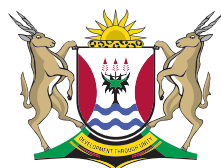




MEC FOR FINANCE
Hon. Mlungisi Mvoko



HoD for Provincial Treasury
Mr. Daluhlanga Majeke



Province of the
EASTERN CAPE
PROVINCIAL TREASURY



EASTERN CAPE 2024 MTEF

PEOPLE'S BUDGET GUIDE

"Consolidating Socio-economic gains to build the Eastern Cape we want"



Provincial Budget Framework

The provincial government continues to complement the national recovery efforts by providing targeted resourcing and policy support to high growth sectors of the provincial economy whilst ensuring that social sector is protected and sustained.

The budget process is a consultative process between National Treasury, Provincial Treasuries, Sector Budget Meetings, Technical Committee on Finance, Budget Council, Ministers' Committee on Budget, Provincial Cabinet Budget Committees, Executives Councils, Provincial Departments and Public Entities.

This culminates in the allocation of resources to departments that in turn compile the budget to be tabled and passed by Legislature. The country's economic growth remains constrained. This is evident in the third

quarter of 2023 which declined by 0.2 per cent of the economic growth following a growth of 0.5 per cent in the previous quarter. The decline was primarily due to decreased household consumption expenditure and gross fixed capital formation. The decline in household consumption expenditure in the third quarter of 2023 is due to decreasing household disposable incomes and persistent poor labour market outcomes.

Overall, according to the National Treasury, the South African economy is expected to grow by 0.6 percent in 2023. However, marginal growth improvements over the medium-term are expected at 1.3 percent in 2024, and 1.6 percent in 2025. The current economic growth estimate for 2023 in the province is 0.7 per cent, with forecasts of 1.5 per cent and

1.7 per cent for 2024 and 2025, respectively. The Eastern Cape economy is the fourth largest sub-regional economy in South Africa, contributing **R531.386 billion** or 8.0 per cent to the national economy. The growth of the provincial economy is generally influenced by trends that affect the national economy, and it's expected that the gradual national economic recovery will also be reflected in the provincial economy over the medium-term.

Eastern Cape's economic prospects are closely linked to those of the overall national economy. As the country's economic outlook is anticipated to be moderate, the province's recovery is expected to be gradual rather than rapid over the medium term.

Some of the commonly shared risks include declining prices of agricultural commodities, increasing energy costs, higher short-term interest rates, a lack of adequate electricity supply, inefficiencies in logistics infrastructure nodes (especially in freight rail and ports), an underperforming water services sector, and municipalities.

Eastern Cape's economic prospects are closely linked to those of the overall national economy. As the country's economic outlook is anticipated to be moderate, the province's recovery is expected to be gradual rather than rapid over the medium term. Some of the commonly shared risks include declining prices of agricultural commodities, increasing energy costs, higher short-term interest rates, a lack of adequate electricity supply, inefficiencies in logistics infrastructure nodes (especially in freight rail and ports), an underperforming water services sector, and municipalities. The 2024 MTEF provincial budget is prepared against the conditions of overly stretched public finances due to prolonged periods of low to moderate economic growth. Low economic growth has translated into tax revenue shortfalls and fiscal slippages. Notwithstanding the resource limitations the provincial government remains steadfastly committed in ensuring that critical and constitutionally mandated services such as basic education, primary health and social protection services continue uninterrupted. This is to protect and sustain all developmental gains of the past 30 years.

The Provincial Fiscal Framework for the 2024/25 Financial Year at a Glance

The Eastern Cape Provincial Government budget is financed through National Transfers (Provincial Equitable Share and Conditional Grants) and Provincial Own Receipts. The 2024/25 financial year total receipts amount to **R94.598 billion** and consist of:

- Equitable Share of **R78.093 billion** which accounts for 83 per cent of Provincial receipts;
- Conditional Grants of **R14.758 billion** which accounts for 16 per cent; and
- The Provincial Own Receipts of **R1.745 billion** which accounts for 2 per cent.

The provincial equitable share increased by amount of **R13.069 billion** over the 2024 MTEF to respond to the compensation of employees' pressures emanating from the wage agreement mainly in the education and health sectors. An amount of **R153.641 million** was added as a result of the data updates based on the provincial equitable share formula. Simultaneously amount of

R7.919 billion was reduced as part of the fiscal consolidation measures at a national level due to the fiscal challenges. This resulted in a net increase of **R5.304 billion**

Own Revenue

Provincial own revenue collections are projected to increase from **R1.689 billion** in the 2023/24 budget to **R1.745 billion** in 2024/25 due to patient fee tariff increases, the improvement in collections of motor vehicle license fees, the improvement from rental income at market-related rates as well as collections from casino operators, route and site operators, bingo halls, and bookmakers and the strict enforcement of liquor laws.

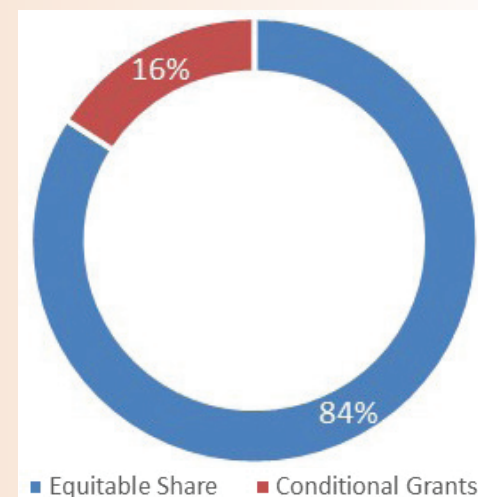
In the 2024/25 financial year, there will be a continuation of revenue enhancement strategies. The main revenue generating departments of the revenue study are the Departments of Public Works and

Infrastructure, Transport, Health and Economic Development, Environmental Affairs and Tourism (DEDEAT) and these departments have quantified the revenue plans over the one-year short term, the three-year medium term, and the long-term ending in 2030 to enhance the total receipts available to the province.

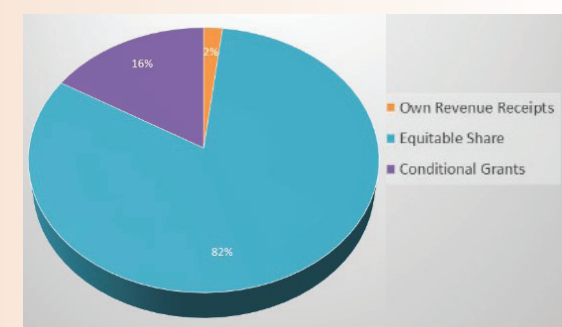
Provincial Financing

The province is also financing the budget from provincial own reserves of **R802.197 million** in 2024/25. However, the continuation of such funding is not sustainable as the provincial own reserves are depleting. Also, the need to reduce spending is crucial as revenue transfers from national has not stabilised due to fiscal consolidation measures. Lastly, the province is continuing with the enhancement of provincial own revenue including the implementation of the revenue study that will further supplement the provincial fiscus.

NATIONAL TRANSFERS



REVENUE SOURCES



2024 MTEF BUDGET ALLOCATION - AREAS OF FUNDING

The 2024 MTEF is guided by some of the following key principles:

- Allocating resources in line with 14 National Outcomes, Medium Term Strategic Framework (MTSF) and Provincial Development Plan (PDP)national with a particular emphasis on education, health, provincial economic stimulus, fight against crime and corruption, creation of job opportunities and containment of the wage bill;
- Enhancing provincial economic growth, focusing on key socio-economic infrastructure, and programmes aligned to the national and provincial priorities;
- Reprioritisation, shifting expenditure away from consumption to service delivery items, improvement of efficiency and effectiveness of public spending to enhance service delivery; and
- Protection of the key service delivery items to ensure that the provincial government continues to deliver on its mandate.

The total payments for the province in 2024/25 financial year amount to **R95.400 billion** reflecting an increase of 2.8 per cent compared with the revised estimate of **R92.804 billion** in 2023/24.

Provincial summary of payment and estimates by vote

R 'thousand	MTEF estimates			
	2023/24	2024/25	2025/26	2026/27
Office of the Premier	1 211 997	1 069 189	1 126 066	1 107 821
Provincial Legislature	679 197	706 009	687 822	659 728
Health	29 270 871	30 106 843	31 029 965	31 887 301
Social Development	2 859 118	2 972 172	3 100 547	3 208 567
Public Works and Infrastructure	2 515 853	2 624 555	2 646 494	2 696 735
Education	41 190 294	42 441 422	44 104 248	45 827 957
Cooperative Governance and Traditional Affairs	1 072 962	1 109 925	1 135 354	1 176 526
Rural Development and Agrarian Reform	2 336 241	2 451 774	2 584 273	2 690 683
Economic Development, Environmental Affairs and Tourism	1 957 129	2 130 722	2 198 270	1 661 523
Transport	5 781 637	5 737 449	5 510 084	5 428 217
Human Settlements	2 372 935	2 383 899	2 364 494	2 182 178
Provincial Treasury	429 353	478 236	508 799	521 783
Sports, Recreation, Arts and Culture	1 002 517	1 043 363	1 074 493	1 114 901
Community Safety	124 333	144 840	150 179	138 931
Total payments and estimates	92 804 436	95 400 398	98 221 088	100 302 851
% Change		3%	3%	2%

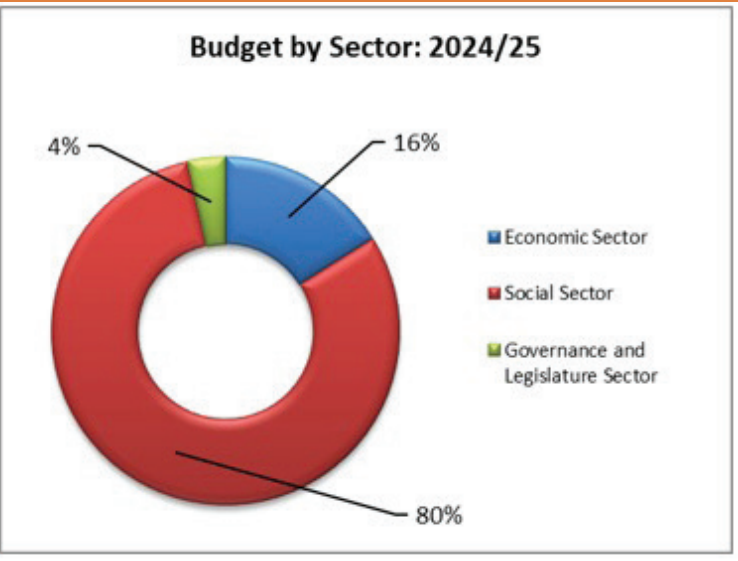
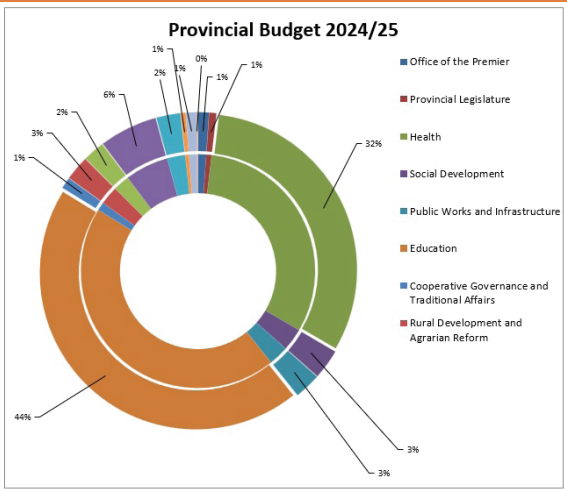
PROVINCIAL SUMMARY OF PAYMENT AND ESTIMATES BY SECTOR

R' thousand	MTEF estimates			% share of 2024/25 total budget
	2024/25	2025/26	2026/27	
Economic Sector	15 328 399	15 303 815	14 659 338	16%
Public Works and Infrastructure	2 624 555	2 646 494	2 696 735	3%
Rural Development and Agrarian Reform	2 451 774	2 584 273	2 690 683	3%
Economic Development, Environmental Affairs and Tourism	2 130 722	2 198 270	1 661 523	2%
Transport	5 737 449	5 510 084	5 428 217	6%
Human Settlements	2 383 899	2 364 494	2 182 178	2%
Social Sector	78 708 640	79 459 432	82 177 657	80%
Education	42 441 422	44 104 248	45 827 957	44%
Health	30 106 843	31 029 965	31 887 301	32%
Social Development	2 972 172	3 100 547	3 208 567	3%
Sports, Recreation, Arts and Culture	1 043 363	1 074 493	1 114 901	1%
Community Safety	144 840	150 179	138 931	0%
Governance Sector	3 363 359	3 458 041	3 465 858	4%
Office of the Premier	1 069 189	1 126 066	1 107 821	1%
Provincial Legislature	706 009	687 822	659 728	1%
Cooperative Governance and Traditional Affairs	1 109 925	1 135 354	1 176 526	1%
Provincial Treasury	478 236	508 799	521 783	1%
Total	95 400 398	98 221 088	100 302 851	100%

FOCUS AREAS OF THE 2024/25 BUDGET

Provincial Budget 2024/25

R' thousand	Budget 2024/25	% Share 2024/25
Office of the Premier	1 069 189	1.1%
Provincial Legislature	706 009	0.7%
Health	30 106 843	31.6%
Social Development	2 972 172	3.1%
Public Works and Infrastructure	2 624 555	2.8%
Education	42 441 422	44.5%
Cooperative Governance and Traditional Affairs	1 109 925	1.2%
Rural Development and Agrarian Reform	2 451 774	2.6%
Economic Development, Environmental Affairs and Tourism	2 130 722	2.2%
Transport	5 737 449	6.0%
Human Settlements	2 383 899	2.5%
Provincial Treasury	478 236	0.5%
Sports, Recreation, Arts and Culture	1 043 363	1.1%
Community Safety	144 840	0.2%
Total payments and estimates	95 400 398	100.0%



Summary of provincial payments by economic classification

R' thousand	% Share of 2024/25	2024 MTEF estimates		
		2024/25	2025/26	2026/27
Current payments	84.6%	80 671 223	83 260 557	85 499 795
Compensation of employees	65.9%	62 881 874	65 680 859	66 797 291
Goods and services	18.6%	17 789 350	17 579 698	18 702 504
Transfers and subsidies	11.1%	10 597 861	11 032 225	10 861 175
Payments for capital assets	4.3%	4 131 313	3 928 306	3 941 881
Total economic classification: Eastern Cape Province	100.0%	95 400 398	98 221 088	100 302 851

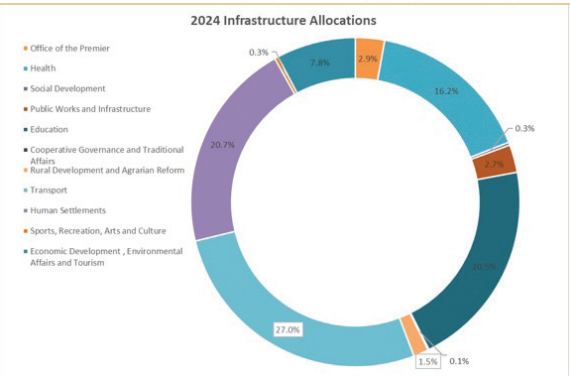
2024 Budget allocation %	
Payments for capital assets	4.3%
Transfers and subsidies	11.1%
Goods and services	18.6%
Compensation of employees	65.9%

Infrastructure Allocations 2024 MTEF	2024/25	2025/26	2026/27
Office of the Premier	261 281	281 178	297 283
Health	1 476 306	1 562 503	1 641 131
Social Development	25 861	30 809	31 663
Public Works and Infrastructure	248 067	231 112	258 569
Education	1 871 481	1 840 685	1 930 380
Cooperative Governance and Traditional Affairs	8 596	3 401	3 943
Rural Development and Agrarian Reform	135 482	151 618	157 700
Transport	2 459 868	2 134 627	2 046 856
Human Settlements	1 881 908	1 880 905	1 696 694
Sports, Recreation, Arts and Culture	30 885	39 574	40 919
Economic Development, Environmental Affairs and Tourism	709 500	879 500	338 500
Total Infrastructure Budget	9 109 235	9 035 912	8 443 638

2024 EPWP: SOCIAL SECTOR EPWP INCENTIVE GRANT AND EPWP INTEGRATED GRANT

	2024/25 EPWP Integrated Grant '000	2024/25 EPWP Incentive Grant '000	Number of Jobs
Health	2 010	10 720	447
Public Works and Infrastructure	6 806	-	113
Education	2 582	48 283	683
Social Development	-	5 715	120
Cooperative Governance and Traditional Affairs	2 000	-	170
Rural Development and Agrarian Reform	2 080	-	469
Economic Development, Environmental Affairs and Tourism	3 066	-	100
Transport	47 168	-	557
Human Settlements	2 384	-	200
Sports, Recreation, Arts and Culture	2 058	977	126
Community Safety	-	1 062	32
Total EPWP payments and estimates	70 154	66 757	3 017

2024 Infrastructure Allocation of budget



2024 FUNDED PRIORITIES

Office of The Premier

The department is allocated an amount of **R1.069 billion** in 2024/25 and **R3.303 billion** over the 2024 MTEF to fund amongst other things the following:

- Performance Monitoring and Evaluation: an amount of **R38.414 million** in 2024/25 and **R120.187 million** over the 2024 MTEF to coordinate and facilitate integrated development through monitoring and evaluation of government programmes.
- Human Resource Management: an amount of **R30.447 million** in 2024/25 and **R89.674 million** over the 2024 MTEF to provide strategic organisational development, human capital and talent management consultancy support services to the province and coordinate strategic skills development interventions
- Provincial ICT: an amount of **R387.904 million** is allocated in 2024/25 and **R1.200 billion** over the 2024 MTEF to provide and coordinate the provision of an integrated information and communications technology service. Included in this amount is the budget for the Broadband project amounting to **R385.463 million** over the 2024 MTEF for the continuation of the rollout of the project to create an enabling environment to facilitate connectivity to government and corporate sites
- Integrated Youth Development - an amount of **R68.684 million** in 2024/25 and **R187.280 million** over the 2024 MTEF to manage and coordinate the provision of youth strategy, strategic skills and entrepreneurship and empowerment programmes. Included in this amount is **R66.305 million** set aside over the 2024 MTEF for bursaries (awards) for top achievers; and R70 million over the 2024 MTEF set aside for Isiqalo Youth fund to provide financial and non-financial support to youth-owned enterprises.
- Rapid Response and Priority Programmes: an amount of **R150.799 million** is allocated in 2024/25 and **R469.591 million** allocated over the 2024 MTEF for the department to facilitate mainly the implementation of Small Town Revitalisation. Of this amount, the Transfers to municipalities amount to **R445.193 million** over the 2024 MTEF for the continuation of the Small-Town revitalization programme.

Provincial Legislature

The institution is allocated an amount of **R705.433 million** in 2024/25 and **R2.051 billion** over the 2024 MTEF to fund amongst other things the following:

- Political parties: an amount of **R169.196 million** in 2024/25 financial year and **R507.642 million** over the 2024 MTEF is set for the funding of political parties, including constituency and caucus funding to enhance democracy. This is to provide and regulate the public and private funding of political parties represented in the Legislature, particularly, the establishment and management of those funds to ensure fair and efficient distribution.
- Committee services: an amount of **R53.114 million** in the 2024/25 financial year and **R193.523 million** over the 2024 MTEF to facilitate law-making and enhance oversight function over the departments and public entities.
- Public participation: an amount of **R29.506 million** in the 2024/25 financial year and **R92.826 million** over the 2024 MTEF has been allocated for public participation and awareness to serve the people of the Eastern Cape through interactive public participation programmes that market the Legislature and increase public awareness of legislative processes; and
- Member remuneration: an amount of **R114.722 million** in the 2024/25 financial year and **R312.836 million** over the 2024 MTEF have been allocated for the member’s remuneration. Included in the 2024/25 allocation is the **R28.279 million** once-off for exit benefits of the non-returning Members of the Provincial Legislature since nearing the end of the 6th political term.

Department of Health

A total amount of **R93.024 billion** has been allocated to the Department of Health over the 2024 MTEF, of which **R30.106 billion** has been allocated for 2024/25. The allocation is to fund amongst other things the following:

- Health Infrastructure: An amount of **R1.476 billion** is allocated for Health infrastructure within the province and a total of **R4.679 billion** over the 2024 MTEF period for maintenance and repairs, upgrades and additions and rehabilitation and refurbishment for health facilities, including new infrastructure assets. Of the **R1.476 billion**, an amount of **R789.942 million** relates to the Health Facilities Revitalization Grant.
- District Health Programmes Grant: an amount of **R3.077 billion** in 2024/25 and **R9.422 billion** over the 2024 MTEF is allocated for Human Immunodeficiency Virus (HIV) test kits, Anti-retroviral Virus (ARV), Tuberculosis (TB) related medication, National Health Laboratory Services (NHLS) tests, Condoms, Compensation of Employees for health professions, Human Papilloma Vaccine (HPV) and salaries for Nurses who administers the vaccination, Salaries for Community Health Workers in the Community Outreach Services component, as well as vaccines for prevention of mother to child transmission on the HIV component.
- Tertiary and Specialized Hospital Services: is allocated **R5.036 billion** in 2024/25 and **R16.189 billion** over the 2024 MTEF;
- National Health Laboratory Services: An amount of **R1.137 billion** in 2024/25 and **R3.517 billion** is over the 2024 MTEF period is allocated

for blood testing (HIV, Diabetes, High Blood Pressure, Cancer, etc.);

- Medicine: An amount of **R1.910 billion** in 2024/25 and **R6.969 billion** over the 2024 MTEF period is allocated for medicine and other related drugs;
- Medical Supplies: An amount of **R988.922 million** in 2024/25 and **R3.598 billion** over the 2024 MTEF period is allocated for blood products and medical implants;
- Emergency Medical Services: An amount of **R1.562 billion** in 2024/25 and **R4.842 billion** over the 2024 MTEF period is allocated for the operationalization of the existing ambulances and paramedics in the province;
- Human Resources and Training Grant: An amount of **R581.770 million** in 2024/25 and **R1.770 billion** over the 2024 MTEF period is allocated for training and development of health professionals (nurses, doctors, registrars and bursary holders etc.), and provision of critical staff at health facilities.

Department of Social Development

A total amount of **R9.281 billion** has been allocated to the department of Social Development over the 2024 MTEF, of which **R2.972 billion** is allocated for 2024/25. The allocation for 2024/25 is to fund amongst other things the following:

- Services to Older Persons: An amount of **R101.467 million** has been allocated in 2024/25 and a total of **R316.714 million** over the 2024 MTEF to fund amongst other things **15 284** older persons who will access community-based care and support services and **1 481** persons accessing residential facilities.
- Services to Persons with Disabilities: An amount of **R33.192 million** in 2024/25 has been allocated and a total of R103.605 million over the 2024 MTEF to fund amongst other things **24 404** persons with disabilities who will be accessing Community Based Rehabilitation Services and **839** persons with disabilities accessing Residential Facilities.
- Childcare and Protection: An amount of R36.032 million has been allocated in 2024/25 and a total of **R112.468 million** over the 2024 MTEF amongst other things **2 804** children placed in foster care.
- Victim Empowerment: An amount of **R39.158 million** has been allocated in 2024/25 and a total of **R122.226 million** over the 2024 MTEF amongst other things to strengthen and intensify Gender Based Violence programmes and Psycho–Social support services to victims of crime and violence.
- Substance Abuse Prevention and Rehabilitation: An amount of **R12.366 million** has been allocated in 2024/25 a total of **R38.598 million** over 2024 MTEF amongst other things to reach **104 517** people through prevention programmes and provide substance use disorder treatment services to **1 766** users.
- Youth Development: An amount of **R3.090 million** has been allocated in 2024/25 and a total of **R9.645 million** over the 2024 MTEF to fund amongst other things **3 144** youth to participate in skills development programmes.
- Women Empowerment: An amount of **R3.090 million** in 2024/25 is allocated and a total of **R9.645 million** over the 20224 MTEF to fund amongst other things **10 622** women participating in women empowerment programmes.
- Poverty Alleviation and Sustainable Livelihoods: An amount of **R14.439 million** has been allocated in 2024/25 and a total of **R45.070 million** over the 2024 MTEF to fund amongst other things 6 475 people accessing food security and nutrition initiatives.
- Social Relief: An amount of **R52.156 million** has been allocated in 2024/25 and a total of **R162.797 million** over the 2024 MTEF to fund among other things to provide sanitary pads to **97 850** indigent learners from quintile 1 – 3 schools; and
- The department received additional funding of **R15 million** for 2024/25 and **R47.055 million** over the MTEF for insourcing of One Stop Centres for victims of crimes and violence such as domestic violence, rape, human trafficking and sexual harassment, through provision of integrated therapeutic services.

Department of Public Works and Infrastructure

The department has been allocated **R2.624 billion** in 2024/25 and **R7.967 billion** over the 2024 MTEF has been allocated to fund amongst others:

- Payment to municipalities for rates and taxes as well as the municipal services of water and electricity with an amount of **R1.012 billion** in 2024/25 and **R3.078 billion** over the 2024MTEF.
- Construction of the one stop office complexes, maintenance of government buildings, investment in alternative energy sources to deal with load shedding as well as providing support to user departments to deliver on their infrastructure programmes with an amount of **R579.607 million** in 2024/25 and **R1.762 billion** over the 2024 MTEF.
- Optimising entrepreneurship by supporting emerging contractors within the Integrated Contractor Development Programme to improve their CIDB grading as well as the skills development via the NYS and APTCoD programmes with an amount of **R95.706 million** allocated in 2024/25 and **R290.965 million** over the 2024 MTEF.
- Creation of work opportunities to deliver infrastructure through the EPWP thereby contributing towards job creation with an amount of **R86.377 million** in 2024/25 and **R262.603 million** over the 2024 MTEF.
- Providing for security and leasing of properties for office accommodation with an amount of **R335.968 million** in 2024/25 and **R1.021 billion** over the 2024 MTEF.

Department of Education

- A total amount of **R132.373 billion** is allocated towards the department over the 2024 MTEF period. Of the total 2024 MTEF allocation, **R42.441 billion** is provided for 2024/25 fiscal year. This allocation will fund, amongst other things, the following key sector priorities;
- National School Nutrition Programme (NSNP): The NSNP is a poverty alleviation strategy introduced by the South African government, in 1994, as part of the reconstruction and Development Programme (RDP), which was based on a conceptual framework for understanding how health and nutrition factors influence school achievement. The NSNP is funded through a conditional grant that is appropriated in terms of the Division of Revenue Act (DoRA). The total allocation for the 2024 MTEF amounts to **R5.423 billion**. An amount of **R1.737 billion** (of which transfers for school feeding accounts for R1.691 billion) is for the 2024/25 financial year and is intended to have a participation of **1 603 233** learners that expected to benefit from the school feeding programme for both public ordinary and qualifying special schools.
 - One of the greatest policy strides made in the 2024/25 financial year, is the expansion of the breakfast programme which sees the programme being ready to provide all learners in quintile 1-3 primary, combined and secondary schools with an additional fortified cereal at the start of each school day. Essentially, NSNP is set to provide breakfast meal to **1 503 835** learners.
 - In essence, with the rollout of breakfast feeding, all qualifying learners are now provided with at least two nutritious meals per day.
- Early Childhood Development (ECD) is allocated funding of **R3.613 billion** over the MTEF period. Of this allocated funding, **R1.118 billion** is for the 2024/25 financial year, of which **R488.050 million** is for transfers to qualifying Public Ordinary Schools to resource Grade R teaching and learning, and Pre-Grade R training.
- Educator Post Provisioning Norm (PPN): The department has maintained the status quo for the headcount declaration of **52 817** posts in respect of the PPN in 2024 academic period, for both at Public Ordinary and Special Schools. The PPN makes provision for posts at qualifying schools for the appointment of school-based educators for critical subjects, posts for substitutes, special intervention, curriculum and growth, mother-tongue languages etc. Therefore, an aggregate amount of **R94.630 billion** is set aside over the 2023 MTEF, mainly to fund the PPN, of which **R30.401 billion** is allocated for the 2024/25 financial year.
- School furniture: As part of and creating a conducive learning and teaching environment at schools, the purchasing of basic resources such as furniture for schools has been prioritized. Therefore, a total allocation of **R494.410 million** over the 2024 MTEF has been set aside, mainly for the procurement of new furniture and revamping of broken material at identified schools, of which **R288.182 million** is allocated for 2024/25.
- Infrastructure Development: The Education Infrastructure Grant (EIG) provides funding for ongoing infrastructure projects in the province, including the maintenance of existing infrastructure and the building of new structures. Thus, a total allocation of **R5.603 billion**, of which **R1.848 billion** is provided for 2024/25 to assist the department in addressing infrastructural requirements at schools and hostels.
- Teacher Development (training and bursaries): The department continues to provide training of educators at public schools, as part of its transformation plan. These efforts are aimed at improving the functionality of schools as cited in the department's school transformation plan. A total amount of **R663.340 million** has been allocated over the 2024 MTEF, of which **R96.016 million** is for training and development of educators whilst an amount of **R65.017 million** is for bursaries in 2024/25.
- Learner Teacher Support Material (LTSM): The department has the responsibility to provide quality teaching through the procurement and provision of adequate Learner Teacher Support Material at schools. The procurement of quintiles 1 to 5 textbooks and stationery for Q1 -3 is centralised whilst most quintiles 4 and 5 receive their learning material (stationery) budget through transfers (Norms and standards). For centralized procurement of material, a total amount of **R2.603 billion** is made available over the MTEF, of which **R781.741 million** in 2024/25 for the annual procurement of textbooks and stationery for all learners in Grades R to 12.
- External Examination: The department makes provision for exam marking costs, which necessitates operational requirements for marking and other personnel-related expenditures. Therefore, an amount of **R424.316 million** is provided in the departmental baseline for this purpose, in 2024/25 and a total of **R1.377 billion** over the 2024 MTEF period.
- The Norms and Standards allocation provides school funding to all qualifying public schools in the province, in Rand Value per learner for each quintile category. This allocation enables the provision of critical goods and services that are required for the proper functioning of the schools. This policy area is supported sufficiently for both Public Ordinary Schools and ECD, after having received additional funding cushion from the Provincial Treasury, for the next medium term period. This will ensure a total of **4 989** schools, which account for **1 618 214** learners in Public Ordinary Schools and 106 860 learners in 4 021 Early Childhood Development centers that are attached to public schools, will now be funded on par to the national prescribed threshold for no fee schools across quintile categories. The gazetted “per learner funding” rates to public schools ranked in quintiles 1 – 3, amounts to **R1.672** per learner, whilst the fee-paying schools in quintiles 4 and 5 are funded at **R838** and **R289** per learner, respectively. This is congruent to the actual funding provided in the departmental baseline. As such, a total of **R2.564 billion** is provided for 2024/25, whilst **R2.682 billion** and **R2.805 billion** is provided in 2025/26 and 2026/27 respectively
- Learner Attainment Improvement Strategy (LAIS) is a programme that was developed, particularly to improve matric results at the end of the academic year. The programme targets various underperforming districts in the province (through the provision of extra classes during holidays and weekends). To implement provided with added funds in their baseline, which continued to grow by inflation projections over the 2024 MTEF, with a total allocated funding of **R333.332 million**, of which **R106.188 million** is for the 2024/25 financial year.

Department of Cooperate Governance and Traditional Affairs

The department has been allocated an amount of **R1.110 billion** in 2024/25 and **R3.422 billion** over the 2024 MTEF to fund amongst other things the following:

- Municipal Support: An amount of **R396.383 million** in 2024/25 and **R1.220 billion** over the MTEF is allocated for support to municipalities to ensure the transformation of developmental local government by strengthening municipal institutions that will be responsive to the needs of the communities;
- Support on Traditional Leaders: An amount of **R422.223 million** in 2024/25 and **R1.326 billion** over the 2024 MTEF for support and capacitate institutions of Traditional Leadership to effectively perform their statutory and customary obligations.
- Disaster Management: An amount of **R22.795 million** in 2024/25 and **R63.319 million** over the 2024 MTEF to render support services regarding integrated planning and development in municipalities.
- Furthermore, included in the department's allocation are the rescheduled amounts totalling to **R7.264 million** in respect of the following: **R1.940 million** for Qumbu-Tsolo and Cedarville–Maluti master plans, **R2.724 million** for the Provincial Disaster Management Centre (PDMC) Audio visual equipment and **R2.600 million** for the Infrastructure for Traditional Leadership Institutions.
- Also, an additional funding of **R696 000** for 2024/25 National and Provincial Elections. **R2.242 million** carry through amount in 2026/27 for Operationalisation of Local House Committee. **R2 million** in 2024/25 (**R6.028 million** over the 2024 MTEF) for the Underfunding of the Initiation, Inkciyo, House Committee Outreach and Consultation on Bills referred to the House Programme and **R2.300 million** for Provincial Spatial Development Framework (PSDF) for the review of the PSDF requiring as a minimum a Senior Development Planner and a GIS person for the updates to the mapping, including the updating of the 2022 Census data.

Department of Rural Development and Agrarian Reform

The department has allocated and amount of **R2.451 billion** in 2024/25 and **R7.726 billion** over 2024 MTEF period, to fund amongst other things the following:

- Producer Support Services: An amount of **R134 396 million** is allocated in 2024/25, and **R443.995 million** over 2024 MTEF to improve agriculture infrastructure to support the commercialisation of all commodities. This sub-program will target prioritized commodities such as livestock, grain, citrus, poultry, vegetables, and piggyery.
- Food security (crop and livestock production): an amount of **R241.485 million** is allocated in 2024/25 and **R787.675 million** is allocated over the 2024 MTEF. The budget is allocated to improve crop productivity on 22 584 ha by supporting farmers with production inputs, mechanisation services and livestock enterprises to enhance herd productivity through the distribution of improved genetic material to smallholder and communal farmers.
- Veterinary Services: An amount of **R361.497 million** in 2024/25 and **R1.134 billion** over the 2024 MTEF has been allocated to provide veterinary services to pursue veterinary interventions to clients to ensure healthy productive animals, safe animal products and the welfare of animals and the public.
- Agricultural Education and Training: An amount of **R205.495 million** in 2024/25 and **R653.817 million** over the 2024 MTEF is allocated to provide and facilitate structured and vocational agricultural education and training to establish a knowledgeable, prosperous, and competitive sector.
- Furthermore, received an additional amount of **R28.279 million** and **R96.812 million** over the 2024 MTEF, specifically for import substitution of agricultural commodities such as soya beans, canola, sunflower, poultry and piggyery to drive inclusive and sustainable agriculture development in the Eastern Cape

Department of Economic Development, Environmental Affairs and Tourism

A total amount of **R5.990 billion** has been allocated over the 2024 MTEF to the Department of Economic Development, Environment Affairs and Tourism of which **R2.130 billion** is for 2024/25. The allocation for 2024/25 and over the 2024 MTEF is to fund amongst other, the following:

- Support and strengthening of the environment and biodiversity conservation function has an allocation of **R119.334 million** and **R408.079 million** over the 2024 MTEF. Furthermore, there is a transfer of **R232.089 million** to Eastern Cape Parks and Tourism Agency and **R654.510 million** over the 2024 MTEF to help with the implementation of climate change adaptive strategies, biodiversity and conservation initiatives as well as tourism initiatives.
- For effective business regulation, an amount of **R70.382 million** is allocated to the Eastern Cape Gambling Board (ECGB) in 2024/25 with a total of **R207.477 million** allocated over the 2024 MTEF to regulate the gambling industry within the province. An amount of **R87.509 million** has been allocated in 2024/25 to the Eastern Cape Liquor Board with a total allocation of **R250.947 million** over the 2024 MTEF, to regulate the liquor industry within the province.
- To promote inclusive sustainable socio-economic development focused on the provision for innovative enterprise development financial services leveraging resources through strategic alliance, investment and partnership by Eastern Cape Development Corporation (ECDC) as well as ring-fenced funds for catalytic projects to rejuvenate the provincial economic growth. A total amount of **R337.377 million** is availed in 2024/25 and **R923.786 million** over the 2024 MTEF to the ECDC.

- To provide investor solutions to attract and develop strategic industries that strengthen South Africa's global competitiveness through the development and operation of a thriving, specialised industrial complex through the East London Industrial Development Zone (ELIDZ). A total amount of **R113.753 million** is allocated in 2024/25 with a total amount of **R308.096 million** over the 2024 MTEF mostly for operational costs.
- To create employment and other economic and social benefits in the region in which the Coega Development Corporation is located by attracting local and foreign direct investment to improve economic growth. An amount of **R786.455 million** is allocated in 2024/25 with a total amount of **R2.102 billion** over the 2024 MTEF mainly for Budget Facility for Infrastructure (BFI) for the construction of critical bulk water (return effluent) infrastructure, which amounts to **R683 million** for 2024/25 and **R1.838 billion** over the 2024 MTEF
- Local and Regional Economic Development (LRED) Fund is allocated **R13.600 million** to support co-operatives within the province in 2024/25 and **R37.334 million** over the 2024 MTEF.
- Environmental management EPWP projects such as Waste Management, Waste Greening and Cleaning and Alien plant eradication are allocated an amount of **R18.607 million** in 2024/25 to create 750 job opportunities through environmental public employment programmes. Over the 2024 MTEF, an amount of **R47.501 million** has been allocated.

Department of Transport

An amount of **R5.737 billion** has been allocated in 2024/25 and a total amount of **R16.675 billion** over the 2024 MTEF. The allocation for 2024/25 is to fund amongst others, the continuation of the following:

- Facilitating access to social and economic activities through bridge and roads maintenance, regravelling, upgrading, rehabilitation and resealing of provincial roads with an amount of **R2.459 billion** allocated in 2024/25 and **R6.641 billion** over the 2024 MTEF. The department will among others, continue with bridge maintenance, with an allocation of **R70 million** in 2024 (**R198.197 million** over the 2024 MTEF), the Welisizwe bridge programme with an allocation of **R223 million** in 2024/25, the phased implementation of the Wild Coast Meander Route Coffee Bay to Zithulele Hospital Phase 1 with an allocation of **R18 million** in 2024 (**R80.606 million** over the 2024 MTEF), and the upgrading of T125 Phase 4 N2 to Siphetu Hospital with an allocation of **R47.920 million** in 2024 (**R157.920 million** over the 2024 MTEF)
- Provision of affordable bus passenger services for people mainly in rural areas through passenger fare subsidies with an amount of R702.425 million allocated in 2024/25 and a total of **R2.202 billion** over the 2024 MTEF.
- Provision of scholar transport services to deserving learners from grade R to 12, who travel 5 km or more (single trip) to the nearest public school with an amount of **R725.431 million** allocated in 2024/25 and **R2.255 billion** over the 2024 MTEF. A total of 103 000 learners are planned to benefit from the programme in 2024/25.
- Traffic Law Enforcement to ensure adequate road safety and maximise traffic control and law enforcement on provincial roads with an amount of **R323.004 million** in 2024/25 and **R997.668 million** over the 2024 MTEF to fund the cost of 520 traffic officers providing for the 24/2 traffic officer shift system and an internship programme for the **150** traffic officers that are finishing college in December 2024

Department of Human Settlements

A total budget of **R6.930 billion** is allocated to the Department of Human Settlements over the 2024 MTEF, of which **R5.459 billion** or 79 per cent is conditional grant allocation.

Allocation for the 2024/25 financial year is **R2.385 billion**, of which **R1.518 billion** is for Human Settlements Development (HSD) Grant, **R361.420 million** is for Informal Settlements Upgrading Partnership Grant (ISUP) and **R2.384 million** for Expanded Public Works Programme (EPWP).

The conditional grant allocation for the 2024/25 financial year will fund amongst other things the following:

- Rural Interventions budget allocation of **R908.203 million** to facilitate 3 634 housing opportunities in rural areas and 5 193 sites;
- Incremental Intervention budget allocation of **R924.523 million** to facilitate 2 635 housing access to beneficiaries and **1 387** sites through a levelled process. Facilitation of emergency housing, the Enhanced People's Housing Process (EPHP), the facilitation of housing opportunities for an estimated 800 destitute and vulnerable groups and management of special projects and remedial works;
- Financial interventions budget of **R285.224 million** to facilitate the Housing Finance Linked Individual Subsidy programme, and to facilitate immediate access to housing goods and services for 385 beneficiaries and service 44 sites. Also, National Home Builders Registration Council (NHBRC) enrolment to rectification of **832** RDP stock pre and post-1994.
- Social and rental intervention budget of **R9.003 million** to facilitate access to Rental Housing opportunities, supporting Urban Restructuring and Integration;
- Informal Settlements Upgrading Partnership grant with a budget of **R361.420 million** to address the challenge of 160 informal settlements and facilitate the assessment of 115 informal settlements from land ownership to an estimated number of households and improve living conditions to benefit an estimated number of **51 225** households for informal settlement upgrading;

- Included in the budget allocation for 2024/25 MTEF is the additional funding by the province of **R12.260 million** in 2024/25, **R19.643 million** in 2025/26 and **R20.033 million** in 2026/27 for amongst other things the carry-through costs for review of ICT digital strategy, monitoring of projects and upgrading of server and network infrastructure; enterprise content management solution, operating leases, and legal fees.

Provincial Treasury

The department is allocated an amount of **R478.236 million** in 2024/25 and **R1.508 billion** over the 2024 MTEF to continue to support provincial departments and municipalities to ensure sound financial and resource management.

- Sustainable Resources Management: an amount of **R85.547 million** is allocated in 2024/25 and **R265.126 million** over the 2024 MTEF to continue with initiatives aimed at ensuring effective and efficient planning, utilization, implementation, and monitoring of provincial resources.
- Asset and Liabilities Management: an amount of **R28.284 million** is allocated in 2024/45, and **R88.886 million** over the 2024 MTEF to promote and enforce transparency and effectiveness of Supply Chain and Asset Management in the province.
- Financial Governance: an amount of **R101.219 million** is allocated in 2024/25 and **R322.203 million** over the 2024 MTEF to promote accountability through accounting practices, financial information systems governance as well as compliance with financial norms and standards.
- Municipal Accounting and Reporting: an amount of **R63.738 million** is allocated for 2024/25, and **R197.258 million** over the 2024 MTEF to support municipalities in achieving sound and sustainable financial management.

Department of Sports, Recreation, Arts and Culture

The department aims to develop and promote Sports, Recreation, Arts and Culture for spiritual, intellectual, physical and material upliftment of the people of the Eastern Cape.

A total amount of **R3.232 billion** has been allocated to the Department Sports, Recreation, Arts and Culture over 2024 MTEF, of which **R1.043 billion** is allocated for 2024/25. The allocation for 2024/25 will continue to fund projects to contribute towards the attainment of a Social Cohesion and safer communities emanating from the departments programmes, namely:

- Cultural Affairs: An amount of **R747.329 million** over the 2024 MTEF and **R241.598 million** in 2024/25 is allocated among others for the hosting of arts and culture festivals, national significant days and commemoration partnership projects;
- Library and Archives Services: An amount of **R944.442 million** over the 2024 MTEF and **R292.297 million** in 2024/25 for building of library infrastructure and digitisation of archives.
- Sport and Recreation: An amount of **R531.223 million** over the 2024 MTEF and **R174.247 million** in 2024/25 is allocated among others for hosting of major sport tourism events and school sport competitions.

Department of Community Safety

The department has been allocated **R144.840 million** in 2024/25 and **R433.950 million** over the 2024 MTEF. The allocation to fund amongst other things the following:

- Monitoring and Evaluation: An amount of **R4.317 million** in 2024/25 and **R12.990 million** over the 2024 MTEF is allocated for monitoring and evaluating the police performance and conduct. An estimate of 51 policing accountability engagements will be convened in the coming year.
- Safety Promotion: An amount of **R38.148 million** in 2024/25 and **R113.792 million** over the 2024 MTEF is allocated for the crime prevention mobilisation in the hotspot areas in the province. Provision is made ensure the implementation of 62 social crime prevention programmes.
- Community Police Relations: An amount of **R19.816 million** in 2024/25 and **R71.770 million** over the 2024 MTEF is allocated to promote good relations between police and the community. An amount of **R17.020 million** in the 2024/25 financial year is exclusively appropriated for the creation of Safety Partnerships Directorate within the Programme to ensure collaboration with other stakeholders.