development strategy 2019-2024, Business Incubation Strategy as well as the EC Policy Speeches.

2. Review of the current financial year (2023/24)

2.1 Key achievements

The department attracted 1 investment with a value of R90 million against the annual target of 4 investors with a value of R500 million and contributed 90 jobs out of annual target of 268 jobs in 2023/24 for East London Special Economic Zone (ELSEZ), while several factors contributed to the underperformance, the most significant is the slow growth of the investment pipeline. The department further attracted 8 investments with a value of R490.6 million against the annual target of 10 with a revised value of R540 million through Coega Development Cooperation (CDC). Subsequently 10 295 jobs opportunities were created against the revised annual target of 11 762 jobs opportunities mainly in the construction industry.

The department further supported 184 SMMEs with non-financial support such as business training, development of plans and marketing against the annual target of 200 SMMEs and further supported 2 projects to improve economic growth and sustainable livelihood on LRED programme against the annual target of 10. The under achievement is mainly due to non-compliance with the LRED policy from the respective applicants after due diligence was being undertaken. In respect of Provincial Economic Stimulus Fund, 9 projects were supported to rejuvenate the economic growth and sustainable development against the annual target of 9 projects. The department partnered Statistics South Africa to develop a credible business intelligence due to data deficiency.

The department through the ECDC allocated R81 million of the annual target of R100 million for the Economic Development Fund. The total amount leveraged was R78.028 million and of the amount allocated, R66 million was disbursed as at the end of December 2023. This fund provided resources for strategic economic development imperatives including; industry value chain activation support, SMME access to funding for business finance as well as specialist funds targeting growth and transformation in high potential sectors and industries.

The department continued to focus on tourism development and transformation as well as heritage tourism that aims to generate revenue. ECPTA generated R2.021 million through tourism development and transformation as well as heritage tourism for hospitality revenue. With respect to status report on implementation of tourism sector policies/strategies, 1 was achieved against the annual target of 2.

ECLB processed 82.3 per cent of fully compliant liquor license applications out of a revised annual target of 60 per cent and 51 116 people were reached through liquor awareness interventions.

The department did not achieve its target on gambling licence to reach current legislation against the revised annual target of 2 to enhance revenue collection. An amount of R140.4 million was collected against the annual target of R219 million through Eastern Cape Gambling Board (ECGB). The ECGB implemented 5 Gambling Economic Opportunities Awareness Sessions against the annual target of 5 throughout the province. In respect of consumer education programme, the number of consumer education programmes implemented and other consumer protection initiatives, 3 was achieved against the annual target of 6.

In support of conservation efforts and creating awareness sessions, the department undertook 18 environmental capacity building activities against the annual target of 24. In support of conservation efforts, 19 environmental awareness activities were conducted against the annual target of 24. In respect of consumer education programme, 3 was achieved on the other consumer protection initiatives against a revised annual target of 6. The department issued 85 per cent on Threatened or Protected Species (TOPS), which is more than annual target of 80 per cent.

In support of conservation efforts and creating awareness sessions, 20 environmental awareness activities and 18 environmental capacity building were held throughout the province against the annual target of 24 and 24, respectively. Out of the annual target of 405, there was no achievement reported for work opportunities through environmental programme as this target is to be reported in Quarter 4.

2.2 Key challenges

The key challenges for the DEDEAT group over the past 9 months are as follows:

- On the LRED front, the biggest challenge has been the poor quality of applications received and the monitoring thereof. There is also a challenge of coordination since a number of departments and municipalities are involved in LRED programme; and
- On tourism, the Eastern Cape lacks the ability to retain its international tourists, hence the number of international tourists into the province vary each and every period. The Eastern Cape remains in the 8th most visited province followed by the Northern Cape, while Gauteng, Limpopo, Western Cape, Mpumalanga and Free State continue to capture the majority of international tourists and spending due to established tourism products and brands.

3. Outlook for the coming financial year (2024/25)

The department aims to attract 8 investors worth approximately R620 million in 2024/25. Through these investment, the department intends to create 20 870 jobs while simultaneously contributing to skills and development by training approximately 4 910 people through the CDC and ELSEZ. Work will continue support of 3 sustainable energy, 5 manufacturing, 3 agro-processing and 3 trade and investment promotion initiatives. There is a plan to monitor at least 9 projects that were previously funded through the Provincial Stimulus Fund.

The department will support 700 MSME with non-financial support such as business training, development of plans and marketing. A total of 10 Local and Regional Economic Development (LRED) projects will be funded. Work on the Oceans economy will continue with various streams although no additional resources have been allocated for this function. Due to deficiencies in data, the department will partner Statistics South Africa to develop credible business intelligence. Thematic areas of 5 have been identified for collaboration with Statistics South Africa, which will be implemented on a cost recovery basis on behalf of the department.

The focus of the department will be on the economic recovery of the province through the Economic Development Fund, which will be implemented by the ECDC in 2024/25 with an annual target of R30 million. This fund will provide resources for strategic economic development imperatives including industry value chain activation support, SMME access to funding for business finance as well as specialist funds targeting growth and transformation in high potential sectors and industries. Furthermore, it will be utilised to garner support from the private sector to augment this Fund at a ratio of 1:2.

The department will continue to focus on tourism development and transformation as well as heritage tourism and aims to generate revenue. More efforts will be made to market the province through digital platforms. Through the ECLB the department will process 70 per cent fully compliant liquor license applications, as well as undertake social responsibility programmes and reach thousands of people through liquor awareness interventions in the province.

The number of Gambling licences has reached current legislative thresholds, and 2 gambling licenses is targeted for 2024/25, to be issued through the ECGB. This will further enhance revenue collection going forward. A target of R214 million has been set for revenue collection through the ECGB. The ECGB will implement 5 Gambling Economic Opportunities Awareness sessions throughout the province. Through the Consumer awareness programme, the department plans to do 6 consumer education programmes and other consumer protection initiatives.

In support of sustainable environmental management and sustainable economic development the department will strive to process all environmental-related applications within legislated timeframes. The department under biodiversity programme intends to issue more than 80 per cent of Threatened or Protected Species (TOPS) permits in 2024/25.

Environmental awareness and capacity building activities will continue to play an important role in educating the public on environmental issues. As such, the department will conduct a total of 24 environmental awareness and 24 capacity building activities throughout the province. There are also plans to create approximately 500 work opportunities through environmental programmes.

4. Reprioritisation

The department undertook extensive reprioritisation over the 2024 MTEF, largely for implementation of the department's 4 priority projects for development and implementation. These projects represent an opportunity to create synergy and integration among different role players namely Township and rural economy, Climate change programme, Support to the Provincial Investment and Trade initiatives, and lastly Revitalisation of industrial parks. The projects will be contextualised with SMMEs focusing on red tape reduction, funding instruments and shared services, amongst others being supported.

The department will continue to administer a set of programmes that are targeting micro, small and medium enterprises and ensure that small businesses and co-operatives owned by individuals from historically disadvantaged communities including Women, Youth and Persons with disabilities actively participating. Therefore, funds were reprioritised from Compensation of employees to Goods and services in order to prioritise service delivery. The service delivery projects as outlined in the departmental Annual Performance Plan will be continued with in 2024/25 and savings realised by the department will be used to augment any shortage to stimulate economic growth and service delivery in the core programmes.

In budgeting, the cost containment measures and other cost cutting practice notes and circulars were implemented in particular to the non-core items. Furthermore, the department has affected reprioritisation in order to fund the departmental priorities. Base line reductions were implemented across the group. Financial Management with the assistance of the Accounting Officer will continue to play an active role in ensuring that programmes are spent as projected and that the budget pressures are addressed. Therefore, the monitoring and oversight will continue over the 2024 MTEF.

Taking the above into account, the funds were mainly reprioritised from non-CoE categories (mainly capital and transfers payments) to and within Goods and Services, to cater for cost pressures on contractual obligation for operating leases amounting to R10.604 million and R1.958 million for finance leases, R1.9 million for leopard management and R1.350 million for the Small and Medium Enterprise support project.

5. Procurement

The department's procurement will be aligned to the department procurement plans and the Supply Chain Management (SCM) policy to be implemented. The procurement and contract management still remain a target and the department will robustly look at this area in its quest to implement the cost containment measures and realise efficiency gains. The department will continue to liaise with Provincial Treasury for all matters relating to SCM for guidance. The department will continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner that is fair, equitable, transparent, competitive, and cost effective. The department will continue to ensure that the procurement of goods and services is done in a timely manner and will adhere to the provincial drive to support township economies and meet the targets set for preferential procurement and further intensify the payment of suppliers within 30 days in line with Treasury Regulation 8.2.3. The department will continue to implement the LED Strategy focusing on local procurement for almost all services on tenders so that bids will be awarded in a manner, which is fair, equitable, transparent, competitive, and cost effective.

Procurement of goods and services will be done in line within the requirement of PPPFA together with departmental procurement policies. The department will ensure that all contracts are subjected to market-price analysis and the concept of value for money is the core driver when negotiating contracts. Some of the projects that would impact the procurement process are as follows:

- Power producer support for implementation of Green hydrogen;
- Township and rural economy development;
- Minigrid oversight;
- Market intelligence portal support;
- Manufacturing companies in distress;
- Provincial investment and trade initiative support
- Refurbishment of industrial parks;
- Climate change;
- Leopard management;
- Coastal management programme;
- Tourism marketing;
- Cleaning services;
- Security services;
- Printing solution; and
- LAN switching.

6. Receipts and financing

6.1 Summary of receipts

Table 2: Summary of departmental receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Equitable share	1 329 974	1 415 152	1 347 677	1 997 109	1 953 798	1 953 798	2 127 656	2 198 270	1 661 523	8.9
Conditional grants	2 494	2 605	2 823	3 691	3 331	3 331	3 066	–	–	(8.0)
EPWP Intergrated Grant for Provinces	2 494	2 605	2 823	3 691	3 331	3 331	3 066	–	–	(8.0)
Departmental receipts	1 332 468	1 417 757	1 350 500	2 000 800	1 957 129	1 957 129	2 130 722	2 198 270	1 661 523	8.9
of which										
Total receipts	116 323	185 387	220 821	252 271	252 271	203 575	252 448	264 060	275 943	24.0

Table 2 above reflects the summary of departmental receipts, which consist of equitable share, conditional grants and own revenue from 2020/21 to 2026/27. The receipts increased from R1.332 billion in 2020/21 to a revised estimate of R1.957 billion in 2023/24. In 2024/25, the receipts increases by 8.9 per cent to R2.130 billion. This is due mainly for funds allocated for the following:

- Implementation of the BFI water effluent project as well as operational cost for SEZ mandate of the CDC and Wild coast SEZ operational costs;
- Allocations for sustainable economic growth and development at ECDC including the Economic Development Fund, recapitalisation and property modernisation and the automotive industry support through AIDC;
- Purchasing equipment for Data Centre in the ELIDZ;
- Implementing the N2 biodiversity offset fund project through ECPTA; and
- Implementation of the Eastern Cape Liquor Act.

6.2 Departmental receipts collection

Table 3: Summary of departmental receipts and collection

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Tax receipts	112 979	182 198	216 291	250 162	250 162	196 645	246 411	257 446	269 025	25.3
Casino taxes	83 616	150 155	181 687	219 319	219 319	178 782	214 418	224 020	234 325	19.9
Horse racing taxes	13 112	9 101	8 460	10 343	10 343	6 716	10 493	10 963	11 467	56.2
Liquor licences	16 251	22 942	26 144	20 500	20 500	11 147	21 500	22 463	23 233	92.9
Motor vehicle licences	–	–	–	–	–	–	–	–	–	–
Sales of goods and services other than capital assets	976	1 547	1 355	1 200	1 200	5 162	1 200	1 552	1 623	(76.8)
Transfers received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	591	1 013	2 385	–	–	1 085	–	–	–	(100.0)
Interest, dividends and rent on land	1 606	58	281	700	700	300	4 628	4 844	5 067	1442.7
Sales of capital assets	–	135	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	171	436	509	209	209	383	209	218	228	(45.4)
Total departmental receipts	116 323	185 387	220 821	252 271	252 271	203 575	252 448	264 060	275 943	24.0

Table 3 above, Departmental own receipts increase from R116.323 million in 2020/21 to a revised estimate of R203.575 million in 2023/24 due to normalising of the restrictions post the COVID-19 pandemic, which led to casinos being able to operate as normal. In 2024/25, the budget increases by 24 per cent to R252.448 million mainly due to approved tariff for the seashore cable lease and the anticipated collections from casino taxes in respect of casino operators, route and site operators, bingo halls and bookmakers and the strict enforcement of liquor laws for the renewal of liquor licences. Furthermore, the department is striving to increase its revenue through the implementation of the provincial revenue study.

6.3 Official development assistance (donor funding)

Table 4: Summary of departmental funding payments

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Donor organisations										
European Funding	10 114	-	-	-	-	-	-	-	-	
European Funding	4 126	-	-	-	-	-	-	-	-	
Total payments	14 240	-	-	-	-	-	-	-	-	

Table 4 shows that the department spent R14.240 million of the donor funds in 2020/21. This is mainly for managing school toilets waste in order to generate fertiliser and cooking gas for school garden and feeding schemes, which is implemented by the ECDC in the Amathole District Municipality. No funding was received since 2021/22 onwards from donors.

7. Payment summary

7.1 Key assumptions

The expectations for crafting this budget were to provide a framework to the departmental officials for setting priorities, determining service levels and allocating financial resources efficiently. The following key assumptions were taken into consideration when this budget was formulated:

- Maintaining the Compensation of Employees (CoE) baselines and affecting budgetary reductions on non-CoE expenditure items in the light of the fiscal consolidation;
- Cost containment measures to be implemented as much as possible in order to ensure an efficient use of fiscal resources; and
- Inflation over the 2024 MTEF is 4.9 per cent in 2024/25, 4.6 per cent in 2025/26 and 4.5 per cent in 2026/27.

7.2 Programme summary

Table 5: Summary of payments and estimates by programme.

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
1. Administration	188 468	200 571	222 148	229 021	243 785	243 785	261 747	242 800	278 951	7.4
2. Economic Development And Tourist	803 842	848 753	769 245	1 418 434	1 354 249	1 354 249	1 498 945	1 604 247	1 010 483	10.7
3. Environmental Affairs	340 158	368 433	359 107	353 345	359 095	359 095	370 030	351 223	372 089	3.0
Total payments and estimates	1 332 468	1 417 757	1 350 500	2 000 800	1 957 129	1 957 129	2 130 722	2 198 270	1 661 523	8.9

7.3 Summary of economic classification

Table 6: Summary of payments and estimates by economic classification.

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	329 840	346 928	390 546	416 047	430 873	430 571	444 542	442 336	490 641	3.2
Compensation of employees	253 903	260 572	279 673	297 737	300 319	300 017	317 379	337 244	367 067	5.8
Goods and services	75 937	86 356	110 873	118 310	130 554	130 554	127 163	105 092	123 574	(2.6)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	985 608	1 056 527	945 028	1 567 135	1 510 368	1 510 670	1 665 029	1 738 119	1 142 247	10.2
Provinces and municipalities	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)
Departmental agencies and accounts	937 447	1 007 986	916 049	1 524 110	1 465 626	1 465 626	1 627 565	1 710 625	1 109 159	11.0
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	22 155	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Non-profit institutions	-	-	-	1 800	1 592	1 592	1 500	1 500	1 569	(5.8)
Households	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Payments for capital assets	16 950	14 121	14 816	17 618	15 888	15 888	21 151	17 815	28 635	33.1
Buildings and other fixed structures	7 445	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 185	14 121	14 816	17 618	15 888	15 888	21 151	17 815	28 635	33.1
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	320	-	-	-	-	-	-	-	-	-
Payments for financial assets	70	181	110	-	-	-	-	-	-	-
Total economic classification	1 332 468	1 417 757	1 350 500	2 000 800	1 957 129	1 957 129	2 130 722	2 198 270	1 661 523	8.9

Tables 5 and 6 above represent a summary of actual and projected estimates from 2020/21 to 2026/27 by programme and economic classification, respectively. Expenditure increases from R1.332 billion in 2020/21 to a revised estimate of R1.957 billion in the 2023/24. The budget increases by 8.9 per cent to R2.130 billion in 2024/25 mainly due to funds allocated for the projects at the public entities.

Compensation of Employees increases from R253.903 million in 2020/21 to a revised estimate of R300.017 million in 2023/24 due to ICS inflationary adjustment and the filling of vacant posts. In 2024/25, there is an increase of 5.8 per cent to R317.379 million mainly for the salary increases.

Goods and Services increases from R75.937 million in 2020/21 to a revised estimate of R130.554 million in 2023/24 mainly due to reclassification of informal sector scheme allocations from Transfers and Subsidies to this item. In 2024/25, the budget decreases by 2.6 per cent to R127.163 million due to internal reprioritisation and fiscal consolidation.

Transfers to public entities are the main cost driver of expenditure and it increases from R985.608 million in 2020/21 to a revised estimate of R1.510 billion in 2023/24 mainly due to the additional funding allocated for BFI to implement the water effluent project through CDC. In 2024/25, the budget increases by 10.2 per cent to R1.665 billion. This is due to mainly funds allocated for the BFI project, operational cost for SEZ mandate and Wild coast SEZ operational costs through CDC and further allocations to ECDC for Economic Development Fund, recapitalisation and property modernisation, and automotive industry support for AIDC. Furthermore, it is due to purchasing of equipment for Data Centre by ELIDZ, N2 biodiversity offset fund project through the ECPTA and further implementation of the Eastern Cape Liquor Act.

Payments for Capital Assets decreased from R16.950 million in 2020/21 to revised estimates of R15.888 million in 2023/24 mainly due once off allocation of office furniture for the relocation to the new offices in Bhisho. In 2024/25, the budget increases by 33.1 per cent to R21.151 million due to the internal reprioritisation for finance leases.

7.4 Expenditure by municipal boundary

Table 7: Departmental payments and estimates by benefiting municipal boundary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Buffalo City	1 131 458	1 188 696	1 264 519	1 604 778	1 611 366	1 611 366	1 325 660	1 244 193	1 270 628	(17.7)
Nelson Mandela Bay	177 092	192 093	61 228	372 272	321 526	321 526	786 455	941 093	374 985	144.6
Cacadu District Municipality	2 494	10 386	10 000	2 000	2 000	2 000	5 332	-	-	166.6
Dr Beyers Naude	-	-	-	-	-	-	2 332	-	-	
Blue Crane Route	-	5 781	-	-	-	-	3 000	-	-	
Makana	-	2 000	5 000	-	-	-	-	-	-	
Ndlambe	-	-	-	-	-	-	-	-	-	
Sundays River Valley	-	2 605	-	-	-	-	-	-	-	
Kouga	-	-	5 000	-	-	-	-	-	-	
Kou-Kamma	2 494	-	-	2 000	2 000	2 000	-	-	-	(100.0)
Amatole District Municipality	11 633	8 300	-	6 059	6 059	6 059	2 209	219	229	(63.5)
Mbashe	-	-	-	3 859	3 859	3 859	-	-	-	(100.0)
Mnquma	-	5 000	-	-	-	-	-	-	-	
Great Kei	-	-	-	-	-	-	-	-	-	
Amahlathi	6 633	3 300	-	-	-	-	-	-	-	
Ngqushwa	-	-	-	-	-	-	2 000	-	-	
Raymond Mhlaba	5 000	-	-	2 200	2 200	2 200	209	219	229	(90.5)
Chris Hani District Municipality	2 500	3 000	1 400	6 000	6 000	6 000	3 000	-	-	(50.0)
Inxuba Yethemba	-	-	-	-	-	-	-	-	-	
Intsika Yethu	-	-	-	-	-	-	3 000	-	-	
Emalahleni	-	3 000	-	-	-	-	-	-	-	
Engcobo	-	-	1 400	3 000	3 000	3 000	-	-	-	(100.0)
Sakhisizwe	2 500	-	-	-	-	-	-	-	-	
Enoch Mgijima	-	-	-	3 000	3 000	3 000	-	-	-	(100.0)
Joe Gqabi District Municipality	-	5 200	4 153	5 000	5 847	5 847	3 000	-	-	(48.7)
Elundini	-	-	-	5 000	5 000	5 000	3 000	-	-	(40.0)
Senqu	-	5 200	-	-	-	-	-	-	-	
Walter Sisulu	-	-	4 153	-	847	847	-	-	-	(100.0)
O.R. Tambo District Municipality	2 500	5 582	1 000	-	-	-	1 000	-	-	
Ngquza Hill	-	-	-	-	-	-	-	-	-	
Port St Johns	-	5 582	-	-	-	-	-	-	-	
Nyandeni	-	-	1 000	-	-	-	-	-	-	
Mhlontlo	-	-	-	-	-	-	1 000	-	-	
King Sabata Dalindyebo	2 500	-	-	-	-	-	-	-	-	
Alfred Nzo District Municipality	3 791	3 500	7 200	3 691	3 331	3 331	3 066	-	-	(8.0)
Matatiele	3 791	-	-	3 691	3 331	3 331	3 066	-	-	(8.0)
Umtzimvubu	-	3 500	3 700	-	-	-	-	-	-	
Mbizana	-	-	-	-	-	-	-	-	-	
Nabankulu	-	-	3 500	-	-	-	-	-	-	
District Municipalities	-	-	-	-	-	-	-	-	-	
Cacadu District Municipality	-	-	-	-	-	-	-	-	-	
Amatole District Municipality	-	-	-	-	-	-	-	-	-	
Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	
Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	
O.R. Tambo District Municipality	-	-	-	-	-	-	-	-	-	
Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	
Unallocated	1 000	1 000	1 000	1 000	1 000	1 000	1 000	12 765	15 681	0.0
Total Payments	1 332 468	1 417 757	1 350 500	2 000 800	1 957 129	1 957 129	2 130 722	2 198 270	1 661 523	8.9

The budget increases from R1.332 billion in 2020/21 to a revised estimate of R1.957 billion in 2023/24. The budget further increases by 8.9 per cent to R2.130 billion in 2024/25. The Buffalo City and the Nelson Mandela Bay Metropolitan municipalities reflects the highest budget allocations as compared to other district and local municipalities due to funds allocated to public entities and head office.

7.5 Infrastructure payments

7.5.1 Departmental infrastructure payments

Table 8: Summary of departmental payments and estimates on infrastructure

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2022/23
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Existing infrastructure assets	2 700	-	-	-	-	-	-	-	-	
Maintenance and repairs	-	-	-	-	-	-	-	-	-	
Upgrades and additions	-	-	-	-	-	-	-	-	-	
Refurbishment and rehabilitation	2 700	-	-	-	-	-	-	-	-	
New infrastructure assets	80 008	-	-	-	-	-	-	-	-	
Infrastructure transfers	-	297 484	-	384 150	360 650	360 650	709 500	879 500	338 500	96.7
Current	-	-	-	-	-	-	-	-	-	
Capital	-	297 484	-	384 150	360 650	360 650	709 500	879 500	338 500	96.7
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-	
Infrastructure leases	-	-	-	-	-	-	-	-	-	
Non infrastructure	2 494	2 605	-	-	-	-	-	-	-	
Total department infrastructure	85 202	300 089	-	384 150	360 650	360 650	709 500	879 500	338 500	96.7

1. Total provincial infrastructure is the sum of "Capital" plus "Recurrent maintenance". This includes non infrastructure items.

Table 8 above shows the summary of infrastructure payment per category from 2020/21 to 2023/24. The budget for infrastructure transfers increased from R85.202 million in 2020/21 to a revised estimate of R360.650 million in 2023/24 due additional funding for the Budget Facility for Infrastructure (BFI) to implement the water effluent project through Coega Development Cooperation (CDC). In 2024/25, budget increases to R709.500 million mainly due to the continuation of the BFI project at CDC and property modernisation through ECDC.

7.5.2 Maintenance

None

7.5.3 Non Infrastructure

None

7.6 Conditional grants payments

7.6.1 Conditional grants payments

Table 9: Summary of departmental conditional grants by grant

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
EPWP Integrated Grants for Provinces	2 494	2 605	1 976	3 691	3 331	3 331	3 066	-	-	(8.0)
	-	-	-	-	-	-	-	-	-	
Total	2 494	2 605	1 976	3 691	3 331	3 331	3 066	-	-	(8.0)

Table 10: Summary of departmental conditional grants by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Transfers and subsidies	2 494	2 605	1 976	3 691	3 331	3 331	3 066	-	-	(8.0)
Provinces and municipalities	2 494	2 605	1 976	3 691	3 331	3 331	3 066	-	-	(8.0)
Households	-	-	-	-	-	-	-	-	-	
Total	2 494	2 605	1 976	3 691	3 331	3 331	3 066	-	-	(8.0)

Tables 10 and 11 above shows a summary of the department's conditional grants, which increases from R2.492 million in 2020/21 to a revised estimate of R3.331 million in 2023/24. The grant decreases by 8 per cent to R3.066 million in 2024/25 due to the fiscal consolidation. These funds will be utilised on projects

for poverty alleviation and job creation relating to waste management, greening and cleaning and alien plant eradication.

7.7 Transfers

7.7.1 Transfers to public entities

Table 11: Summary of transfers to public entities by entity

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
COEGA Development Cooperation	177 092	192 093	61 228	372 272	321 526	321 526	786 455	941 093	374 985	144.6
Eastern Cape Development Corporation	266 945	321 017	328 407	596 636	593 220	593 220	337 377	309 773	276 636	(43.1)
Eastern Cape Gambling Board	61 350	61 961	70 043	70 725	70 725	70 725	70 382	68 952	68 143	(0.5)
Eastern Cape Liquor Board	69 094	68 995	74 480	99 623	99 623	99 623	87 509	82 467	80 971	(12.2)
Eastern Cape Parks and Tourism Agency	252 314	245 164	235 194	220 148	217 947	217 947	232 089	210 629	211 792	6.5
East London Industrial Development Zone	110 652	118 756	146 697	164 706	162 585	162 585	113 753	97 711	96 632	(30.0)
Total departmental transfers	937 447	1 007 986	916 049	1 524 110	1 465 626	1 465 626	1 627 565	1 710 625	1 109 159	11.0

Table 11 show the 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 accounts for 76.3 per cent of the departmental budget for 2024/25.

Expenditure by public entities increased from R937.447 million in 2020/21 to a revised estimate of R1.465 million in 2023/24 due to the allocation of the Economic Stimulus Fund and the BFI funding. In 2024/25, the budget increases by 11 per cent to R1.627 billion is due to the BFI funding, funds allocated for CDC operational cost for SEZ mandate and Wild coast SEZ operational costs and further allocations to ECDC for Economic Development Fund, recapitalisation and property modernisation, and Automotive industry support for AIDC. Furthermore, it is due to the purchasing of equipment for Data Centre by ELIDZ, N2 biodiversity offset fund project at ECPTA and implementation of the Eastern Cape Liquor Act.

7.7.2 Transfers to other entities

Table 12: Transfers to other entities

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Fort Hare University	–	–	–	–	–	–	–	–	–	–
LRED Fund	22 155	8 006	15 597	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Non Profit Institutions	–	–	–	1 800	1 592	1 592	1 500	1 500	1 569	(5.8)
Total departmental transfers	22 155	8 006	15 597	16 400	16 192	16 192	15 100	13 100	13 703	(6.7)

Table 12 above provides for all departmental transfers to other entities such as Public Corporations and Private Enterprises and Non-Profit Institutions. These transfers decreased from R22.155 million to the revised estimate of R16.192 million in 2023/24 mainly due to lesser Local and Regional Economic Development (LRED) projects. In 2024/25, the budget decreases by 6.7 per cent to R15.1 million mainly due to the fiscal consolidation.

7.7.3 Transfers to local government by category

Table 13: Transfers to municipalities by transfer type and category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Category A	–	–	–	–	–	–	–	–	–	–
Category B	22 918	35 968	23 753	22 750	23 237	23 237	17 607	219	229	(24.2)
Category C	–	–	–	–	–	–	–	–	–	–
Unallocated	1 000	1 000	1 000	1 000	1 000	1 000	1 000	12 765	15 681	0.0
Total departmental transfers	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)

Table 13 provides for transfers to municipalities by transfer type and category A, B and C. The transfers to municipalities increased marginally from R23.918 million in 2020/21 to a revised estimate of R24.237 million in 2023/24. In 2024/25, it decreases by 23.1 per cent to R18.607 million due to fiscal consolidation as the department in partnership with local municipalities utilises these funds to create jobs on environmental sector projects mainly through EPWP projects of Waste management and Alien plant eradication.

8. Programme description

8.1 Programme 1: Administration

Objectives: To provide leadership, strategic management, direction, financial and human capital management in accordance with legislation, regulations and policies of the department and its public entities. The Programme is divided into 4 sub-programmes:

- **Office of the MEC:** To effectively and efficiently manage and direct the activities of the MEC;
- **Office of the HOD:** To manage and direct the departmental transversal administrative programmes that give leadership to the department and effectively maintain an oversight function of the whole department's mandate and function;
- **Financial Management:** To provide an effective financial management function and ensure implementation of the PFMA and other related financial regulations and policies; and
- **Corporate Services:** To ensure adequate provision of institutional capacity through effective human capital management and organisational development interventions.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
1. Office of the MEC	312	216	1 119	943	1 283	1 283	2 217	2 245	2 349	72.8
2. Office of the HOD	24 638	25 690	30 037	31 433	33 213	33 621	34 664	34 812	37 415	3.1
3. Financial Management	84 369	81 799	86 672	83 411	97 270	94 244	109 081	98 888	124 202	15.7
4. Corporate Services	79 149	92 866	104 320	113 234	112 019	114 637	115 785	106 855	114 985	1.0
Total payments and estimates	188 468	200 571	222 148	229 021	243 785	243 785	261 747	242 800	278 951	7.4

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	177 203	182 869	205 156	208 528	223 654	223 352	236 839	223 575	246 841	6.0
Compensation of employees	113 582	115 289	123 258	124 366	127 506	127 204	135 976	142 255	151 901	6.9
Goods and services	63 621	67 580	81 898	84 162	96 148	96 148	100 863	81 320	94 940	4.9
Interest and rent on land	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Provinces and municipalities	–	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–	–
Households	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Payments for capital assets	9 107	13 954	14 766	17 618	15 818	15 818	21 151	17 815	28 635	33.7
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–
Machinery and equipment	9 107	13 954	14 766	17 618	15 818	15 818	21 151	17 815	28 635	33.7
Heritage Assets	–	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–	–
Payments for financial assets	70	181	110	–	–	–	–	–	–	–
Total economic classification	188 468	200 571	222 148	229 021	243 785	243 785	261 747	242 800	278 951	7.4

Tables 14 and 15 above show the summary of payments and estimates per sub-programme and per economic classification from 2020/21 to 2026/27. Expenditure for the programme increased from R188.468 million in 2020/21 to a revised estimate of R243.785 million in 2023/24 due to internal reprioritisation. In 2024/25, it increases by 7.4 per cent to R261.747 million.

Compensation of Employees increased from R113.582 million in 2020/21 to a revised estimate of R127.204 million in 2023/24. In 2024/25, the budget increases by 6.9 per cent to R135.976 million due to ICS inflationary adjustment.

Goods and Services decreased from R63.621 million in 2020/21 to a revised estimate of R96.148 million in 2023/24 due to re-alignment of the available funds towards the support of core programmes. In 2024/25, the budget decreases by 4.9 per cent to R100.863 million due to CPI inflationary adjustment and internal reprioritisation.

Transfers and Subsidies increased from R2.088 million in 2020/21 to a revised estimate of R4.615 million in 2023/24 due to provision for resignation, early and normal retirement benefits by the departmental officials. In 2024/25, the budget decreases by 18.6 per cent to R3.757 million mainly due to reduction of officials anticipated for early retirement.

Payments for Capital assets increased from R9.107 million in 2020/21 to R15.818 million in the 2023/24 revised estimates due to additional users on the finance lease and relocation to new offices in Bhisho. In 2024/25, the budget increases to R21.151 million or 33.7 per cent due to prioritisation for the pressure on finance leases.

8.2 Programme 2: Economic Development and Tourism

Objectives: Promoting and administering sustainable economic development and job creation. The programme is divided into 5 sub-programmes:

- **Integrated Economic Development Services:** Promotes and supports economic development through shared partnership;
- **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 as well as create demand and supply for tourism.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
1. Intergrated Economic Developmen	141 322	131 073	153 212	311 952	312 049	311 356	157 691	162 610	159 909	(49.4)
2. Trade And Sector Development	503 075	551 134	436 872	889 869	830 246	830 227	1 144 618	1 251 775	661 945	37.9
3. Business Regulation & Governanc	145 969	147 948	161 296	193 505	189 652	189 652	176 632	170 569	169 145	(6.9)
4. Economic Planning	4 115	5 982	5 812	5 929	6 123	6 214	6 104	5 974	6 084	(1.8)
5. Tourism	9 361	12 616	12 053	17 179	16 179	16 800	13 900	13 319	13 400	(17.3)
Total payments and estimates	803 842	848 753	769 245	1 418 434	1 354 249	1 354 249	1 498 945	1 604 247	1 010 483	10.7

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	62 774	69 524	78 531	87 574	80 602	80 602	79 198	82 457	91 819	(1.7)
Compensation of employees	55 209	58 190	59 393	70 452	61 040	61 040	67 798	74 273	80 792	11.1
Goods and services	7 565	11 334	19 138	17 122	19 562	19 562	11 400	8 184	11 027	(41.7)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	733 303	779 229	690 714	1 330 860	1 273 577	1 273 577	1 419 747	1 521 790	918 664	11.5
Provinces and municipalities	-	-	-	200	200	200	209	219	229	4.5
Departmental agencies and accounts	711 148	771 223	688 604	1 316 060	1 258 777	1 258 777	1 405 938	1 509 971	906 301	11.7
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	22 155	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	7 765	-	-	-	70	70	-	-	-	(100.0)
Buildings and other fixed structures	7 445	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	70	70	-	-	-	(100.0)
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	320	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	803 842	848 753	769 245	1 418 434	1 354 249	1 354 249	1 498 945	1 604 247	1 010 483	10.7

Tables 16 and 17 above show the summary of payments and estimates per sub-programme and per economic classification from 2020/21 to 2026/27. The expenditure for the programme increased from R803.842 million in 2020/21 to the revised estimate of R1.354 billion in 2023/24. This is followed by an increase to R1.498 billion or 10.7 per cent in 2024/25. These increases are mainly due to funds allocated for BFI project to implement the water effluent project through CDC.

Compensation of Employees increases from R55.209 million in 2020/21 to a revised estimate of R61.040 million in 2023/24 due to filling of the critical vacant posts to strengthen the functional programme performance. The budget increases by 11.1 per cent to R67.798 million in 2024/25 due to provision for critical vacant posts in the core programme.

Goods and Services increases from R7.565 million in 2020/21 to revised estimates of R19.562 million in 2023/24 mainly due the implementation of the informal business support programme operational activities and automation of the departmental systems to improve operations. In 2024/25, the budget decreases by 41.7 per cent to R11.4 million due to the once off implementation of informal business support programme and departmental systems automation in 2023/24.

Transfers and Subsidies decreases from R733.303 million in 2020/21 to a revised estimate of R1.273 billion in 2023/24 mainly due to BFI project to implement the water effluent project and Economic Development Fund. In 2024/25, the budget increases by 11.5 per cent to R1.419 billion. This is due mainly for funds allocated for the BFI project, the operational cost for SEZ mandate and Wild coast SEZ operational costs through CDC and further allocations for sustainable economic growth and development at ECDC including the Economic Development Fund, recapitalisation and property modernisation, and Automotive Industry support (AIDC). Furthermore it is due to the purchasing of equipment for Data Centre by ELIDZ, N2 biodiversity offset fund project through ECPTA, and lastly the implementation of the Eastern Cape Liquor Act.

Payment for Capital Assets decreases from R7.765 million in 2020/21 to no allocations in 2023/24 and over 2024 MTEF due to the completion of the CDC social infrastructure projects.

Service Delivery Measures

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

Programme performance measures	Estimated performance	Medium-term estimates		
	2023/24	2024/25	2025/26	2026/27
Number of sustainable energy initiatives facilitated	3	3	3	3
Number of manufacturing initiatives facilitated	5	5	5	5
Number of Agro-processing initiatives facilitated	3	3	3	3
Number of investment promotion initiatives facilitated	3	3	3	3
Number of interventions undertaken to create a conducive business environment	2	1	1	1
Number of socio-economic intelligence reports produced	4	4	4	4
Number of qualifying economic development projects funded at local and regional levels	10	10	10	10
Number of cooperatives provided with non-financial support	200	200	200	200
Number of Provincial Economic Stimulus Fund projects monitored	9	9	9	9
Status report on implementation of the Tourism Master Plan 2022-2032	2	2	2	2
Number of consumer education programmes implemented	6	6	6	6

The department's performance is measured through providing funding for cooperatives funded as well as support to different sectors (sustainable energy, manufacturing and agro-processing) in the economy.

8.3 Programme 3: Environmental Affairs

Objectives: Administers environmental policies that are cascaded from national level in line with the mandate of the department. It regulates environmental management through instruments such as the environmental impact assessments, compliance and enforcement, air quality, waste and biodiversity management tools. The programme is divided into 5 sub-programmes:

- **Environmental Policy, Planning and Coordination:** Ensure the integration of environment objectives in national, provincial and local government planning, including provincial growth and development strategies, and local economic developments plans and integrated plans;
- **Compliance and Enforcement:** Ensure that environmental compliance monitoring systems are established and implemented and ensure the enforcement of legislation and environment authorisations;
- **Environmental Quality Management:** Establish legislation, policies, norms, standards and guidelines for environmental impact management, air quality management and management of waste and pollution at provincial and local sphere of government;

- **Biodiversity Management:** Promote equitable and sustainable use of ecosystem goods and services to contribute to economic development, by managing biodiversity, and its components, processes, habitats and functions as well as effectively mitigate threats to biodiversity; and
- **Environmental Empowerment Services:** Empower and capacitate external stakeholders of the department to meaningfully participate in and contribute to effective environmental management.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
1. Environmental Policy, Planning And Coordination	33 873	47 199	35 914	38 749	43 423	44 322	35 632	32 490	36 602	(19.6)
2. Compliance And Enforcement	48 513	49 944	30 021	33 219	29 219	28 233	29 028	29 516	33 976	2.8
3. Environmental Quality Management	20 148	20 418	25 848	28 182	30 355	30 355	32 377	34 307	39 386	6.7
4. Biodiversity Management	228 245	239 639	255 350	241 574	240 573	240 236	259 783	238 979	243 111	8.1
5. Environmental Empowerment Serv	9 379	11 233	11 974	11 621	15 525	15 949	13 210	15 931	19 014	(17.2)
Total payments and estimates	340 158	368 433	359 107	353 345	359 095	359 095	370 030	351 223	372 089	3.0

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	89 863	94 535	106 859	119 945	126 617	126 617	128 505	136 304	151 981	1.5
Compensation of employees	85 112	87 093	97 022	102 919	111 773	111 773	113 605	120 716	134 374	1.6
Goods and services	4 751	7 442	9 837	17 026	14 844	14 844	14 900	15 588	17 607	0.4
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	250 217	273 731	252 198	233 400	232 478	232 478	241 525	214 919	220 108	3.9
Provinces and municipalities	23 918	36 968	24 753	23 550	24 037	24 037	18 398	12 765	15 681	(23.5)
Departmental agencies and accounts	226 299	236 763	227 445	208 050	206 849	206 849	221 627	200 654	202 858	7.1
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	1 800	1 592	1 592	1 500	1 500	1 569	(5.8)
Households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	78	167	50	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	78	167	50	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	340 158	368 433	359 107	353 345	359 095	359 095	370 030	351 223	372 089	3.0

Tables 19 and 20 above show the summary of payments and estimates per sub-programme and per economic classification from 2020/21 to 2026/27. The expenditure for the programme increased from R340.158 million in 2020/21 to the revised estimate of R359.095 million in 2023/24 due to reprioritisation for the environmental management EPWP projects such as Waste Management, Waste Greening and Cleaning and Alien plants eradication. This is followed by 3 per cent increase to R370.030 million in 2024/25 as it caters mainly for the ICS adjustment.

Compensation of Employees increased from R85.112 million in 2020/21 to a revised estimate of R111.773 million in 2023/24 due to the filling of posts for environmental and law enforcement officers. In 2024/25, the budget increases marginally by 1.6 per cent to R113.605 million.

Goods and Services increased from R4.751 million in 2020/21 to a revised estimate of R14.844 million in 2023/24 due to internal reprioritisation for environmental awareness and education of non-profit institutions. In 2024/25, the budget increases marginally by 0.4 per cent to R14.9 million to cater mainly for the implementation of the climate change projects and development of the plans for Wetlands programmes.

Transfers and Subsidies decreased from R250.217 million in 2020/21 to R232.478 million to a revised estimate of R232.478 million in 2023/24 due to internal reprioritisation for the EPWP programme resulting from the fiscal consolidation. In 2024/25, the budget increases by 3.9 per cent to R241.525 million due to allocation for N2 Wild Coast Biodiversity offset funds.

Payment for Capital assets recorded an expenditure of R78 thousand in 2020/21 to no allocations in 2023/24 and over 2024 MTEF due to the once off allocation for the animal cages in 2022/23.

8.3.1 Service Delivery Measures

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

Programme performance measures	Estimated performance	Medium-term estimates			
	2023/24	2024/25	2025/26	2026/27	
Number of climate change response interventions implemented	1	1	1	1	
Number of government-owned ambient air quality monitoring stations meeting minimum data requirements	3	3	3	3	
Compliance with Annual Ambient Air Quality Standards	NAQI less than 1	NAQI less than 1	NAQI less than 1	NAQI less than 1	
Percentage of complete Atmospheric Emission Licenses issued within legislated timeframes	100%	100%	100%	%100	
Number of compliance inspections conducted	92	92	92	92	
Number of administrative enforcement notices issued for non-compliance with environmental management legislation	80	80	80	80	
Number of completed criminal investigations handed to the NPA for prosecution	56	56	56	56	
Percentage of complete EIA applications finalised within legislated timeframes	100%	100%	100%	%100	
Percentage of complete Waste License applications finalised within legislated time-frames	100%	100%	100%	%100	
Percentage increase in volume of waste recycled	4.2%	4.2	4.2	4.2	
Number of legislated tools developed	2	2	2	2	
Number of inter-governmental sector programmes implemented	1	1	1	1	
Number of environmental research projects completed	2	2	2	2	
Number of functional environmental information management systems maintained	–	–	–	–	
Percentage of complete biodiversity management permits issued within legislated timeframes.	1	1	1	1	
Number of work opportunities created through environmental public employment programmes	600	750	750	750	
Number of environmental awareness activities conducted	24	24	24	24	
Number of environmental capacity building activities conducted	24	24	24	24	
Number of Coastal projects developed	1	1	1	1	

The department's performance is measured through enforcing environmental legislation and the issuing of permits within legislated timeframes.

9. Other programme information

9.1 Personnel numbers and costs by programme

Table 22: Personnel numbers and costs per component

R thousands	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF		
	2020/21		2021/22		2022/23		2023/24				2024/25		2025/26		2026/27		2023/24 - 2026/27		
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 7	241	67 346	266	56 972	241	72 336	245	–	245	82 407	251	87 012	251	88 446	254	94 515	1.2%	4.7%	26.4%
8 – 10	163	92 372	147	91 641	178	92 648	180	–	180	112 673	180	112 776	180	121 438	185	133 128	0.9%	5.7%	36.6%
11 – 12	36	53 306	52	62 596	69	63 640	76	–	76	59 677	76	67 291	76	74 654	76	83 292	–	11.8%	21.7%
13 – 16	34	38 527	31	47 202	38	48 826	36	–	36	43 038	37	48 074	37	50 434	37	53 755	0.9%	7.7%	14.7%
Other	26	2 352	30	2 160	30	2 223	30	–	30	2 223	30	2 226	30	2 272	30	2 377	–	2.3%	0.7%
Total	500	253 903	526	260 572	556	279 673	567	–	567	300 017	574	317 379	574	337 244	582	367 067	0.9%	7.0%	100.0%
Programme																			
1. Administration	254	113 582	282	115 289	274	123 258	281	–	281	127 204	287	135 976	287	142 255	287	151 901	0.7%	6.1%	42.0%
2. Economic Development And Tourism	92	55 209	91	58 190	113	59 393	108	–	108	61 040	108	67 798	108	74 273	108	80 792	–	9.8%	21.5%
3. Environmental Affairs	154	85 112	153	87 093	169	97 022	178	–	178	111 773	179	113 605	179	120 716	187	134 374	1.7%	6.3%	36.5%
Direct charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	500	253 903	526	260 572	556	279 673	567	–	567	300 017	574	317 379	574	337 244	582	367 067	0.9%	7.0%	100.0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	301	163 139	334	164 943	360	182 591	359	–	359	182 017	364	195 083	364	207 443	368	224 488	0.8%	7.2%	61.1%
Public Service Act appointees still to be covered by OSDs	164	88 209	162	93 074	176	94 527	178	–	178	115 333	180	119 509	180	126 958	184	139 605	1.1%	6.6%	38.0%
Professional Nurses, Staff Nurses and Nursing Assistants	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Legal Professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Social Services Professions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Engineering Professions and related occupations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Medical and related professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Therapeutic, Diagnostic and other related Allied Health Professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Educators and related professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Others such as interns, EPWP, learnerships, etc	35	2 555	30	2 555	30	2 555	30	–	30	2 667	30	2 787	30	2 843	30	2 974	–	3.7%	0.8%
Total	500	253 903	526	260 572	556	279 673	567	–	567	300 017	574	317 379	574	337 244	582	367 067	0.9%	7.0%	100.0%

¹ Personnel numbers includes all filled posts together with those posts additional to the approved establishment

Table 22 shows personnel numbers and cost by programme and component for the past performance and the 2024 MTEF period. Number of personnel numbers increased slightly from 500 in 2020/21 to a revised estimates of 567 in 2023/24. In 2024/25, the personnel number is projecting to increase to 574 as the department is focussing on increasing the personnel numbers to improve service delivery.

9.2 Training

Table 23: Information on training

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Number of staff	500	526	556	567	567	567	574	574	582	1.2
Number of personnel trained	147	231	180	300	300	269	340	350	350	26.4
of which										
Male	65	91	75	150	150	119	160	170	170	34.5
Female	82	140	105	150	150	150	180	180	180	20.0
Number of training opportunities	17	77	80	83	83	19	85	90	90	347.4
of which										
Tertiary	4	10	5	8	8	6	10	15	15	66.7
Workshops	4	2	5	5	5	8	5	5	5	(37.5)
Seminars	1	–	5	5	5	5	5	5	5	0.0
Other	8	65	65	65	65	–	65	65	65	
Number of bursaries offered	35	75	30	80	80	35	85	90	90	142.9
Number of interns appointed	25	30	30	30	30	30	30	30	30	0.0
Number of learnerships appointed	–	30	30	30	30	–	30	30	30	
Number of days spent on training	65	61	70	75	75	67	80	95	95	19.4
Payments on training by programme										
1. Administration	1 190	1 646	2 802	2 002	3 251	3 238	1 950	1 352	1 414	(39.8)
2. Economic Development And Touri	–	–	–	–	–	–	–	–	–	–
3. Environmental Affairs	–	–	–	–	–	–	–	–	–	–
Total payments on training	1 190	1 646	2 802	2 002	3 251	3 238	1 950	1 352	1 414	(39.8)

Payments on training are centralised in Programme 1. Table 23 above reflects an increasing trend from R1.190 million in 2020/21 to a revised estimate of R3.238 million in 2023/24 due to the skills development required for the staff placements from Programme 1: Administration to line function Programme 2: Economic Development and Tourism and Programme 3: Environmental Affairs. In 2024/25, the budget decreases by 39.8 per cent to R1.950 million due to budget reprioritisation resulting from the fiscal consolidation.

9.3 Structural changes

None.

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

**Economic Development, Tourism and Environmental
Affairs**

Table B. 1: Specification of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Tax receipts	112 979	182 198	216 291	250 162	250 162	196 645	246 411	257 446	269 025	25.3
Casino taxes	83 616	150 155	181 687	219 319	219 319	178 782	214 418	224 020	234 325	19.9
Horse racing taxes	13 112	9 101	8 460	10 343	10 343	6 716	10 493	10 963	11 467	56.2
Liquor licences	16 251	22 942	26 144	20 500	20 500	11 147	21 500	22 463	23 233	92.9
Motor vehicle licences	-	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	976	1 547	1 355	1 200	1 200	5 162	1 200	1 552	1 623	(76.8)
Sale of goods and services produced by department (excluding capital assets)	976	1 547	1 355	1 200	1 200	5 162	1 200	1 552	1 623	(76.8)
Sales by market establishments	976	1 547	1 355	1 200	1 200	5 162	1 200	1 552	1 623	(76.8)
Administrative fees	-	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-	-
Of which	-	-	-	-	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	591	1 013	2 385	-	-	1 085	-	-	-	(100.0)
Interest, dividends and rent on land	1 606	58	281	700	700	300	4 628	4 844	5 067	1442.7
Interest	1 606	58	281	700	700	300	700	731	765	133.3
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	3 928	4 113	4 302	-
Sales of capital assets	-	135	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Other capital assets	-	135	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	171	436	509	209	209	383	209	218	228	(45.4)
Total departmental receipts	116 323	185 387	220 821	252 271	252 271	203 575	252 448	264 060	275 943	24.0

Table B. 2: Details of payments and estimates by economic classification: Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	329 840	346 928	390 546	416 047	430 873	430 571	444 542	442 336	490 641	3.2
Compensation of employees	253 903	260 572	279 673	297 737	300 319	300 017	317 379	337 244	367 067	5.8
Salaries and wages	213 877	222 061	237 942	253 177	253 405	255 166	272 935	285 390	312 826	7.0
Social contributions	40 026	38 511	41 731	44 560	46 914	44 851	44 444	51 854	54 241	(0.9)
Goods and services	75 937	86 356	110 873	118 310	130 554	130 554	127 163	105 092	123 574	(2.6)
Administrative fees	341	1 482	2 780	2 475	2 069	2 365	2 303	1 506	1 576	(2.6)
Advertising	3 263	4 029	3 678	3 102	2 425	2 908	1 725	1 151	1 204	(40.7)
Minor assets	19	195	426	550	650	228	820	1 462	1 529	259.6
Audit cost: External	3 724	4 094	5 007	4 270	4 237	4 239	4 270	4 870	5 094	0.7
Bursaries: Employees	1 356	1 399	1 044	2 300	1 600	1 600	1 407	1 045	1 093	(12.1)
Catering: Departmental activities	87	447	1 604	2 771	3 098	3 300	2 972	1 265	1 373	(9.9)
Communication (G&S)	211	239	144	819	701	594	632	407	426	6.4
Computer services	6 664	9 197	12 861	13 223	10 502	10 405	18 506	16 066	16 805	77.9
Consultants and professional services: Business and advisory services	6 183	10 969	17 216	22 020	17 733	17 281	16 812	18 430	20 863	(2.7)
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	1 405	2 452	1 199	1 705	1 310	1 310	1 363	1 319	1 380	4.0
Contractors	1 929	5 065	271	1 161	2 229	3 660	1 125	906	947	(69.3)
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 179	3 025	4 279	3 150	5 800	5 801	5 066	2 069	2 164	(12.7)
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	295	228	750	856	863	884	707	753	937	(20.0)
Inventory: Farming supplies	83	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Chemicals: fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	500	503	526	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medicines inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 478	720	96	120	1 618	2 075	120	131	137	(94.2)
Consumable supplies	1 238	1 054	609	931	811	681	1 169	790	827	71.7
Consumable: Stationery, printing and office supplies	1 401	1 377	765	2 317	1 610	1 498	1 616	1 431	1 496	7.9
Operating leases	28 568	16 878	23 671	15 331	29 261	27 868	31 374	26 157	37 125	12.6
Property payments	8 659	10 838	10 311	12 265	11 936	12 188	12 649	10 957	11 461	3.8
Transport provided: Departmental activity	5	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 974	7 998	14 764	18 351	20 345	20 224	15 079	7 957	10 210	(25.4)
Training and development	1 190	1 646	2 802	2 002	3 251	3 238	1 950	1 352	1 414	(39.8)
Operating payments	586	868	2 929	3 483	2 376	2 247	1 882	2 944	3 141	(16.2)
Venues and facilities	1 099	1 642	3 250	5 108	5 468	5 408	3 116	1 621	1 846	(42.4)
Rental and hiring	-	514	417	-	661	552	-	-	-	(100.0)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	985 608	1 056 527	945 028	1 567 135	1 510 368	1 510 670	1 665 029	1 738 119	1 142 247	10.2
Provinces and municipalities	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)
Municipal bank accounts	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	937 447	1 007 986	916 049	1 524 110	1 465 626	1 465 626	1 627 565	1 710 625	1 109 159	11.0
Social security funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	937 447	1 007 986	916 049	1 524 110	1 465 626	1 465 626	1 627 565	1 710 625	1 109 159	11.0
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	22 155	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Public corporations	22 155	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	22 155	-	-	-	-	-	-	-	-	-
Private enterprises	-	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Non-profit institutions	-	-	-	1 800	1 592	1 592	1 500	1 500	1 569	(5.8)
Households	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Social benefits	1 600	3 227	1 914	2 150	3 288	3 616	2 340	910	2 452	(35.3)
Other transfers to households	488	340	202	725	1 025	999	1 417	500	1 023	41.8
Payments for capital assets	16 950	14 121	14 816	17 618	15 888	15 888	21 151	17 815	28 635	33.1
Buildings and other fixed structures	7 445	-	-	-	-	-	-	-	-	-
Buildings	7 445	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 185	14 121	14 816	17 618	15 888	15 888	21 151	17 815	28 635	33.1
Transport equipment	4 345	4 529	4 522	5 000	5 022	5 299	6 000	5 431	6 681	13.2
Other machinery and equipment	4 840	9 592	10 294	12 618	10 866	10 589	15 151	12 384	21 954	43.1
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	320	-	-	-	-	-	-	-	-	-
Payments for financial assets	70	181	110	-	-	-	-	-	-	-
Total economic classification	1 332 468	1 417 757	1 350 500	2 000 800	1 957 129	1 957 129	2 130 722	2 198 270	1 661 523	8.9

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 2023/24
	2020/21	2021/22	2022/23	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	
Current payments	177 203	182 869	205 156	208 528	223 654	223 352	236 839	223 575	246 841	6.0
Compensation of employees	113 582	115 289	123 258	124 366	127 506	127 204	135 976	142 255	151 901	6.9
Salaries and wages	93 940	97 710	103 598	105 706	107 851	108 834	115 931	121 809	130 514	6.5
Social contributions	19 642	17 579	19 660	18 660	19 655	18 370	20 045	20 446	21 387	9.1
Goods and services	63 621	67 580	81 898	84 162	96 148	96 148	100 863	81 320	94 940	4.9
Administrative fees	341	1 216	2 493	2 170	1 764	2 064	1 980	1 280	1 340	(4.1)
Advertising	2 328	2 357	3 017	2 102	1 702	2 189	1 625	742	776	(25.8)
Minor assets	9	195	426	550	650	228	820	1 462	1 529	259.6
Audit cost: External	3 724	4 094	5 007	4 270	4 237	4 239	4 270	4 870	5 094	0.7
Bursaries: Employees	1 356	1 385	1 044	2 300	1 600	1 600	1 407	1 045	1 093	(12.1)
Catering: Departmental activities	27	219	414	719	977	863	1 058	273	286	22.6
Communication (G&S)	211	239	144	819	701	594	632	407	426	6.4
Computer services	5 347	7 374	10 816	11 353	8 436	8 437	16 389	14 044	14 690	94.3
Consultants and professional services: Business and advisory services	2 879	3 722	3 288	8 564	7 077	6 962	5 618	6 237	6 524	(19.3)
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	1 405	2 452	1 199	1 705	1 310	1 310	1 363	1 319	1 380	4.0
Contractors	1 922	5 046	162	1 000	1 966	3 373	1 065	748	782	(68.4)
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 179	3 025	4 279	3 150	5 800	5 801	5 066	2 069	2 164	(12.7)
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	30	218	20	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	500	500	523	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medicines inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	16	16	-	-	-	(100.0)
Consumable supplies	559	413	366	931	737	695	1 069	788	825	53.8
Consumable: Stationery, printing and office supplies	829	995	300	1 302	1 265	1 153	1 366	815	852	18.5
Operating leases	28 568	16 878	23 671	15 331	29 261	27 868	31 374	26 157	37 125	12.6
Property payments	8 659	10 838	10 311	12 265	11 936	12 188	12 649	10 957	11 461	3.8
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 224	3 720	7 822	7 669	9 351	9 405	7 560	2 642	2 814	(19.6)
Training and development	1 190	1 646	2 802	2 002	3 251	3 238	1 950	1 352	1 414	(39.8)
Operating payments	455	699	2 701	3 410	2 180	2 015	1 796	2 872	3 066	(10.9)
Venues and facilities	379	849	1 616	2 550	1 931	1 910	1 306	741	776	(31.6)
Rental and hiring	-	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	2 088	3 567	2 116	2 875	4 313	4 615	3 757	1 410	3 475	(18.6)
Social benefits	1 600	3 227	1 914	2 150	3 288	3 616	2 340	910	2 452	(35.3)
Other transfers to households	488	340	202	725	1 025	999	1 417	500	1 023	41.8
Payments for capital assets	9 107	13 954	14 766	17 618	15 818	15 818	21 151	17 815	28 635	33.7
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 107	13 954	14 766	17 618	15 818	15 818	21 151	17 815	28 635	33.7
Transport equipment	4 345	4 529	4 522	5 000	5 022	5 299	6 000	5 431	6 681	13.2
Other machinery and equipment	4 762	9 425	10 244	12 618	10 796	10 519	15 151	12 384	21 954	44.0
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	70	181	110	-	-	-	-	-	-	-
Total economic classification	188 468	200 571	222 148	229 021	243 785	243 785	261 747	242 800	278 951	7.4

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 2023/24
	2020/21	2021/22	2022/23		2023/24		2024/25	2025/26	2026/27	
Current payments	62 774	69 524	78 531	87 574	80 602	80 602	79 198	82 457	91 819	(1.7)
Compensation of employees	55 209	58 190	59 393	70 452	61 040	61 040	67 798	74 273	80 792	11.1
Salaries and wages	47 469	50 244	51 384	61 199	51 528	50 912	58 406	64 693	70 771	14.7
Social contributions	7 740	7 946	8 009	9 253	9 512	10 128	9 392	9 580	10 021	(7.3)
Goods and services	7 565	11 334	19 138	17 122	19 562	19 562	11 400	8 184	11 027	(41.7)
Administrative fees	-	266	287	305	305	301	323	226	236	7.3
Advertising	935	503	661	1 000	723	719	100	409	428	(86.1)
Minor assets	-	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	2	-	-	-	-	-	-	-	-
Catering: Departmental activities	55	178	872	1 012	1 174	1 452	1 177	445	465	(18.9)
Communication (G&S)	-	-	-	-	-	-	-	-	-	-
Computer services	759	701	756	900	873	859	917	795	832	6.8
Consultants and professional services: Business and advisory services	2 463	5 760	12 577	7 356	8 528	8 528	4 611	4 127	5 817	(45.9)
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-	-
Contractors	-	13	61	101	161	162	60	95	99	(63.0)
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	25	-	-	-	(100.0)
Inventory: Farming supplies	83	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medicines inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 478	638	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-25	-	-	-	(100.0)
Consumable: Stationery, printing and office supplies	224	109	-	472	102	101	230	245	256	127.7
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-
Travel and subsistence	970	1 991	2 636	4 339	5 015	4 864	2 900	1 462	2 447	(40.4)
Training and development	-	-	-	-	-	-	-	-	-	-
Operating payments	9	115	-	-	130	130	-	-	-	(100.0)
Venues and facilities	589	573	980	1 637	2 048	1 943	1 082	380	447	(44.3)
Rental and hiring	-	485	308	-	503	503	-	-	-	(100.0)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	733 303	779 229	690 714	1 330 860	1 273 577	1 273 577	1 419 747	1 521 790	918 664	11.5
Provinces and municipalities	-	-	-	200	200	200	209	219	229	4.5
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	200	200	200	209	219	229	4.5
Municipal bank accounts	-	-	-	200	200	200	209	219	229	4.5
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	711 148	771 223	688 604	1 316 060	1 258 777	1 258 777	1 405 938	1 509 971	906 301	11.7
Social security funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	711 148	771 223	688 604	1 316 060	1 258 777	1 258 777	1 405 938	1 509 971	906 301	11.7
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	22 155	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Public corporations	22 155	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	22 155	-	-	-	-	-	-	-	-	-
Private enterprises	-	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	8 006	2 110	14 600	14 600	14 600	13 600	11 600	12 134	(6.8)
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	7 765	-	-	-	70	70	-	-	-	(100.0)
Buildings and other fixed structures	7 445	-	-	-	-	-	-	-	-	-
Buildings	7 445	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	70	70	-	-	-	(100.0)
Transport equipment	-	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	70	70	-	-	-	(100.0)
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	320	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	803 842	848 753	769 245	1 418 434	1 354 249	1 354 249	1 498 945	1 604 247	1 010 483	10.7

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Current payments	89 863	94 535	106 859	119 945	126 617	126 617	128 505	136 304	151 981	1.5
Compensation of employees	85 112	87 093	97 022	102 919	111 773	111 773	113 605	120 716	134 374	1.6
Salaries and wages	72 468	74 107	82 960	86 272	94 026	95 420	98 598	98 888	111 541	3.3
Social contributions	12 644	12 986	14 062	16 647	17 747	16 353	15 007	21 828	22 833	(8.2)
Goods and services	4 751	7 442	9 837	17 026	14 844	14 844	14 900	15 588	17 607	0.4
Administrative fees	-	-	-	-	-	-	-	-	-	-
Advertising	-	1 169	-	-	-	-	-	-	-	-
Minor assets	10	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	12	-	-	-	-	-	-	-	-
Catering: Departmental activities	5	50	318	1 040	947	985	737	547	622	(25.2)
Communication (G&S)	-	-	-	-	-	-	-	-	-	-
Computer services	558	1 122	1 289	970	1 193	1 109	1 200	1 227	1 283	8.2
Consultants and professional services: Business and advisory services	841	1 487	1 351	6 100	2 128	1 791	6 583	8 066	8 522	267.6
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-	-
Contractors	7	6	48	60	102	125	-	63	66	(100.0)
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	265	10	730	856	863	859	707	753	937	(17.7)
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	3	3	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	82	96	120	1 602	2 059	120	131	137	(94.2)
Consumable supplies	679	641	243	-	74	11	100	2	2	809.1
Consumable: Stationery, printing and office supplies	348	273	465	543	243	244	20	371	388	(91.8)
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	5	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 780	2 287	4 306	6 343	5 979	5 955	4 619	3 853	4 949	(22.4)
Training and development	-	-	-	-	-	-	-	-	-	-
Operating payments	122	54	228	73	66	102	86	72	75	(15.7)
Venues and facilities	131	220	654	921	1 489	1 555	728	500	623	(53.2)
Rental and hiring	-	29	109	-	158	49	-	-	-	(100.0)
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	250 217	273 731	252 198	233 400	232 478	232 478	241 525	214 919	220 108	3.9
Provinces and municipalities	23 918	36 968	24 753	23 550	24 037	24 037	18 398	12 765	15 681	(23.5)
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	23 918	36 968	24 753	23 550	24 037	24 037	18 398	12 765	15 681	(23.5)
Municipal bank accounts	23 918	36 968	24 753	23 550	24 037	24 037	18 398	12 765	15 681	(23.5)
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	226 299	236 763	227 445	208 050	206 849	206 849	221 627	200 654	202 858	7.1
Social security funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	226 299	236 763	227 445	208 050	206 849	206 849	221 627	200 654	202 858	7.1
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	1 800	1 592	1 592	1 500	1 500	1 569	(5.8)
Households	-	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	78	167	50	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	78	167	50	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-	-
Other machinery and equipment	78	167	50	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	340 158	368 433	359 107	353 345	359 095	359 095	370 030	351 223	372 089	3.0

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23		2023/24		2024/25	2025/26	2026/27	
Current payments	-	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	-	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Chemicals,fuel,oil,gas,wood and coal	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-	-
Consumable: Stationery,printing and office supplies	-	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 494	2 605	1 976	3 691	4 178	4 178	3 066	-	-	(26.6)
Provinces and municipalities	2 494	2 605	1 976	3 691	4 178	4 178	3 066	-	-	(26.6)
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	2 494	2 605	1 976	3 691	4 178	4 178	3 066	-	-	(26.6)
Municipal bank accounts	2 494	2 605	1 976	3 691	4 178	4 178	3 066	-	-	(26.6)
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	2 494	2 605	1 976	3 691	4 178	4 178	3 066	-	-	(26.6)

Table B. 4: Transfers to local government by category and municipality – Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates			% change from 2023/24
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27	
Category A	-	-	-	-	-	-	-	-	-	
Buffalo City	-	-	-	-	-	-	-	-	-	
Nelson Mandela Bay	-	-	-	-	-	-	-	-	-	
Category B	22 918	35 968	23 753	22 750	23 237	23 237	17 607	219	229	(24.2)
Dr Beyers Naude	-	-	-	-	-	-	2 332	-	-	
Blue Crane Route	-	5 781	-	-	-	-	3 000	-	-	
Makana	-	2 000	5 000	-	-	-	-	-	-	
Ndlambe	-	-	-	-	-	-	-	-	-	
Sundays River Valley	-	2 605	-	-	-	-	-	-	-	
Kouga	-	-	5 000	-	-	-	-	-	-	
Kou-Kamma	2 494	-	-	2 000	2 000	2 000	-	-	-	(100.0)
Mbashe	-	-	-	3 859	3 859	3 859	-	-	-	(100.0)
Mquma	-	5 000	-	-	-	-	-	-	-	
Great Kei	-	-	-	-	-	-	-	-	-	
Amahlathi	6 633	3 300	-	-	-	-	-	-	-	
Ngqushwa	-	-	-	-	-	-	2 000	-	-	
Raymond Mhlaba	5 000	-	-	2 200	2 200	2 200	209	219	229	(90.5)
Inxuba Yethemba	-	-	-	-	-	-	-	-	-	
Intsika Yethu	-	-	-	-	-	-	3 000	-	-	
Emalahleni	-	3 000	-	-	-	-	-	-	-	
Engcobo	-	-	1 400	3 000	3 000	3 000	-	-	-	(100.0)
Sakhisizwe	2 500	-	-	-	-	-	-	-	-	
Enoch Mgijima	-	-	-	3 000	3 000	3 000	-	-	-	(100.0)
Elundini	-	-	-	5 000	5 000	5 000	3 000	-	-	(40.0)
Senqu	-	5 200	-	-	-	-	-	-	-	
Walter Sisulu	-	-	4 153	-	847	847	-	-	-	(100.0)
Ngquzu Hill	-	-	-	-	-	-	-	-	-	
Port St Johns	-	5 582	-	-	-	-	-	-	-	
Nyandeni	-	-	1 000	-	-	-	-	-	-	
Mhlontlo	-	-	-	-	-	-	1 000	-	-	
King Sabata Dalindyebo	2 500	-	-	-	-	-	-	-	-	
Matatiele	3 791	-	-	3 691	3 331	3 331	3 066	-	-	(8.0)
Umzimvubu	-	3 500	3 700	-	-	-	-	-	-	
Mbizana	-	-	-	-	-	-	-	-	-	
Nabankulu	-	-	3 500	-	-	-	-	-	-	
Category C	-	-	-	-	-	-	-	-	-	
Cacadu District Municipality	-	-	-	-	-	-	-	-	-	
Amatole District Municipality	-	-	-	-	-	-	-	-	-	
Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	
Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	
O.R. Tambo District Municipality	-	-	-	-	-	-	-	-	-	
Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	
Total transfers to municipalities	23 918	36 968	24 753	23 750	24 237	24 237	18 607	12 984	15 910	(23.2)

Table B. 5: Payments of infrastructure by category (Project List)

Type of Infrastructure	Project Name	IDMS Stage	District Municipality	Local Municipality	Project Duration		Source of Funding	Budget program name	Total Project Cost	Total Expenditure to date from previous years	Total Available	MTEF Forward Estimates	
					Date: start	Date: finish						25/26	26/27
1. Infrastructure Transfers - Capital													
Buildings/Structures	Property Modernization & Development	Packaged Programme	EC Whole Province	Various	01/Apr/22	31/Mar/27	Equitable Share	Programme 3 - Trade and Sector Development	623 938	55 000	26 500	31 500	31 500
Bulk Infrastructure Services	CDC Bulk Infrastructure	Packaged Programme	Nelson Mandela Metro	Nelson Mandela Metro	01/Apr/23	31/Mar/27	Equitable Share	Programme 3 - Trade and Sector Development	1 583 871	247 000	683 000	848 000	307 000
TOTAL 1: Infrastructure Transfers – Capital (2 projects)									1 583 871	302 000	709 500	879 500	338 500
TOTAL: Economic Development and Tourism (2 projects)									1 583 871	302 000	709 500	879 500	338 500

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