Annual Report
2020/2021

economic development & tourism
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

MPUMALANGA
THE PLACE OF THE RISING SUN

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Annual Report
2020 / 2021

01

GENERAL INFORMATION

1. Department General Information 4
2. List of Abbreviations/Acronyms 8
3. Foreword by the MEC 13
4. Report of the Accounting Officer 15
5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report 19
6. Strategic Overview 20
6.1 Vision 20
6.2 Mission 20
7. Legislative and Other Mandates 21
Constitutional Mandate 21
Legislative and Policy Mandates 21
Institutional Policies and Strategies 23
8. Organisational Structure 24
9. Entities Reporting to the MEC 25

02

PERFORMANCE INFORMATION

Auditor General's Report: Predetermined Objectives 28
2. Overview Of Departmental Performance 29
2.1 Service Delivery Environment 29
2.2 Service Delivery Improvement Plan 30
2.3 Organisational Environment 32
2.4 Key Policy Developments and Legislative Changes 32
3. Achievement of Institutional Impacts and Outcomes 32
4. Institutional Programme Performance Information 33
4.1 Programme 1: Administration 33
4.2 Programme 2: Integrated Economic Development Services 41
4.3 Programme 3: Trade and Sector Development 53
4.4 Programme 4: Business Regulation and Governance 62
4.5 Programme 5: Economic Planning 67
4.6 Programme 6: Tourism 71
5. Transfer Payments 76
5.1. Transfer Payments to Public Entities 76
5.2. Transfer Payments to all Organisations other than Public Entities 80
6. Conditional Grants 81
6.1. Conditional Grants and earmarked funds paid 81
6.2. Conditional Grants and earmarked funds received 82
7. Donor Funds 83
7.1. Donor Funds Received 83
8. Capital Investment 83
8.1. Capital Investment, Maintenance and Asset Management Plan 83

03

GOVERNANCE

1. Introduction 88
2. Risk Management 88
3. Fraud and Corruption 89
4. Minimising Conflict Of Interest 90
5. Code of Conduct 90
6. Health Safety and Environmental Issues 90
7. Portfolio Committees 91
8. SCOPA Resolutions 95
9. Prior Modifications to Audit Reports 95
10. Internal Control Unit 96
11. Internal Audit and Audit Committees 96
12. Audit Committee Report 98
13. B-BBEE Compliance Performance Information 101

04

HUMAN RESOURCE

1. Introduction 104
2. Overview of Human Resources 104
3. Human Resources Oversight Statistics 105

05

FINANCIAL STATEMENTS

1. Report of the Auditor General 139
2. Annual Financial Statements 144

1. DEPARTMENT GENERAL INFORMATION

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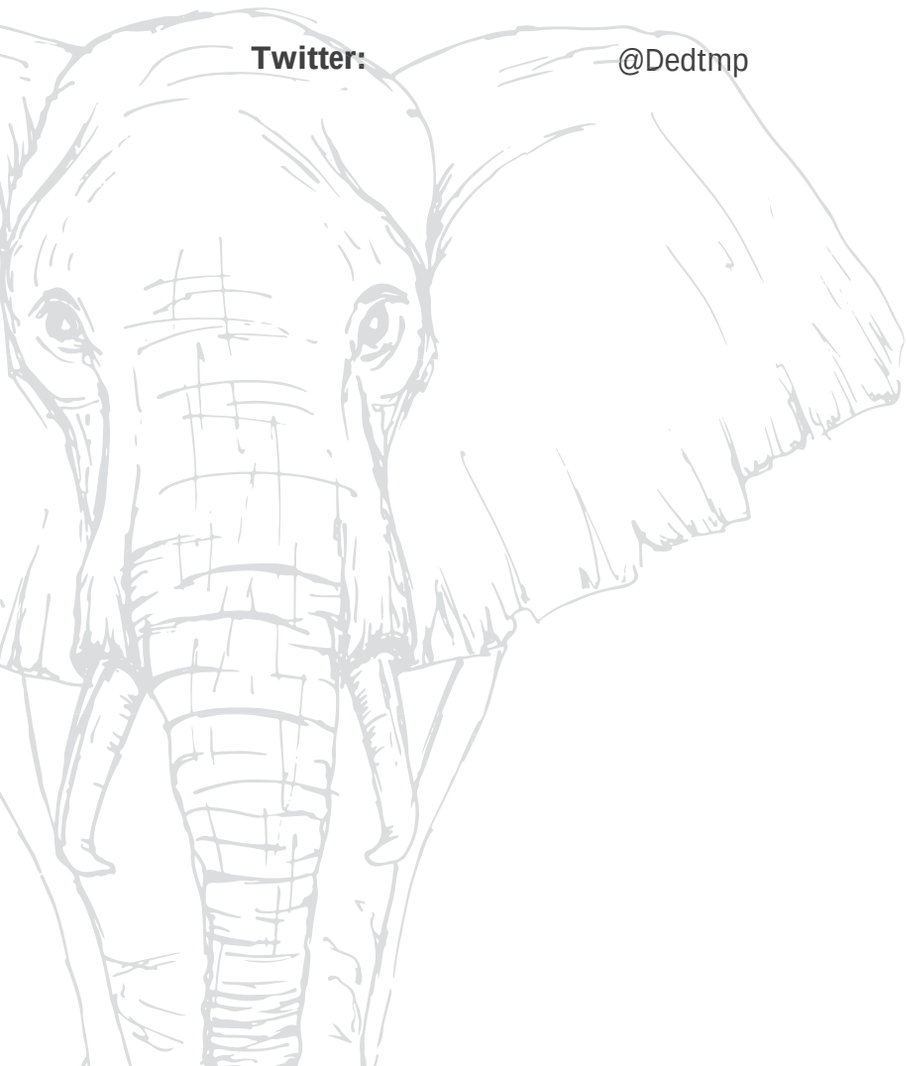
Facebook:	@Mpumalangadedt
Twitter:	@Dedtmp



Part A

General Information

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AGSA	Auditor General of South Africa
AMTS	Advanced Manufacturing Strategy
AO	Accounting Officer
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CC's	Close Corporations
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CPA	Consumer Protection Act
CSI	Corporate Social Investment
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs
DBSA	Development Bank of Southern Africa
DEDT	Department of Economic Development and Tourism
DESD	Decade of Education for Sustainable Development
DoEL	Department of Employment and Labour
DPSA	Department of Public Service and Administration
EEP	Employment Equity Plan
EHWP	Employee Health and Wellness Programme
EIA	Environment Impact Assessment
EIC	Enterprise Information Centre
EMC	Executive Management Committee
EPWP	Expanded Public Works Programme
EU	European Union
GDP	Growth Domestic Product
GIS	Geographical Information System
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR PLAN	Human Resource Plan
HRPIPR	Human Resource Plan Implementation Progress Report

IA	Internal Audit
ICC	International Convention Centre
ICT	Information Communication Technology
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
KMIA	Kruger Mpumalanga International Airport
LED	Local Economic Development
LRF	Local Regulatory Framework
LTO	Local Tourism Organisation
MDG	Millennium Development Goals
MEC	Member of the Executive Council
MEDGP	Mpumalanga Economic Growth and Development Path
MEGA	Mpumalanga Economic Growth Agency
MER	Mpumalanga Economic Regulator
MEBS	Mpumalanga Employment and Business Survey
MINMEC	Minister and Members of the Executive Council
MINTECH	Minister's Technical Team
MISS	Minimum Information Security Standards
MTEF	Medium Term Expenditure Framework
MTGS	Mpumalanga Tourism Growth Strategy
MTPA	Mpumalanga Tourism and Parks Agency
MunMEC	Municipalities and Member of the Executive Council
NCC	National Consumer Commission
NCPC	National Cleaner Production Centre
NDA	National Development Agency
NIPF	National Industrial Policy Framework
NSDP	National Spatial Development Perspective
NTSS	National Tourism Sector Strategy
OTP	Office of the Premier
PERSAL	Personnel and Salary Administration
PFMA	Public Finance Management Act
PGDS	Mpumalanga Provincial Growth and Development Strategy
POA	Programme of Action
PPPFA	Preferential Procurement Policy Framework Act
PSC	Public Service Commission
RMC	Risk Management Committee
RTO	Regional Tourism Organisations
RTP	Responsible Tourism Planning

SABS	South African Bureau of Standards
SCM	Supply Chain Management
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SEDA	Small Enterprise Development Agency
SERO	Socio-Economic Review and Outlook
SEZ	Special Economic Zone
SITA	State Information Technology Agency
SMME	Small, Medium and Micro Enterprises
SMS	Senior Management Service
SONA	State of the Nation Address
SOPA	State of the Province Address
TOR	Terms of Reference
TR	Treasury Regulations

MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND TOURISM
MR PV MKHATSHWA, (MPL)

3. FOREWORD BY THE MEC

The Sixth administration has prioritised seven key areas which were pursued to turn the economic tide of the country and ultimately of the Province. The seven priorities as outlined in the 2019/24 Medium Term Strategic Framework gave the Marching orders to the Province to focus on priority number 1, which is the Economic Transformation and job creation. As the Department, we have aligned and came up with programmes that responded to this clarion call.

The Department therefore focused on the key programmes such as the Mpumalanga International Fresh Produce Market, Nkomazi Special Economic Zone, Forestry Industrial Technology Park, Petro Chemical Industrial Technology Park and Revitalisation of Ekandustria. It is worth noting that during the year under review, the Mpumalanga International Fresh Produce Market has seen the employment of 85% for designated group and 18% of which were women contractors. This is an indication that the Department is working hard towards the attainment of transformation in line with MTSF priority. In as far as job creation is concerned, 773 jobs were created.

With regard to the other infrastructure projects such as the SEZ and Industrial Technology Parks, these programmes are still at the planning phase. However, it is worth mentioning that the SEZ has a functional board and a PMU which is assisting in developing the strategy. Of importance to mention is that the SEZ is anticipated to create 775 direct and indirect jobs over the 10 year horizon and it is an indication that this is a multi-year project.

The Industrial Technology Parks are also at the planning phase in that we are still in the process of finalising the statutory requirement phase which will include matters of tribunal. The Ekandustria Revitalisation, we are happy to report that phase 1 of that process has been finalised. I can confidently say that as the Department, we are on track to implement the 2019/24 MTSF priority number 2 as it relates to transformation and job creation.

The Department has encountered some challenges during the implementation of these strategic priority projects of the Province. The first challenges was on the dispute on the surface rights on the land to be developed, the objection from interested group and lengthy process of finalising the land use agreement, has delayed the finalisation of the statutory phase for the Technology Industrial Parks in both Gert Sibande and Ehlanzeni District.

In addition, the lengthy process of finalising the SEZ strategy, the delay in the appointment of the SEZ operator due organisational structure and misunderstanding by both TRAC and the Province has contributed to the challenge. This was also exacerbated by the Disaster Management Act, which led to the hard lockdown, added to the delays in the implementation of the strategic infrastructure.

The plan is to continue implement to these game changing programmes in the Province. It is worth noting that as part of the mandate of the Department, we have developed the Mpumalanga Economic Reconstruction and Recovery Plan (MERRP), which is aimed at stimulating the Provincial Economy. The MERRP is actually putting the acceleration plan in implementing these strategic priority projects of the Province with clear timelines. Once the Plan is adopted by the Executive Council, the government and private sector will jointly implement it to realise the transformation and job creation agenda.

MR PV MKHATSHWA, (MPL)

MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND TOURISM

31 MAY 2021

HEAD OF DEPARTMENT (ACTING)
MS G MASHITENG

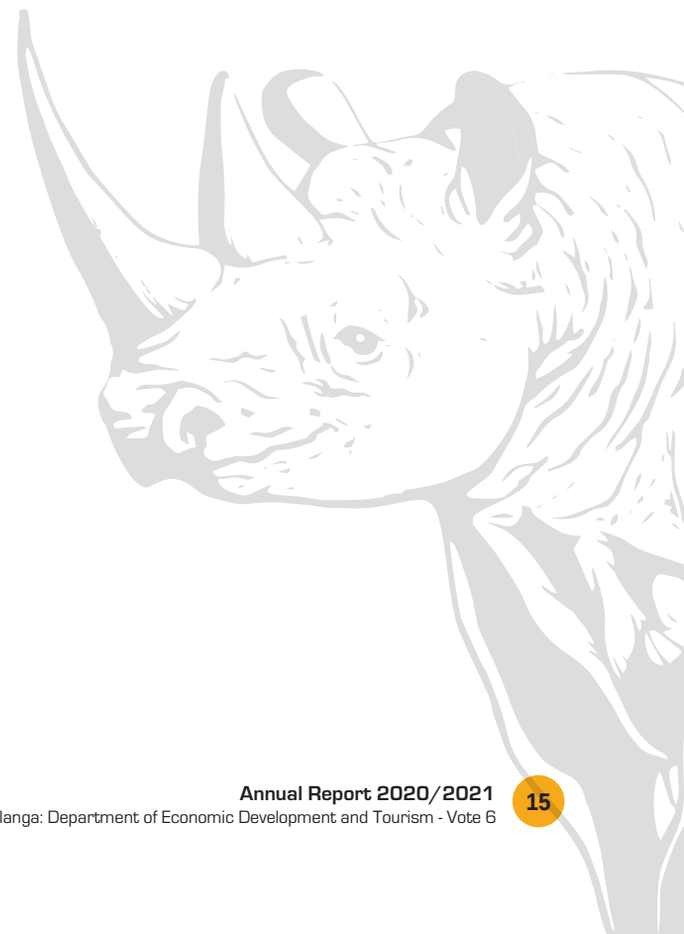
4. REPORT OF THE ACCOUNTING OFFICER

The financial year 2020/2021 has been the most challenging year in the history of the 21st century. The financial year has seen the outbreak of the COVID-19 virus in the global space, which has affected all of us including the Mpumalanga Province. The outbreak resulted in the total shutdown of the economy through the implementation of the disaster Management Act, which saw the country being under level 5 hard lockdown. The decision of the president to implement level 5 hard lockdown affected the financial and human capital resources, which enables state machinery to carry out its mandate. Ultimately, the state had to implement remote working, terrain which the state was not prepared for, and which was new to the current cohorts.

The modus operandi, which the state had to adopt to fit within the operation of the disaster management act, affected the operations of the Department and the country at large. As a result, government had to redirect funding for the implementation of the planned targets to fighting the outbreak of COVID-19 pandemic. The redirection of resources and the remote operation affected the implementation of strategic priority projects such as the Mpumalanga International Fresh Produce Market (MIFPM), which resulted in disrupting the construction of the infrastructure component and pushed back the completion, dates. That was also compounded by the ongoing strike on the site due to non-payment of disaster fund relief due to employees.

It is important to also mention that the level 5 hard lockdown and the subsequent lower levels meant that the planned normal engagement for the Technology Parks with various stakeholders had to be halted. In addition, the investment pipeline envisaged for the Technology Parks and the Nkomazi SEZ had to be delayed. The hard lockdown and the delaying process affected the investor confidence, which was exacerbated by the downgrading of South Africa by the rating agencies to junk and below investment level. However, the Department continued to pursue the ultimate goal of economic transformation and job creation in line with MTSF priority 1 of the MTSF 2019-2024. The Department managed to transfer R223 460 towards the construction completion level to be at 48% significantly is that 85% of construction work was awarded to black-owned companies and 18% of which was awarded to women in construction.

The level of 30-day payment of invoices to all the service providers stands at 99% and the ultimate goal is to reach 100%. We are excited to report that we have supported three (3) companies to access opportunities within the green energy sector, which are operating in three (3) districts.



Overview of the Financial Results of the Department:

Departmental Receipts

Departmental receipts	2019/2020			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection Expenditure	Estimate	Actual Amount Collected	(Over)/Under Collection Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	113,105	151,252	(38,147)	83,000	150,828	(67 828)
Casino taxes	93,484	91,235	2,249	47,718	51,807	(4 089)
Horse racing taxes	10,805	52,162	(41,357)	27,282	89,176	(61 894)
Liquor licences	8,816	7,854	962	8,000	9,845	(1 845)
Motor vehicle licences						
Sale of goods and services other than capital assets	169	117	52	178	123	55
Interest, dividends and rent on land	1,128	2,556	(1,428)	1,190	1,685	(495)
Sale of capital assets	200		200	211	107	104
Financial transactions in assets and liabilities	551	13	536	581	8,334	(7,753)
Total	**115,153**	**153,938**	**(38,785)**	**85,160**	**161,077**	**(75,917)**

Total revenue collected on behalf of the Department was R161,077, 000 against an adjusted target of R85,160, 000 which represents an over collection on of 89.1%. During the reporting period, the main revenue collection sources for the Department were gambling levies, as well as liquor license fees collected through the Mpumalanga Economic Regulator (MER). The COVID-19 pandemic, which was expected impact revenue collection negatively throughout the year, resulted in a downward adjustment to the original estimate, despite the negative expectation, revenue in total achieved the original targets. This is attributed to online gambling activities that are regulated by the MER, which were less affected by the lockdown regulations.

Included in Financial Transactions in Assets and liabilities is an amount of R8 324 000 that was surrendered by the Mpumalanga Economic Regulator (MER), this comprised retained surplus operational grant funds transferred in prior years, and still retained at the end of the 2019/2020 financial period.

Programme Expenditure

Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	108,582	101,046	7,536	86,082	82,625	3,457
Integrated Economic Development	390,316	388,004	2,312	470,069	466,735	3,334
Trade and Sector Development	19,975	18,084	1,891	19,102	17,938	1,164
Business Regulation and Governance	113,962	113,718	244	103,758	103,628	130
Economic Planning	18,419	18,081	338	17,008	16,234	774
Tourism	395,427	395,063	364	386,628	385,127	1,501
Total	**1,046,681**	**1,033,996**	**12,685**	**1,082,647**	**1,072,287**	**10,360**

Virements/Roll Overs

Post-adjustments were processed by the Department but did not affect the budget allocation. The following virements were processed (The Funds were taken from Under-Expending Programmes) in order to fund minor over-expenditure in other R1,367,000, R8,723,000 and R212,000 were shifted from Programme 1 (Administation), Programme 2 (Integrated Economic Development) and Programme 3 (Trade And Sector Development) respectively and to Programme 4 (Business Regulation and Governance), Programme 5 (Economic Planning), and Programme 6 (Tourism).

Strategic focus over the short to medium term period.

Public Private Partnerships

During the period under review the Department did not enter into any Public Private Partnership (PPP) agreement.

Discontinued Key Activities / Activities to be discontinued

No activities were discontinued in the year under review.

New or proposed key activities

None

Supply Chain Management

There was irregular expenditure which was incurred during the year under review. These amounts were primarily due to ongoing contracts which were found to be irregular after they had been entered into, or which had become irregular by the passing of time, including property and equipment rental contracts. The Department established the Loss Control committee towards the end of the previous financial year. The work of the Loss Control Committee was impacted by COVID-19 lockdown regulations due to the paperwork which needed to be reviewed. However, towards the end of the year an external service provider was appointed to investigation prior period irregular expenditure, and an application for condonation was submitted to Provincial Treasury. The role of the Loss Control Committee continues to develop increasing the manner in which it provides guidance in this area.

It should further be noted that Supply Chain Management unit operated with a skeleton staff compliment owing to a number of vacant posts. The former Assistant Director : Supply Chain Management (SCM) retired towards the end of the 2020 calendar year. The posts of Assistant Director : SCM and Deputy Director: SCM were advertised during the year under review, and the post of Assistant Director :SCM was filled in May 2021. The post of Deputy Director : SCM will be re-advertised.

No unsolicited bid proposals were considered for the year under review.

Gifts and donations received in kind from non-related parties

No gifts and donations were received in kind from non-related parties.

Exemptions and deviations received from the national treasury

No exemptions and deviations were received from the National Treasury.

Events after the reporting date

No events happened after the balance sheet date which warranted adjustment of the Financial Statements.

Other

None

Acknowledgement/s or Appreciation

I would like to thank the support of the former MEC Mr P Ngomane and the current MEC Mr PV Mkhatshwa for their unwavering support. Also, I would like to thank the management of the Department for their commitment to changing the lives of the people of Mpumalanga Province.

Conclusion

The Annual Financial Statements set out on pages 144 to 214 have been approved by the Accounting Officer.

Approval and sign off

MS G MASHITENG

ACCOUNTING OFFICER
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
DATE: 31 MAY 2021

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, i confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent;

The Annual Report is complete, accurate and is free from any omissions;

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury;

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury;

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements;

The External Auditors are engaged to express an independent opinion on the Annual Financial Statements;

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2021.

Yours faithfully

MS G MASHITENG

ACCOUNTING OFFICER
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
DATE: 31 MAY 2021

6. STRATEGIC OVERVIEW

6.1 Vision

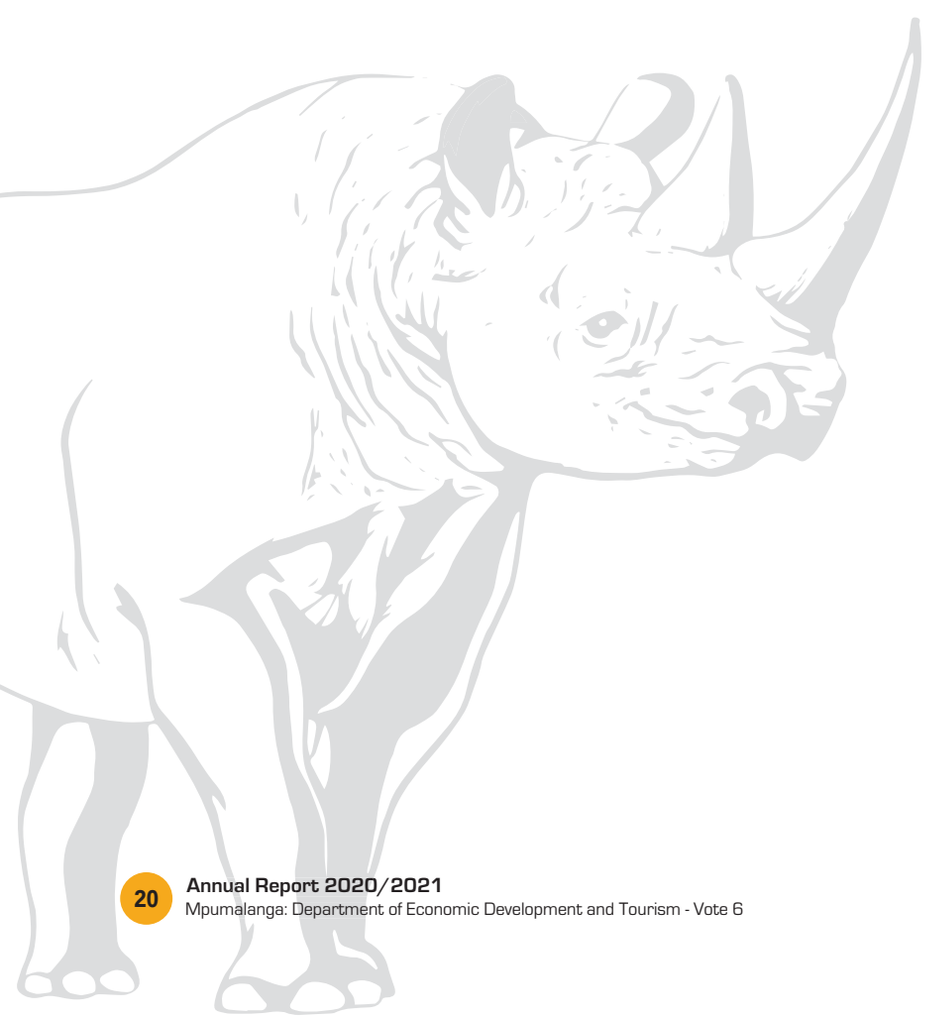
An inclusive, globally competitive economy

6.2 Mission

Drive economic growth that creates decent employment and promotes sustainable development

6.3 Values

Value	Value Statement
Integrity	Officials must be dedicated to the adherence of a strict moral and ethical code of conduct in the execution of their duties and responsibilities.
Fairness	Officials must conform to the rules and standards set out by the Department. All decisions should be made free of bias and must always be considerate and just.
Accountability	Officials are, at all times, to be responsible for the performance and results of their agreed upon duties and responsibilities. This refers to the pyramid responsibility that begins with individuals and builds up to top management.
Transparency	Officials will recognise the right to access to information excluding information that is specifically protected by law.
Professionalism	Officials will behave and execute their duties in a manner that enhances the reputation of the Department while adhering to the highest ethical standards.



7. LEGISLATIVE AND OTHER MANDATES

The following Constitutional, Legislative and related mandates regulate the environment within which the Department executes its operations:

Constitutional Mandate

The following table highlights the main Mandate of the Department:

Constitutional Mandate	Purpose
The Department derives its mandate from the Constitution of the Republic of South Africa, Act 108 of 1996.	Schedule 4 and 5 of the Constitution make provisions for the following: • Trade and industry promotion • Consumer protection • Casino, racing, gambling, wagering and Liquor Licenses • Provincial Public Enterprises • Tourism Promotion and • Nature Conservation

Legislative and Policy Mandates

Departmental Mandate	Purpose
To stimulate economic growth and development towards creating sustainable and decent employment, economic transformation and alleviation of poverty	• Influence the development growth patterns in the Province in order to build and accelerate a sustainable, equitable and inclusive economic growth path where people live; • Ensure a participatory economy where the youth, women, workers, rural masses, and the people with disabilities benefit from the natural wealth of the Province; • Enhance integrated regional growth and development through, among other things, fostering public private partnerships to increase trade and investment in the Province and within the region, and leveraging on Spatial Development Initiatives such as the Maputo Development Corridor; • Position infrastructure delivery programme in a manner that enhances the development ofSMMEs, creates decent job opportunities and allows participation of the communities through the promotion of co-operatives; • Utilise the MOUs with both local and global strategic partners to consolidate existing markets; access new markets; and attract foreign direct investment into the provincial economy

The Departmental mandate is provided in the table below:

The specific legislative and policy mandates that influence and affect operations of the Department are listed in the tables below:

Relevant legislation to the Department

Legislative Mandate	Purpose
Mpumalanga Economic Regulator Act, 2017 (Act 2 of 2017)	• To regulate the gambling industry in the Province in terms of the Mpumalanga Gambling Act; • To regulate the payment of gambling levies in terms of the Mpumalanga Gambling Levies Act; • To regulate the liquor industry in the Province in terms of the Mpumalanga Liquor Licensing Act; and • To monitor the performance of the MER in terms of executing its mandate (by virtue of being the shareholder representative);
National Tourism Act, 2014 (Act 3 of 2014)	• To provide for the development and promotion of sustainable tourism for the benefit of the Republic, its citizens and visitors.
Mpumalanga Liquor Licensing Act, 2007 (Act 5 of 2007)	• To provide for the regulation of the liquor industry in the Province; and for matters connected within;
National Gambling Act, 2004 (Act 59 of 2003)	• To provide for the coordination of concurrent national and provincial legislative competencies over matters relating to casinos, racing, gambling and wagering, and to provide for the continued regulation of these matters; and • To ensure that the Mpumalanga Gambling Act is aligned to national norms and standards established in terms of the National Gambling Act
Mpumalanga Consumer Affairs Act, 1998 (Act 6 of 1998)	• To promote a fair, accessible and sustainable marketplace for consumer products; • To establish national norms and standards relating to consumer protection; • To establish and manage the Office of Investigation of Unfair Business Practices, whose function is to receive, investigate and resolve complaints of unfair business practices; and • To establish the Consumer Court which adjudicates on matters of alleged unfair business practices
Mpumalanga Business Act, 1996 (Act 2 of 1996)	• To consolidate and amend certain laws in force in the Province regarding the licensing and carrying on of business
National Small Business Enabling Act, 1996 (Act 102 of 1996)	• To provide for small businesses to enter the economic frame; • To create a conducive environment for the promotion, support and development of small businesses in the Province; and • To ensure municipalities comply with prescripts of the Acts
Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)	• To provide for the empowerment of the black-owned companies to enter the mainstream economy; • To ensure black-owned companies have access to opportunities in the mainstream economy in an effort to transform the economy and reduce inequality; and • To ensure that the necessary support is provided to black enterprises, including targeted groups (women, youth and people living with disabilities) to enable them to successfully compete for opportunities in the economy
National Credit Act, 2005 (Act 34 of 2005)	• To promote a fair and non-discriminatory marketplace for access to consumer credit

Legislative Mandate	Purpose
Public Finance Management Act, 1999 (Act 1 of 1999)	• To promote sound financial management in the public sector; • To ensure every employee of the Department is enjoined that no fruitless/irregular expenditure occurs within the area of responsibility
Public Service Act, 1994 (Act 103 of 1994)	• To regulate the public service in the country
Basic Conditions of Employment Act, 1997 (Act 75 of 1997)	• To create a framework for employer-employee relations
Labour Relations Act, 1995 (Act 66 of 1995)	• To protect the rights of the workers

Institutional Policies and Strategies

Emanating from the Departmental strategic planning process, the following policies and strategies were identified as critical interventions that would assist the Department to realise the intended impact, in line with identified outcomes over the five-year period:

Outcomes	Identified Institutional Policies/Strategies/Priorities
Inclusive, diversified and growing economy	Facilitate and coordinate the following Policies, Strategies and Plans: • Mpumalanga Industrial Development Plan • Provincial ICT Strategy • SMME Provincial Strategy • Mpumalanga Trade and Investment Promotion Strategy • Mpumalanga Green Economy Development Plan • Mpumalanga Forestry Development Plan
Inclusive, competitive and sustainable tourism industry	• Provincial Tourism Growth Strategy • Mpumalanga Integrated Air Transportation Strategy
An ethical, well-coordinated, enabling and capable center of business excellence	• PFMA • Departmental Human Resource Strategy • Communication Plan • Risk Management Strategy

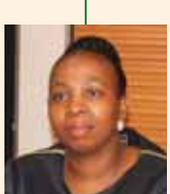
8. ORGANISATIONAL STRUCTURE

MEC
Mr PV Mkhatshwa, MPL

HOD (Acting)
Ms G Mashiteng

CFO
Ms H Thrush

Internal Audit
Vacant



Corporate Services
Ms W Rambau

- **Human Resource Management** *Ms IN Phiri*
- **Legal Services** *Mr TN Fakude*
- **Communication** *Dr MA Ramodibe*
- **Strategic Planning Services** *Mr JM Ndima*

Integrated Economic Development Services
Mr LM Mdluli

- **Enterprise Development** *Mr PT Khumalo*
- **Local Economic Development** *Mr PS Mohlala*
- **Economic Empowerment** *Ms IF Serakalala*
- **Regional Services Gert Sibande** *(Vacant)*
- **Regional Services Nkangala** *Mr A Mkhabela*

Trade and Sector Development
Mr JM Mnisi

- **Trade and Investment Promotion** *(Vacant)*
- **Sector Development** *(Vacant)*
- **Strategic Initiatives** *Mr A Van Niekerk*

Business Regulation and Governance
Ms LB Mabaso

- **Business Regulation** *Mr ADJ Sebastian*
- **Consumer Protection** *(Vacant)*

Economic Planning
Mr N Sebitso

- **Economic Policy and Planning** *Mr N Nkonyane*
- **Research and Development** *(Vacant)*
- **Knowledge Management** *Mr MOP Kgaka*
- **Monitoring and Evaluation** *(Vacant)*
- **Economic Analysis** *Mr L Van Vuren*

Tourism
Mr JD Mdluli (Acting)

- **Tourism Planning** *Mr JD Mdluli*

9. ENTITIES REPORTING TO THE MEC

The table below indicates the public entities reporting to the MEC:

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Mpumalanga Economic Growth Agency	• To promote trade and investment in Mpumalanga; • To provide funding in respect of approved enterprise development focusing primarily on the previously disadvantaged individuals in Mpumalanga; • To develop property, including the granting of housing loans in Mpumalanga; • To deliver massive infrastructure in Mpumalanga		• To promote and facilitate Trade and Investment in the Province; • To provide financial and non-financial support toSMMEs in the Province; • To provide financial support to emerging farmers in the Province; • To grant housing loans to the needy and previously advantaged
Mpumalanga Tourism and Parks Agency	• To provide for the sustainable development and improvement of the tourism industry in Mpumalanga	Transfer payments in line with the shareholders compact	• Provide for effective management and conservation of biodiversity and ecosystem within the Province; • Develop and ensure effective management of protected areas ; • Promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic opportunities for previously disadvantage individuals and local communities in the Province.
Mpumalanga Economic Regulator	• To continue to regulate the gambling industry as per the Act; • To promote responsible gambling within the Province; • To award the 4th casino license (within the next 5 years); • To provide for the regulation of the micro-manufacturing and retail sale of liquor; • To regulate own revenue generation; (section 5, subsection 2); • To reduce the socio-economic and other related cost of alcohol abuse; • To provide for public participation in the consideration of applicants for registration; • To promote the development of a responsible and sustainable retail and micro-manufacturing liquor industry in a manner that facilitates the entry of new participants into the industry; diversification of ownership in the industry and an ethos of social responsibility in the industry	Transfer payments in line with the shareholders compact	• To ensure that the gambling industry is regulated and functions within the parameters of the law • To promote responsible gambling within the Province; • To improve organisational licensing, expand and standardise industry compliance and enforcement; • To provide an enabling environment in human capital, finance and ICT; • To engender a high governance ethos; • To ensure effective and efficient administration and management of the Organisation

Part B
Performance Information

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA has performed certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against Predetermined Objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the report on other legal and regulatory requirements section of the Auditor's Report.

Refer to page 139 of the Report of the Auditor General, published as Part E: Financial Information.

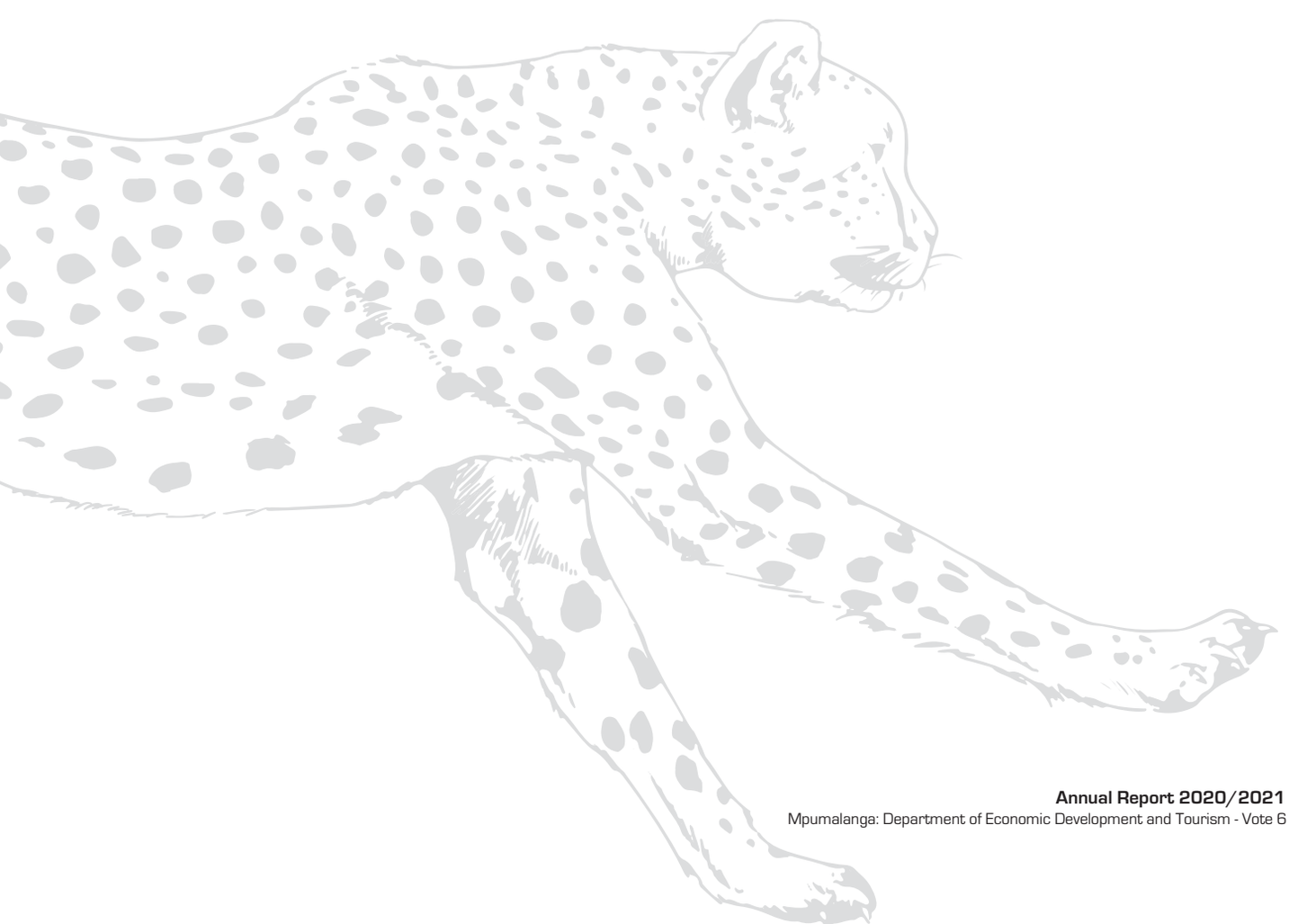
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department was forced, in the reporting period, to balance its strategic responses, on the one hand, to the initial socio-economic circumstances that informed formulation of the Strategic Plan and the Annual Performance Plan. Also were the effects of the COVID-19 pandemic outbreak and resultant lockdown in the first quarter of the financial year. There were severe service delivery interruptions experienced, mostly in the regional offices, necessitating the Department to scale down most of the face-to-face customer and stakeholder engagements.

Despite disruptions from the COVID-19 lockdown and restrictions, Departmental programmes showed resilience and agility in the provision of planned services, resulting in the review and reprioritization of business plans and new modes of engagements undertaken. As a result, the implementation of the annual performance and the response to the unforeseen challenges were successful. The Department has well performed since over 83% of the annual planned targets were achieved, in addition to contingent measures in the roll out of COVID-19 relief packages to distressed businesses, especially SMMEs and tourism recovery measures.

Considering the uncertainty brought by the COVID-19 on the operations of the Department as well as future mode of doing business, it is highly recommended that the use of virtual modes of service delivery be fostered. It is also recommended that electronic management of programme performance information be the norm during and post COVID-19 in line with global shifts toward the 4th industrial revolution.



2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan. The tables below highlight the Service Delivery Plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Consumer Protection Services	Consumers in the Province	Advisory services conducted and 1399 consumer cases were resolved 100%.	80% customer complaints resolved within specified time frames	100% (432 in total) cases received and resolved.
		600 consumer education and awareness programmes conducted.	234 consumer awareness and education programs conducted.	16 consumer awareness programs conducted – owing to COVID-19 restrictions.
Enterprise Development Services	SMMEs in the Province.	9SMMEs supported to access the Agro-processing incentive.	Facilitate funding through lines of credit for 12 township basedSMMEs in the Automotive After-Market Sector.	12SMMES in the Automotive sector were facilitated in the application of funding through SEDA and SEFA.
		16SMMEs supported through SABS accreditation, enabling them to participate on the Social Enterprise Program	15 township basedSMMES in textiles sector supported (facilitate funding and skills development)	21 Women-ownedSMMEs in the textile industry were identified and supported to apply for the funding with SEFA and skill development with SEDA

Batho pele arrangements with beneficiaries (consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Members of the public and clients consulted through the following arrangements: • Walk-in interfaces • Road shows • Radio and print media channels.	Regular engagements were conducted in an endeavour to understand stake-holder needs & expectations from the following structures: • Provincial Batho Pele Forum, • National Consumer Regulators; • National Consumer Protection Bodies; • Provincial Civil Organisations and NGOs • Trade unions, • Tribal Authorities, • Media Houses and • Members of the public.	Regular engagements were conducted in an endeavour to understand stakeholder needs & expectations from the following structures: • Provincial Batho Pele Forum, • National Consumer Regulators; • National Consumer Protection Bodies; • Provincial Civil Organisations and NGOs • Trade unions, • Tribal Authorities, • Media Houses and • Members of the public.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Conducted 515 workshops/awareness sessions, radio interviews, road shows, and presentations on consumer protection matters.	234 consumer awareness and education programs conducted.	16 consumer awareness programs conducted – owing to COVID-19 restrictions.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
To acknowledge receipt of complaints, in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	To acknowledge receipt of complaints, in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	One complaints received and acknowledged within 5 days.

2.3 Organisational Environment

The Department was not an exception on the effects that COVID-19 had in the country as a whole. We had to learn to adapt to the new world of work, which included rotational work, working remotely and that presented new challenges that we had never faced before. The national lockdown also had an impact on the delivery of the APP as all parties needed to adjust to the new normal and the adjustment did have an impact on the ability of the Department to deliver. During November 2020 the Department advertised fourteen posts which were aimed at assisting it to deliver on its mandate. The advertisement of these posts comes after more than five years of the Department not being able to fill any vacant posts owing to the moratorium on the filing of posts in the Province. The recruitment process will be finalized in the first quarter of the next financial year.

During the period under review, the transfer of the Accounting Officer to another Department within the Province also affected the Department. This led to the Department having three Accounting Officers during the period under review, with the latter being on acting capacity. The change in leadership does have a negative impact on the ability of the Department to deliver on its mandate, however the Department did its best under the circumstances to deliver on its mandate.

The Department is still operating on a 2007 organisational structure with amendment, consultations on the proposed organizational structure aligned to the thought leadership focus have been held, the challenge on the funding of the structure. This makes it a challenge as the Department is expected to provide thought leadership as per the strategy that was adopted for the Department. Engagements with the Provincial Treasury will be prioritized for the next financial year so that the structure can follow the strategy of the Department.

2.4 Key Policy Developments and Legislative Changes

During the period under review, due to the COVID-19 pandemic the changes in the way work is done, remotely impacted on the utilisation of leave. Due to not coming to the office, the Department has a high leave liability. This was also attributed to the extension of the forfeiture period of the 2019 leave days from 30 June 2020 to 31 December 2020.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Strategic outcome oriented goal 1	Sustained economic development
Goal statement	Sustained economic development that increases employment, alleviates poverty and addresses inequality among the citizenry

Strategic outcome oriented goal 2	Increased tourism in the Province
Goal statement	Flourishing domestic and foreign tourism and increased inclusivity of all stakeholders in the sector

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

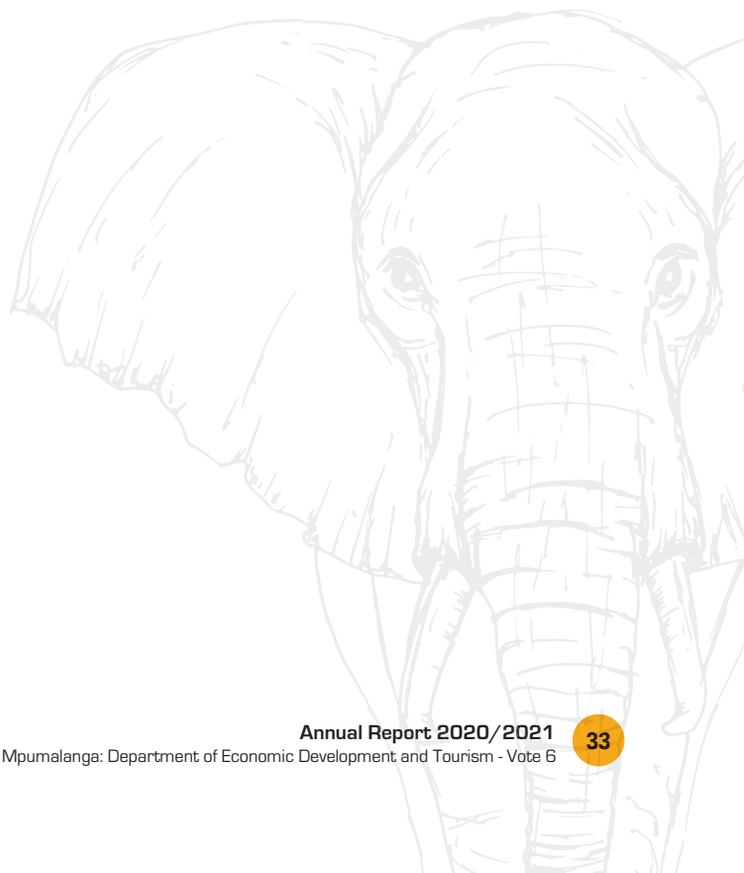
The purpose of programme is to provide administrative support for the implementation of the mandate of the Department.

The programme consist of the following sub-programmes:

- Office of the MEC
- Office of the Head of Department
- Internal Audit
- Financial Management
- Risk Management
- Strategic Planning Services
- Corporate Services with the following sub-programmes
- Human Resource Management
- Legal Services
- Communication
- Security Services
- Transversal Services

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

An ethical, well-coordinated, enabling and capable center of business excellence



Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme: Strategic Planning Service								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
An ethical, well-coordinated, enabling and capable center of business excellence	Improved Departmental performance	% achievement of organisational planned performance targets	88%	100%	100%	86% Organisational Quarterly targets achieved	14 % of organisational targets could not be achieved	Achievements of some targets was affected by the lockdown due to COVID-19
	Increased and sustained customer satisfaction levels	% customer satisfaction levels	New Indicator	New Indicator	80%	Not achieved, however, a questionnaire was developed and distributed to regional offices for administration.	80%of customer satisfaction level could not be reached	Customers could not complete the questionnaires due to COVID-19 regulations restricting on-site services.

Strategy to overcome areas of under performance

- All targets will be implemented in the next financial year 2021-22
- The Department will make use of feedback from the Departmental on line portal (if available).

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

None

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

During the period under review the budget was utilised to achieve the mandate of the programme. Also, the strategic planning services was able to present the progress on the implementation of Departmental programmes and projects to various IDP meetings. Facilitate and monitor the achievements of the programmes within the Department. Due to the COVID-19 outbreak some targets could not be achieve

Sub-programme expenditure

Sub- Programme: Strategic Planning Services	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**3 551**	**3 551**	**-**	**3 591**	**3 329**	**262**

Sub-Programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
An ethical, well-coordinated, enabling and capable center of business excellence	Improved staff performance levels	% compliance to PMDS framework	New Indicator	New Indicator	100%	99 % compliance to PMDS framework: - 99% performance agreements for salary level 1-12 for the 2020/21 performance cycle concluded within stipulated time lines. - 100% performance agreements for SMS members for the 2020/21 performance cycle concluded and submitted. - 98% annual assessments for salary level 1-12 for the 2019/20 performance cycle concluded and submitted. - 80% annual assessments for SMS members for the 2019/20 performance cycle concluded and submitted.	No mid-term reviews for 2020/21 performance cycle concluded as per paragraph 7 of DPSA circular 32 of 2020.	Out of 183 officials only 1 officials did not submit performance agreements in time despite several reminder Out of 25 SMS members 4 did not submit annual assessments and 1 transferred to another Department

Sub-Programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achieve-ment 2020/2021**	**Reasons for deviations**
	% disciplinary procedures completed within 90 days	% disciplinary procedures completed within 90 days	New Indicator	New Indicator	100%	None, no disciplinary cases reported during the period under review	None	None

Strategy to overcome areas of under performance

None

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

None, all planned targets are reported

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

The period under review was marred by the advent of the COVID-19 pandemic, which resulted in the lockdown of economic and all government activities. Consequently, all physical government community participation activities were halted. As such, limited communication activities were carried out, which included internal communication; media relations; social media engagements; and corporate communication (albeit limited).

Whatsapp groups were created, and e-mail was regularly utilised to keep personnel informed about the pandemic (instant communication and engagement); media advisories and statements were issued, radio interviews were conducted regularly (to keep the residents informed about the pandemic and government policy interventions), and some media monitoring and analysis activities were performed. Official Departmental social media platforms (facebook and twitter) were regularly utilised to share information and interact with the residents (clients of the Department); online platforms (website and intranet) were updated; the Annual Report (2019-2020) was printed; and official portraits of political office bearers were procured, amongst others. Support was also provided to the mec.

The funds allocated to the communication directorate has, thus, enabled the directorate to carry-out some of its functions during the period under review.

The security management sub directorate was allocated R 2 225 000.00 for 2020/21 and overspent with R 297 827.000 with the total expenditure of R 2 504 610.14. We were able to execute the approved operational plan to ensure compliance with the service level agreement with the Department of community safety, security and liaison to ensure safety and security. The 2020/21 allocated budget was insufficient to fund the operational plan of the security management sub directorate

Sub-programme expenditure

Sub- Programme: Corporate Services	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**38 345**	**35 201**	**3 144**	**31 789**	**31 411**	**378**

Sub-Programme: Financial Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
An ethical, well-coordinated, enabling and capable centre of business excellence	Implement effective and efficient financial management systems to achieve clean audit	Auditor General audit outcome	Unqualified with emphasis	Unqualified with emphasis	Unqualified (no matters)	Unqualified with matters Audit report finalised	Unqualified audit (with matters)	Different interpretation on applicable legislation and previous contracts which deviated from supply chain processes
		% decline in irregular expenditure	New Indicator	New Indicator	50%	A request has been submitted to Provincial Treasury for condonation. This was submitted during the month of March, and no response has been received yet.	50% decline in irregular expenditure was not achieved	A lack of internal capacity to perform the necessary investigations.

Sub-Programme: Financial Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
		% of creditor payments within 30 days of receipt of compliant invoice	99.8%	99%	100%	98% of creditor payments within 30 days of receipt of compliant invoice	2% of creditor payments within 30 days of receipt of compliant invoice not achieved	The delay in suppliers correcting and submitting the necessary documentation to enable the Dept. to process invoices. The suppliers not updating their tax affairs with SARS.
		%of the value of goods and services to be procured from designated groups as per PPP.	New Indicator	New Indicator	80%	88% of the value of goods and services procured from designated groups as per PPP.	8% was over achieved	Demand driven
		% compliance with the ICT Governance System and Framework	New Indicator	New Indicator	60%	50% compliance with the ICT Governance System and Framework	10% compliance with the ICT Governance System and Framework not achieved	Unchanged capacity in the Department. COVID-19 protocols lead to staff not being available to attend to additional tasks as time on site was kept to a minimum. SYSCON posts and GITO post not formalised in the existing establishment.

Strategy to overcome areas of under performance

- Request treasury to provide training on new legislation and follow due processes in the new contracts as soon as they expire
- Monitoring of the request for condonation that has been submitted and further meetings of the loss control committee
- To appeal to suppliers to stick to information as quoted to be included on the invoice. Also, to request the supplier to submit information on time and to sort the tax matters on time.
- Request assistance from Provincial Treasury to assist with addressing the lack of formal it governance policies and procedureS.

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

None, all planned targets are reported

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited Financial Statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The Department must also report on how expenditure contributed to achievement of outputs.

Sub-programme expenditure

Sub-Programme: Financial Management	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	45 757	42 995	2 762	36 442	34 695	1 747

4.2 Programme 2: Integrated Economic Development Services

The purpose of the programme is to stimulate economic growth through the promotion of HDIS and stimulate economic growth in the Province

The programme consist of the following sub-programmes:

- Enterprise Development
- Economic Empowerment
- Local Economic Development

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

- Inclusive, diversified and growing economy

Outcomes, outputs, output indicators, targets and actual achievements

The Department continued to promote and support an enabling business environment and ecosystem that enables small businesses to grow and develop, which is critical for economic growth and job creation. The activities of the Enterprise Development directorate on access to markets, capacity building, inculcating a culture of entrepreneurship with the associated pipeline of potential entrants drawn from various initiatives, business developments support and sustainable procurement. These initiatives contributed towards job creation and the expansion of businesses by enabling them to inter alia, move up the value chains within sectors such as construction. The Department was also successful in supporting co-operatives in the waste sector of the Green Economy with safety wear and equipments.

In promoting inclusive and sustainable economic growth that incorporates the local sphere and the business community the following were achieved:

Co-ordinated for the provision of business infrastructure for manufacturing enterprises at the local municipalities. Municipalities were assisted to provide support to SMME in the waste management by opening up their waste management sites. The Department assisted municipalities to implement the red tape reduction strategy by reducing the cost of doing business by SMME's. The Department also assisted in strengthening the LED forums in most municipalities in the Province.

The sub programme Economic Empowerment co-ordinated the implementation of Broad Based Black Economic Empowerment through the activities of the provincial Broad Based Black Economic Empowerment council, which assessed the level of B-BBEE compliance and came up with possible interventions in the various sectors. Two black empowered companies were assisted to participate in the Green Economy through the Black Industrialist Programme. Three black empowered companies were assisted to participate in the mining value chain.

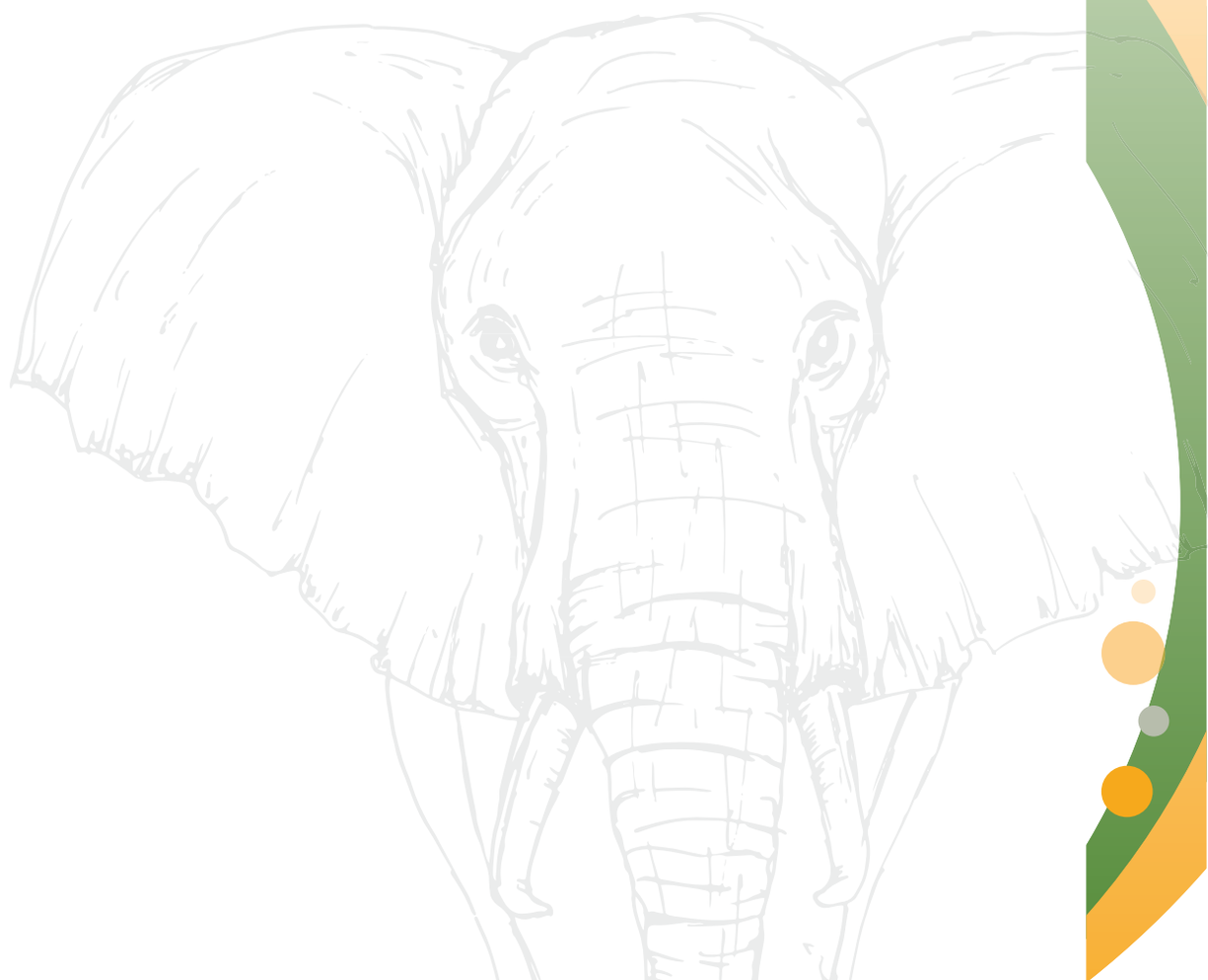
The achievements of these targets contributed towards the Departments Strategic Outcome Orientated Goals, which will invariably impact on Strategic Priorities of government. It is the policy of government and the Department that in all the programme that are implemented priority is given to the designated groups which is women, youth and people with disabilities.

Sub-programme: Enterprise Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/201**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive, diversified and growing economy	Green Economy SMMEs supported for sustainability	Number of newSMMEs entering the sector	New Indicator	Nil	3	Not Achieved	None of theSMMEs were supported	APP was revised during Lockdown	It was not possible to achieve the target due to COVID-19 restrictions
	Township based manufacturing SMMEs placed in Entrepreneurship programme	Number of Township based manufacturing SMMEs placed in Entrepreneurship programme to develop business skills	New Indicator	New Indicator	9	Not achieved, however 84 Township based SMMEs supported during the period under review (Bakery, Textile, Automotive After-Market Sector, Spazas)	The target was not achieved by 9	APP was revised during Lockdown	The training could not take place due to COVID-19 restrictions due to the large number of SMMEs which were targeted.
	SMMEs accessing supplier and enterprise development opportunities from Mining Houses (mining Sector)	Number of workshops facilitated to support Access to contracts above R200 000 awarded to black owned enterprises	New Indicator	New Indicator	1	Not achieved	No workshop held	SA Lockdown due to COVID-19	It was not possible to achieve the target due to COVID-19 restrictions

Sub-programme: Enterprise Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Green Economy SMMEs supported for sustainability	The Number of Cooperatives in 3 municipalities facilitated to upgrade waste pickers into cooperatives and supported with safety wear and equipment and shelter.	New Indicator	New Indicator	6	The 6 cooperatives in 3 municipalities, namely: (Victor Khanye, Thembisile Hani and Bushbuckridge were assisted with compliance. A submission was processed to acquire the necessary protective clothing, working tools. Department of environment was engaged to provide safety training to the cooperative members.	None	None
		The number of Women owned Waste ManagementSMMEs supported to grow and sustain their businesses .	New Indicator	New Indicator	6	12SMMEs in the waste management sector were identified and visited in the 3 Districts to select the targeted groups of women owned and youth ownedSMMEs. Six were selected to participate .The equipment needs of the sixSMMEs were evaluated and a submission for procurement was made.	The needs of theseSMMEs indicates that they need assistance to become area buy-back centers which will assist the waste pickers in an area.	The Equipment and capital needs of theSMMEs were identified and an engagement to request more resources will be undertaken.

Sub-programme: Enterprise Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
	Township based Bakeries, TextileSMMEs, Motor Mechanics / Spares and spaza shops supported	12 Township Based Bakeries supported for growth , production and management skills (Youth owned / Women Owned)	New Indicator	New Indicator	12	12 Township Based Bakeries identified and supported to apply for assistance from SEDA to grow their business and improve production standards. (Youth owned /Women Owned)	Department of Heath requirements and the requisition of PPE in the production areas of most of the bakeries presented a challenge. Most of the bakeries are not observing good practice as required by health in consideration of COVID-19 conditions	Engage SEDA to work on the capacitation of the bakeries that do not comply. Funding May be required to recapitalize some of them to improve their processes.
		15 township basedSMMES in Textiles sector supported , facilitate funding and skills development. (Women Owned)	New Indicator	New Indicator	15	21 Women OwnedSMMEs in the Textile industry were identified and supported to apply for the funding with SEFA and skill development with SEDA	6 moreSMME's were supported with the application of funds	None
		Facilitate funding through lines of credit for 6 Township basedSMMEs in the Automotive After-Market Sector .	New Indicator	New Indicator	6	12SMMES in the Automotive sector were facilitated in the application of funding through SEDA and SEFA.	MoreSMMEs were found to require the funding.	None

Sub-programme: Enterprise Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
		12 Spaza shops supported to access lines of credit and bulk buying from designated suppliers Youth Owned	New Indicator	New Indicator	12	18 Spaza shops were assisted to access lines of credit through SEDA and SEFA .	The target was exceeded as more SMEs required the support.	None



Strategy to overcome areas of under performance

The Department will strengthen the performance of MEGA to be able to assist our enterprises.

The Department will strengthen the working relationship of DFI's such as SEFA, IDC and NEF that are operating in the Province to provide support to enterprises in the Province.

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

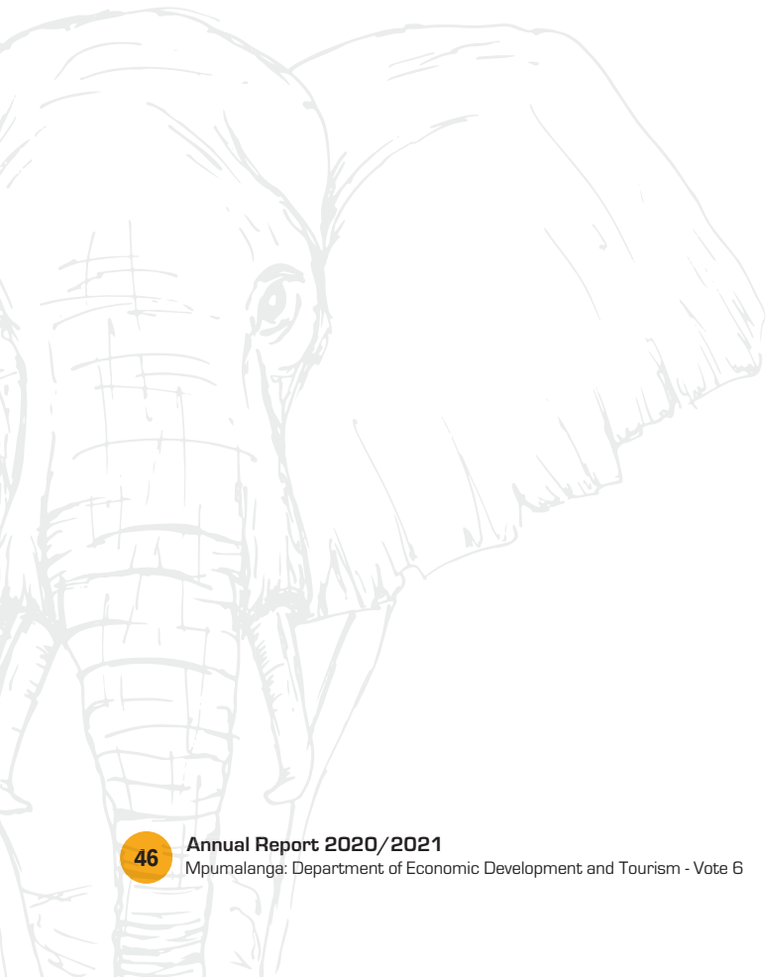
The standardised outputs and output indicators for sectors such as the Green Economy, agriculture and forestry mining and tourism have been prioritised and included in the Annual Performance Plan and reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

The Department has provided information to the SMMEs on the relief programme that were made available by the national Department of small business through SEDA and SEFA to assist the informal business. The Department also assisted SMMEs to apply for the relief programme through the establishment of a provincial call centre where SMMEs were calling and being guided on how to fill the forms. The Department made available an amount of 10 million that was transferred to the parastatals to assist SMMEs affected by COVID-19 to be assisted through grants and payments for their staff.

Linking performance with budgets

The programme has spent R467 087 million of its R466 192 million which represents 100,2% of the total budget of the programme. This means there was a slight over expenditure of the programme by 2% due to the monthly accumulation of pmds for senior managers which was paid late. Even though the programme show a slight over expenditure there was an under expenditure on goods and services due to the lock down as a result of the budget for both accommodation and subsistence and travelling not having been utilized. The programme has spent 99,3% of the budgeted goods and services since some of the budget was directed towards the public entity to cushion the negative impact of COVID 19 pandemic. The performance of the programme was hampered by the COVID 19 pandemic since a number of targets were not achieved. The enterprise programme unit has spent all its budget even though there was an under expenditure on its goods and services since the sub-programme could not conduct the planned workshops for SMME's that were planned due to COVID 19 pandemic which affected the performance of the sub-programme and the budget.



Sub-programme expenditure

Sub- Programme: Enterprise Development	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	341 484	341 091	393	429 349	426 300	3 049

Sub-programme: Economic Empowerment									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Inclusive, diversified and growing economy	Manufacturing companies participating in BI programme	Number of manufacturing companies participating in BI programme	New Indicator	New Indicator	1	0	1	APP was revised during Lockdown	It was not possible to achieve the target due to COVID-19 restrictions
	Black owned companies participating in the tourism sector	Number of black owned companies participating in the tourism sector	New Indicator	New Indicator	1	0	1	APP was revised during Lockdown	It was not possible to achieve the target due toCOVID-19 restrictions

Sub-programme: Economic Empowerment								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Black empowered companies participating in Green Economy	Number of black empowered companies participating in Green Economy	New Indicator	New Indicator	2	2 black empowered companies participating in Green Economy	None	None
	Manufacturing companies participating in BI programme	Number of manufacturing companies participating in BI programme	New Indicator	New Indicator	1	The Black Industrialist Steering Committee meeting facilitated to get DFIs and the dtic to provide support to the potential Black Industrialists identified	None	None
	Black existing companies funded to participate in the mining value chain	Number of black existing companies funded to participate in the mining value chain	New Indicator	New Indicator	2	3 black existing companies participating in the mining value chain identified and supported to access funding from the relevant DFIs	None	None
	Black owned companies participating in the tourism sector	Number of black owned companies participating in the tourism sector	New Indicator	New Indicator	1	1 black owned companies participating in the tourism sector	None	None

Strategy to overcome areas of under performance

None

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

None, all planned targets are reported

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

The sub programme spent 97,9% of its total budget. This was mainly due to the delay in the finalization of black companies in the Black Industrialist Programme. The delay due to COVID 19 pandemic in rolling out the programmes of the advisory council had an impact on the performance of the sub-programme and in turn affected the budget of the sub programme. The impact of the pandemic affected the budget of the sub programme since officials were operating remotely and the budget for travelling and accommodation could not be utilized thus this had an impact on the performance of the sub-programme and the budget.

Sub-programme expenditure

Sub- Programme: Economic Empowerment	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**5 571**	**4 433**	**1 138**	**4 153**	**4 185**	**(32)**

Sub-programme: Local Economic Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive, diversified and growing economy	Reduced cost of doing business by municipalities forSMMEs. (Manufacturing sector)	Number of municipalities supported to reduce the cost of doing bySMMEs	New Indicator	New Indicator	1	0	1	APP was revised during Lockdown	It was not possible to achieve under lockdown restrictions
	Business infrastructure provided (Factory space & Industrial Parks, electricity, water, land, road networks), (Manufacturing sector)	Number of business infrastructure provided.	New Indicator	New Indicator	2	1	1	APP was revised during Lockdown	It was not possible to achieve under lockdown restrictions
	LED Forums supported in municiplites for the benefit ofSMMEs/ Co-ops in the mining sector value chains	Number of LED Forums supported.	New Indicator	New Indicator	2	0	2	APP was revised during Lockdown	It was not possible to achieve under lockdown restrictions

Sub-programme: Local Economic Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/202**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Municipalities supportingSMMEs to participate in the mainstream waste management industry (Green Economy)	Number of municipalities assisted to supportSMMEs in the waste management industry	New Indicator	New Indicator	2	3 municipalities assisted to supportSMMEs in the waste management industry Msukaligwa LM Bophelo Recycling and Injinga Bied Recycling Govan Mbeki and Pixley ka Isaka Seme LMs were assisted through collaboration with Council for Geoscience to support them in identifying business opportunities on Carbon capture utilization and storage forSMMEs.	The collaboration with Council for Geoscience on carbon capture initiative increased the support to 3 municipalities	None
	Reduced cost of doing business by municipalities forSMMEs. (Manufacturing sector)	Number of municipalities supported to reduce the cost of doing bySMMEs	New Indicator	New Indicator	2	The Provincial Red Tape Reduction Strategy was disseminated to all municipalities through the 3 districts.	Support was offered through the 3 districts and more municipalities were accessed	None.
	Business infrastructure provided (Factory space & Industrial Parks, electricity, water, land, road networks), (Manufacturing sector)	Number of business infrastructure provided.	New Indicator	New Indicator	1	1 municipalities supported to provide business infrastructure forSMMEs. Steve Tshwete 40SMME Industrial units launched in Mhluzi.	None	None

Sub-programme: Local Economic Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/202**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	LED Forums supported in municipalities for the benefit ofSMMEs/Co-ops in the mining sector value chains	Number of LED Forums supported.	New Indicator	New Indicator	1	1 Multi-stakeholder platform established to coordinate opportunities forSMMEs in mining within Nkangala District.	None	None

Strategy to overcome areas of under performance

Participated in the DSBD stakeholder forum on COVID-19 relief schemes to support local business.

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

None, all planned targets are reported

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

The sub programme has spent 88,3% of its budget. This was due to the programme not being able to utilized the goods and services budget that was meant to support municipalities in the Province to provide the necessary infrastructure to theSMME;s at local level. The sub-programme could not provide the necessary training on the regulatory review of the municipalities bi-laws due to the COVID 19 pandemic. This has hampered the performance of the sub-programme and in return affected the budget of the sub programme since officials could not travel and accommodation budget was not utilized.

Sub-programme expenditure

Sub-Programme: Local Economic Development	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**8 253**	**7 873**	**380**	**6 166**	**5 950**	**216**

4.3 Programme 3: Trade and Sector Development

The purpose of the programme is to support the development of industries within the key economic sectors of the Province, and to create a conducive environment for trade and investment.

The programme consist of the following sub-programmes:

- Green Economy
- Manufacturing and agro-processing sector
- Mining sector

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

- Inclusive, diversified and growing economy

Outcomes, outputs, output indicators, targets and actual achievements

Green Economy:

The programme managed, through the partnership with green cape to establish the Green Economy cluster which would promote, coordinate and execute projects within the green economic space. The Green Economy cluster would greatly contribute to initiatives in the "just transition programme" whereby moving to a cleaner energy producing environment within Mpumalanga. The Green Economy cluster would ensure that deserving projects in the Green Economy space be executed in partnership with industry.

Manufacturing:

Nkomazi SEZ (Special Economic Zone)

The finalisation of the interim phase of the Nkomazi SEZ is progressing well and the PMU, consisting of 4 professionals, is operational. The interim board is also in place and the SEZ entity has been registered as: Mpumalanga Nkomazi SEZ soc ltd. The finalization of the statutory site requirements is moreover nearing completion since the required environmental authorization and township establishment approvals are already in place. The development phase of the SEZ is expected to commence within the next financial year.

Petro-chemical industrial park (Govan Mbeki: Secunda):

With regard to the Petro-Chemical Industrial Technology Park in Govan Mbeki, the general plan was approved by the surveyor general. The Department is now busy with the process of opening of the township register where after the project would be completed.

Forestry industrial park (Thaba Chweu: Sabie):

Relating to the forestry Industrial Technology Park in Sabie, there are delays in the completion of the statutory compliance requirement due to a number of objections against the proposed development. The Department addressed a number of concerns by reworking the environmental report and a new tribunal hearing will be conducted to conclude this matter.

Mining:

Two pilot projects on reusing mine impacted water to irrigate mine rehabilitated land for agriculture use are already underway, namely: the Mafube Colliery Irrigation with mine water project and the Brugspruit Pollution Control Works Project. The irrigation project in particular is showing great potential since it has the potential to be expanded and replicated to other mines. A further investigation (in-SUTU groundwater remediation and surface water assessment) is required at the brugspruit pollution control works project to ascertain the most effective method to reduce acid mine drainage into the Brugspruit.

In terms of alternative uses of mining land the Kromdraai mine site has been selected for the scalable, life-size demonstration model of a sustainable mine closure project and the sustainable regional closure model was developed for implementation. Further to this the Green Engine Project is aimed at developing a regional economic model where mine owned land, renewable energy and treated mined water will work together to develop business Opportunities for Local Communities. In dealing with designated groups the programme can report that it supports the following incubation programmes that support youth development. Although the incubation programmes is not exclusively for youth, the majority of people participating in the programme are young people.

Mpumalanga Stainless Initiative (MSI) was established to beneficiate stainless steel:

Youth and other SMME's was trained and supported on stainless steel in order to obtain contracts from industry or start their own manufacturing operations. A budget of R 1 300 000-00 was provided to MSI for this support.

Furniture technology incubator (FURNTECH):

15 Young people was trained in small scale furniture manufacturing and upholstery at Thaba Chweu Local Municipality to increase the skills in this sector to support the planned Forestry Industrial Technology Park. A budget of R 850 000-00 was made available for this intervention.

Sub-programme: Green Economy								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Renewable energy projects implemented within the industry	% of Green Economy cluster resolutions and action plans implemented	New Indicator	New Indicator	80%	An average of 87,5% of the Green Economy Cluster Action Plan executed covering the following: **Key Actions:** Promotion of Bio-Energy Initiatives. (100%) Establishment of the Green Economy Cluster (100%) Partnerships with Industry in the Green Economy Projects (75%) Roll out of Just Transition Programme. (75%)	The development of the Mpumalanga Natural Gas Strategy (MNGS) was not implemented.	The development of the Mpumalanga Natural Gas Strategy (MNGS) was removed from the Action Plan after the APP has been revised due to COVID-19 lockdown and budget cuts

Strategy To Overcome Areas of Under Performance

- The MNGS will be considered in the 2021/22 Financial Year

Performance in Relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

All Indicators in the Annual Performance Plan are reported on in the Annual Report.

Reporting on the Institutional Response to the COVID-19 Pandemic

None For Programme 3.

Linking Performance with Budgets

The programme managed to spend R 17,937 million of its total final budget R 20,314 million. This represents a under expenditure of R 2,377 million for the programme as a whole. In terms of the compensation of employees economic classification the programme underspent due to funded vacant posts which were advertised, and not filled before year end. In addition, PMDS payments were less than originally budgeted for by the programme. In terms of the goods and services economic classification the envisaged municipal planning tribunal hearing for the Sabie Industrial Technology Park has not yet been conducted due to some outstanding work that still needs to be finalised as directed by Dardlea on the environmental authorisation and the municipal planning tribunal will now only be concluded in the 2021/2022 financial year. The Petrochemical Industrial Technology Park is also expected to be finalised within the new financial year and as such the required payment milestones were not achieved hence the underspending. The projects for the industrial technology parks are managed in terms of payment milestones and the necessary acceleration plan was put in place to ensure the projects are concluded within the new reworked timeframes. In terms of the transfer and subsidies economic classification there were no under expenditure since the required funds were transferred to the respective incubators supported by the department (MSI and FURNTECH)

Sub-Programme Expenditure

Sub-Programme: Green Economy	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4 348	3 651	697	3 664	3 289	375

Sub-programme: Manufacturing and Agro-processing sector								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Establishment of the Nkomazi SEZ	Facilitate and coordinate the Implementation of the Interim Phase of the Nkomazi SEZ	New Indicator	Interim Phase	Interim Phase of the Nkomazi SEZ implemented.	Interim Phase of the Nkomazi SEZ implemented as follows: • PMU established and operational. (4 Professionals already appointed.) • Interim Board is in place and the SEZ Entity has been registered as: Mpumalanga Nkomazi SEZ SOC LTD Appointment of Service Provider was finalized and work commenced (such data collection and status quo and literature analysis).	SEZ Operator not appointed	The SEZ Operator would only be appointed after the SEZ Entity has been capacitated and is functional.

Sub-programme: Manufacturing and Agro-processing sector								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
	Establishment of 3 Industrial Technology Parks	Facilitate and coordinate the establishment of 3 Industrial Technology Parks	New Indicator	Project Initiation Phase	Project Initiation Phase of 3 Industrial Technology Parks implemented	Project Initiation Phase of 3 Industrial Technology Parks implemented (started) as follows: • Land Availability Agreements for Govan Mbeki Local Municipality (Petrochemical Industrial Technology Park) and Thaba Chweu (Forestry Industry Technology Park) Local Municipality developed. • Request for funding from Treasury concluded for equity in the Highveld Steel Industrial Park (Mining & Metals Industrial Technology Park) • The municipal planning approval for the Petrochemical Industrial Technology Park has been obtained and that of the Forestry Industrial Technology Park not obtained as yet	Funding for the Mining and Metals Industrial Technology Park not secured and the Municipal Planning Tribunal approval not yet obtained for Forestry Industrial Technology Park	Funding was not made available due to COVID-19 pressures. Objections raised against application necessitated the Department to rework the Environmental Report.

Strategy to Overcome Areas of Under Performance

The delays in the finalisation of the statutory requirements for Petrochemical Industrial Technology park as well as the Forestry Industrial Technology Park has been further complicated by the COVID-19 lockdown which had further delays on the finalisation of the projects. In terms of moving forward the Department would make the necessary changes to the contracts of the professional service providers to ensure that the required acceleration plans are implemented to ensure the completion of the respective projects.

Performance In Relation to Standardised Outputs and Output Indicators For Sectors with Concurrent Functions

All indicators in the Annual Performance Plan are reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

None for programme 3

Linking Performance with Budgets

Green Economy sub programme (Trade & Investment Promotion)

In terms of the Green Economy sub programme the programme underspend by R 502 000-00 in terms goods and services that can mainly be contributed to many of the physical meetings with industry partners had to be canceled or postponed due to COVID-19 lockdown regulations. These meetings were however conducted on virtual platforms and hence resulting in a saving under fuel and accommodation for officials who would have attended these meetings.

Sub-programme expenditure

Sub- Programme: Manufacturing and Agro-processing sector	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**2 516**	**2 309**	**207**	**2,068**	**1,943**	**125**

Sub-programme: Mining Sector								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Increase in reusable mining water for agricultural purposes	Number of projects on mine water utilization for agricultural purposes	New Indicator	New Indicator	2	Two pilot projects on reusing mine impacted water to irrigate mine rehabilitated land for agriculture use already underway, namely: • Mafube Colliery Irrigation with Mine Water Project; • Brugspruit Pollution Control Works Project.	None	Results of pilot projects not yet available
	Increase in mining land rehabilitated for other purposes	Number of projects on mining land rehabilitated for other land use purposes	New Indicator	New Indicator	2	2 pilot projects on mine land utilization implemented and evaluated as follows: 1. Kromdraai Project The Kromdraai mine site has been selected for the scalable, life-size demonstration model of a sustainable mine closure project. **Progress to date:** Sustainable Regional Closure Model developed **Green Engine Project:** This Project is aimed at developing a regional economic model where mine owned land, renewable energy and treated mined water will work together to develop business opportunities for local communities. **Progress to date:** Socio-economic opportunities identified with mine water as enabler	None	Non-availability of funding to develop bankable business plans in the sectors identified (agriculture, energy, waste, tourism & ICT)

Strategy to overcome areas of under performance

- Finalise results of pilot projects in order to replicate the project.
- Mine water Coordinating Body (MWCB), of which DEDT is a member, is working on a strategy to aggressively source funding for phase ii activities

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

All indicators in the Annual Performance Plan are reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

None for programme 3

Linking performance with budgets

Manufacturing and Agro Processing sector sub programme (Strategic Initiatives)

The manufacturing and Agro Processing sub programme underspend by R 1,124 million mainly due to the envisaged municipal planning tribunal hearing for the sabine industrial technology park has not yet been conducted due to some outstanding work that still needs to be finalised as directed by DARDLEA on the environmental authorisation and the municipal planning tribunal will now only be concluded in the 2021 2022 financial year. The Petrochemical Industrial Technology Park is also expected to be finalised within the new financial year and as such the required payment milestones were not achieved hence the underspending.

The projects for the Industrial Technology Parks are managed in terms of payment milestones and the necessary acceleration plan was put in place to ensure the projects are concluded within the new reworked timeframes.

Sub-Programme Expenditure

Sub-Programme: Mining Sector	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**10 887**	**10 214**	**673**	**11 614**	**11 151**	**463**

4.4 Programme 4: Business Regulation And Governance

The purpose of programme is to ensure an equitable, socially responsible business environment that allows fair trade and the protection of consumer rights.

The programme consist of the following sub-programmes:

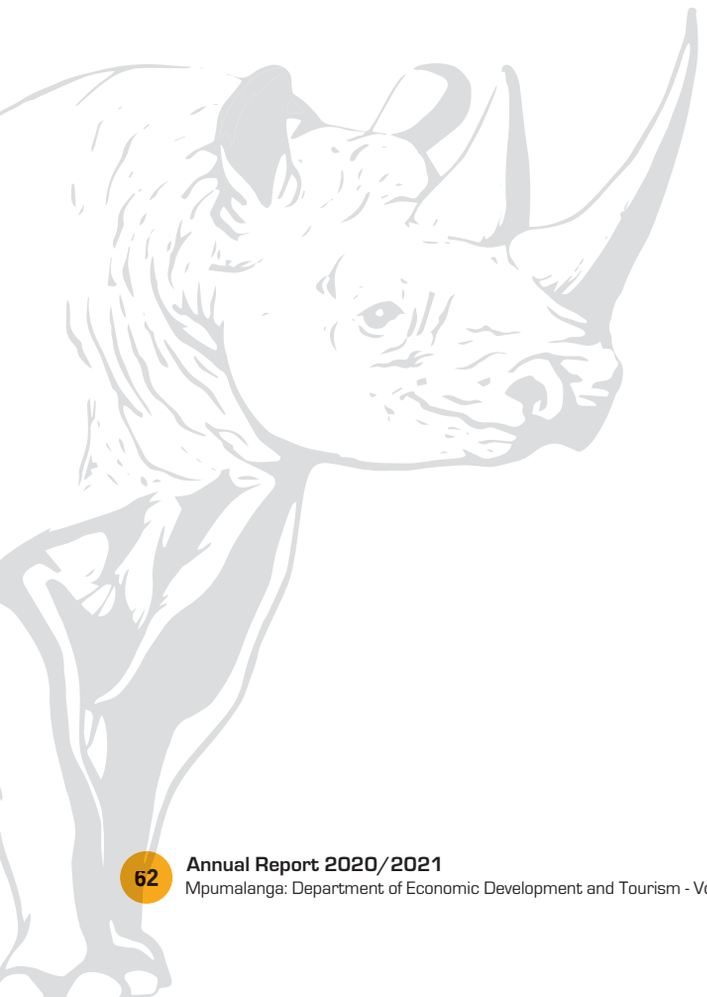
- Consumer protection
- Business regulation

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

- Inclusive, diversified and growing economy

Outcomes, outputs, output indicators, targets and actual achievements

- The mandate of programme 4 is derived from schedule 4+5 of the construction and is to:
- Ensure protection of consumer rights and
- Provide a regulatory framework that creates a fair trade and socially responsible gambling and liquor industries in the Province. The Programme was able to facilitate mediation of all consumer disputes received, provide secretarial function to the provincial consumer courts. Radio programmes were conducted as part of consumer education and awareness of consumer rights. Workshop support was given to municipalities with regards to review of the by-laws, including Monitoring and Evaluation of Gambling activities by MER.



Sub-programme: Consumer Protection									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Output indicators / Annual Targets**
Inclusive, diversified and growing economy	Consumer cases reduced	% of customer complaints resolved within specified timeframes	100%	80%	100%	100% cases received and resolved. (421 Cases received and 432 cases resolved)	The target was revised to 80% but due to demand the initial plan was achieved	None	20% was removed from the APP due to Lockdown restriction
		Number of Consumer Awareness and Education programs	600 The target was revised to 80% but due to demand the initial plan was achieved	504	632	16	616 Consumer Awareness and Education programs were not conducted as planned	SA Lockdown due to COVID-19 pandemic and the associated regulations that limit gathering made it impossible to conduct workshops and outreach programmes	398 awareness was removed from the APP during SA Lockdown COVID-19 pandemic

Sub-programme: Consumer Protection								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Output indicators / Annual Targets**
Inclusive, diversified and growing economy	Consumer cases reduced	% of customer complaints resolved within specified timeframes	100%	80%	80%	100% cases received and resolved. (421 Cases received and 432 cases resolved)	None	More complaints were received during the period under review
		Number of Consumer Awareness and Education programs	600	504	234	16 Consumer Awareness programmes conducted	218 Consumer Awareness programmes were not conducted	Awareness could not be done as planned due to COVID-19 restrictions

Strategy to overcome areas of under performance

The consumer protection office in the process of establishing an electronic case management system to improve the efficiency of the office in handling and managing consumer complaints timeously. On the challenge of implementing consumer awareness programmes officials will be trained to use relevant social media platforms given the continued challenge of COVID-19 where gatherings are still restricted.

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

All indicators in the Annual Performance Plan are reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

None for programme 4

Linking performance with budgets

The programme has spent up to R12 503 of its budget, which is an under expenditure compared to its planned budget. The under expenditure can mainly be attributed to many of the activities such as the consumer awareness workshops, meetings and training workshops with municipalities not being able to be held physically due to COVID-19 lockdown regulations, which could not permit physical meetings. Most of the meetings held were conducted virtually, thus saving on travel and accommodation.

Sub-programme expenditure						
Sub- Programme: Consumer Protection	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**12 668**	**12 593**	**75**	**12 205**	**12 171**	**34**

Sub-programme: Business Regulation									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Inclusive, diversified and growing economy	Regulated business environment	Number of reviewed Business Licensing, Gambling and Liquor policies and guidelines	3	3	3	1	2	APP revised	2 plans were removed on the APP during SA Lockdown. It was not possible to achieve all 3.

Sub-programme: Business Regulation								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Inclusive, diversified and growing economy	Regulated business environment	Number of reviewed Business Licensing, Gambling and Liquor policies and guidelines	3	3	1	1 Business Licensing, Gambling and Liquor policies and guidelines reviewed	None	None

Strategy to overcome areas of under performance

None

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

All indicators in the Annual Performance Plan are reported on in the Annual Report

Reporting on the institutional response to the COVID-19 pandemic

None

Linking performance with budgets

The sub-programme has spent up to R96 651 of its budget, which is an under expenditure compared to its planned budget. The budget received for 2020/21 was R89 912, which is a decrease of the amount totaling R8 908. The under expenditure can mainly be attributed to many of the activities such as the meetings and training workshops with municipalities not being able to be held physically or postponed due to COVID-19 lock-down regulations, which could not permit physical meetings. Most of the meetings which were later held, were conducted virtually, thus most of the saving came from no travel and accommodation costs being spent.

Sub-Programme Expenditure

Sub- Programme: Business Regulation	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**98 820**	**98 651**	**169**	**89 917**	**89 281**	**96**

4.5 Programme 5: Economic Planning

The programme is responsible for provision of Economic Policy direction and strategies, in addition to conducting research on the Provincial Economy, to inform Strategy Development.

The programme consist of the following sub-programmes:

- Policy and planning
- Research and development
- Knowledge management
- Monitoring and evaluation
- Economic analysis

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

- Inclusive, diversified and growing economy

Outcomes, outputs, output indicators, targets and actual achievements

The programme continued to track data on projects that are primarily driven by the Provincial Government which are geared towards growing the economy of the Province as per the Mpumalanga Economic Growth and Development Path (MEGDP). Climate change has brought on a new dynamic which has given rise to initiatives within the Green Economy in order to move towards measures that seek to reduce the carbon footprint. To this end there has been an additional focus to track progress on Economic Development initiatives that seek to mitigate carbon emissions. The advent of COVID-19, which precipitated unprecedented a drastic slowdown in activities due to the ensuing lockdown, had a significant drawback effect towards project activities and progress in general. The longer term draw backs are due to the slowdown and disruptions in supply chains thus affecting speed of delivery for inputs towards project implementation. There was therefore a general slowdown in the pace of implementation of development projects that support Economic growth.

From an Economic analysis and research point of view, the programme continued in 2020/21 to conduct, coordinate and commission socio-economic related research to inform economic planning and policy of the Department and Province, with a COVID-19 flavour in the reporting period to contribute in executing the Department's Mandate, Vision and Mission. It analysed statistical data of relevant socio-economic indicators and disseminate socio-economic related data and research findings, rendering an economic advisory service to relevant stakeholders on provincial and even municipal level. A Departmental/provincial economic research agenda was also developed and the units liaised with relevant institutions on economic research related matters.

The research and on-line surveys regarding the economic impact of COVID-19 to inform the economic planning process and MERRP (Mpumalanga Economic Reconstruction and Recovery Plan), can be highlighted. Economic analysis is the central point in Mpumalanga regarding credible, accurate and quality socio-economic data and information for planning, policy and budget purposes. This is also shared at Lekgotlas aiming at contributing eventually to higher economic growth and addressing the triple challenges in the Province. The performance and achievements are directly linked with the Department's Mandate and outcome of promoting and achieving an inclusive, diversified and growing economy in Mpumalanga.

Sub-programme: Knowledge Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Updated geo-database of MEGDP priority projects	Updated geo-database of MEGDP priority projects in Mpumalanga	Statistical database and GIS information for MEGDP priority initiatives produced and updated	Updated statistical database and GIS information for MEGDP priority initiatives produced	Updated geo-database of MEGDP priority projects in Mpumalanga	Updated geo-database of MEGDP priority projects in Mpumalanga on MEGDP priority projects in Mpumalanga	None	None

Strategy to Overcome Areas of Under Performance

None

Performance in Relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

All indicators in the Annual Performance Plan are reported on in the Annual Report. The standardised outputs and output indicators for relevant sectors have been prioritised and included in the Annual Performance Plan and reported on in the Annual Report.

Reporting on the Institutional Response to the COVID-19 Pandemic

None

Linking Performance with Budgets

Expenditure for the sub-programme was 98% for the 2020-21 financial year. Under expenditure was mainly due to less travelling activities due to restrictions brought upon by the advent of COVID-19. This had an indirect effect of lessening on-site inspections for economic development projects but this was also mitigated by that there was slowed progress in implementation.

Sub-Programme Expenditure

Sub- Programme: Knowledge Management	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**3 835**	**3 810**	**25**	**3 924**	**3 682**	**242**

Sub-programme: Economic Analysis								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, diversified and growing economy	Socio-economic research reports to inform the Departmental, provincial and municipal planning, policy, strategy and budget processes	Number of Provincial Economic Review and Outlook (PERO) reports compiled	1 PERO report compiled	1 PERO report compiled	1 PERO report compiled	1 PERO report compiled	None	None
		Number of updated Socio-Economic Review and Outlook (SERO) reports completed and communicated	2 updated SERO reports completed and communicated	2 updated SERO reports completed and communicated	2 updated SERO reports completed and communicated	2 updated SERO reports completed and communicated	None	None

Strategy to overcome areas of under performance

None

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

All indicators in the Annual Performance Plan are reported on in the Annual Report. The standardised outputs and output indicators for relevant sectors have been prioritised and included in the Annual Performance Plan and reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

None

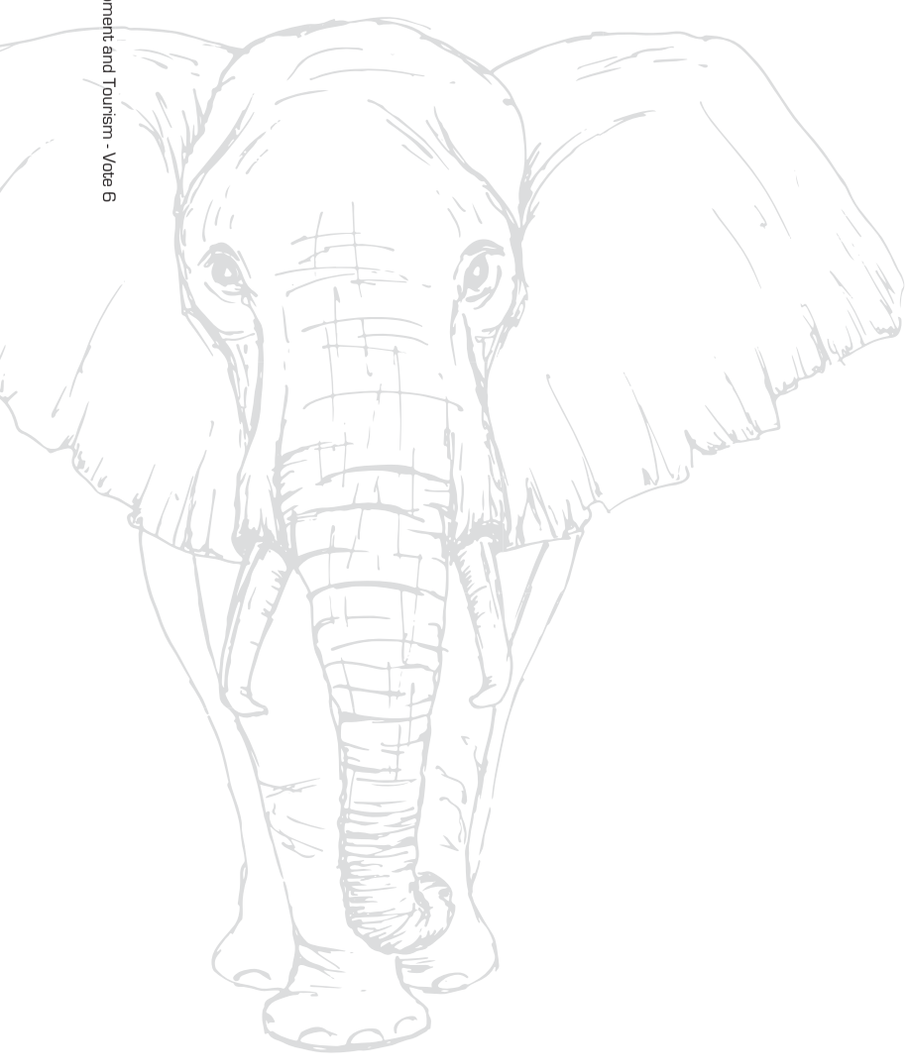
Linking performance with budgets

The Economic Analysis Unit achieved all its targets in both 2019/20 and 2020/21 and contributed in executing the mandate of the Department and in line with the Vision and Mission, as well as the outcome of achieving an inclusive, diversified and growing economy in Mpumalanga. There was however, some underspending in 2019/20 related to especially COE underspending. One of the Deputy Directors resigned in this financial year and the post was not filled. In 2020/21 financial year where COVID-19 and the lockdown played a role in activities and events not taking place as usual as part of the unit's responsibilities, like the attendance and participation in relevant workshops, strategic planning sessions, conferences, IDP/LED/DDM forums etc.

The unit played a leading and instrumental role in the last year in providing credible data and information on the Provincial Economy for Planning purposes and informing the MERRP (Mpumalanga Economic Reconstruction and Recovery Plan) to mitigate the negative economic impact of COVID-19 and the lockdown and to identify new economic opportunities for Mpumalanga to increase economic growth and to address the triple challenges in the Province.

Sub-Programme Expenditure

Sub- Programme: Economic Analysis	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4 819	4 759	60	4 652	4 610	42



4.6 Programme 6: Tourism

Purpose of the programme:

The purpose of the programme is to ensure Tourism Sector Policy Development, Regulation and compliance and promotion of sector transformation in the Province.

The programme consist of the following sub-programmes:

- Tourism planning

The programme contributes towards the following institutional outcome as per the Annual Performance Plan.

- Inclusive, competitive and sustainable tourism industry

Outcomes, outputs, output indicators, targets and actual achievements

The programme has successfully achieved its targets as it relates to the coordination of stakeholders in the Tourism sector in order to achieve its outcome on inclusive, competitive and sustainable Tourism industry. Furthermore, the programme has also achieved its outputs and output indicators in relation to destination enhancement and route development to diversify product offerings and enhance visitor experience. In the quest to respond to the devastating effect of COVID-19 pandemic, the programme in partnership with the private stakeholders managed to develop Mpumalanga tourism Recovery Plan, which was approved by Provincial Cabinet. The Mpumalanga Tourism and parks agency is currently implementing this plan through the Tourism Relief Funding and Tourism Infrastructure Upgrade Programmes. These achievements are invariably having an impact on the government Strategic Priorities of cushioning the impact of COVID-19 in the Tourism Sector and maintain the jobs in line with priority number 1 of transformation and job creation.

Sub-programme: Tourism Planning									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of the re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reason for deviations**	**Reasons for revisions to the Output/ Output indicators/ Annual Targets**
Inclusive, competitive and sustainable tourism industry	Expand new entrants in the tourism industry with majority of black ownership	Percentage increase of new entrance in the tourism industry with majority black ownership	New	New	4% increase of new entrants in the tourism sector with majority black ownership	None	The target was removed from the APP	Not implemented during lockdown	It was not possible to achieve this target due to Lockdown caused by COVID-19 pandemic
		Number of Provincial Tourism SMMEs support toolkits/ brochures developed	New	New	1 x Provincial Tourism SMMEs support toolkit/ brochure developed	None	The target was removed from the APP	Not implemented during lockdown	It was not possible to achieve this target due to Lockdown caused by COVID-19 pandemic

Sub-programme: Tourism Planning								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive, competitive and sustainable tourism industry	Expand new entrants in the tourism industry with majority of black ownership	Number of Tourism Structures Coordinated and Supported	New Indicator	New Indicator	15	27 Tourism Structures coordinated and supported, (11 supported through virtual platform (Zoom) namely: - Supported National Tourism Sector Forum - Coordinated a meeting with the MMCs for LED and Tourism - Coordinated meeting with the Tourism RTOs - Supported Nkalanga LED and Tourism Forum - Supported Pixley Ka Isaka Seme LM and LTO - 3 District LED and Tourism presentations on Tourism Blueprint - 1 Tourism MIPTECH engagement meeting - 1 NTSF engagement meeting - 1 MEC Tourism Stakeholders meeting on Tourism Relief funding - 1 x Tourism Visitor Information Stakeholder's meeting - 1 MEC meeting with Gert Sibande District Mayors and the RTO - NTSF, MIPTECH and MinMeC)		Increased demand for more tourism structures coordination due to COVID 19 pandemic, e.g. development of the tourism recovery plan, National MinMeC, TWGs and Tourism MIPTECH meetings

Sub-programme: Tourism Planning								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	****Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
	Destination enhancement and route development to diversify product offering and enhance visitor experience	Number of new strategic tourism projects facilitated to enhance visitor experience	New Indicator	New Indicator	1	1 Tourism Train project facilitated to enhance visitor experience	None	None
		Number of Monitoring and Evaluation Reports on Strategic Tourism Projects and Initiatives produced	New Indicator	4	4	4 Monitoring and Evaluation Reports on Strategic Tourism Projects and Initiatives Developed. - M&E report on Barberton Makhonjwa Mountain World Heritage Site - M&E report on Pilgrim's Rest	None	None
		Number of Tourism Policies and plans developed to grow the tourism sector in the Province	New Indicator	New Indicator	1 x plan developed (COVID-19 Mpumalanga Tourism Recovery Plan)	COVID-19 Tourism Sector Impact Assessment and final Tourism Recovery Plan developed.	None	None

Strategy to overcome areas of under performance

None

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

All indicators in the Annual Performance Plan are reported on in the Annual Report. The standardised outputs and output indicators for relevant sectors have been prioritised and included in the Annual Performance Plan and reported on in the Annual Report.

Reporting on the institutional response to the COVID-19 pandemic

The Department has developed Mpumalanga Tourism Recovery Plan to respond to the devastating impact of COVID-19 pandemic. The Department has made available a total of R 20 million to the Mpumalanga Tourism and Parks Agency (MTPA) in order to implement this plan through the tourism relief funding and tourism infrastructure upgrade programmes.

Linking performance with budgets

The Tourism programme achieved all its targets in 2020/21 and contributed in executing the mandate of the Department and in line with the vision and mission, as well as the outcome of achieving an inclusive, diversified and growing economy in Mpumalanga. There was however, some underspending in 2020/21 related to especially development of rail heritage project which could not be finalised due to COVID-19 pandemic.

Sub-programme expenditure

Sub- Programme: Tourism Planning	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	**395 427**	**395 063**	**364**	**386 628**	**385 127**	**1 501**

5. TRANSFER PAYMENTS

5.1 Transfer Payments to Public Entities

The Department has signed a shareholder compact with the three (3) public entities reporting to it, and the performance of these entities was monitored on a quarterly basis, based on the shareholder compact.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Growth Agency	• Promote and facilitate Trade and Investment in the Province • Provide financial and non-financial support toSMMEs in the Province • Provide financial support to emerging farmers in the Province • Grant housing loans to the needy and previously advantaged	192,323	192,323	Nkomazi SEZ • The Nkomazi Local Municipality has approved the township establishment. • The SEZ PMU is currently working towards finalising the township establishment process by the end of Quarter 3. • Four officials appointed to the PMU to focus on the interim phase of the SEZ development, which include fully establishing the SEZ entity and preparing the Nkomazi SEZ Strategy and Business Plan as per SLA entered into with DEDT. MIFPM Operationalisation • The provincial Executive Committee at its special sitting of 12th November 2020 resolved that project should be transferred to DPWRT for implementation. • The transfer process commenced on 13th March 2020 as initiated by the MECs for DEDT and DPWRT. • MEGA continued with the implementation of the project through 2020 whilst working with DEDT and DPWRT towards ensuring a smooth seamless transfer of the construction responsibilities to DPWRT. • DPWRT took over management of the MIFPM construction on 30th November 2020. • In terms of the MOA signed between MEGA, DPWRT and MEGA, MEGA is supposed to: • Provide information related to the project & finalise all litigations; • Continue to deal with private sector entities relating to operationalization of the project; • Remain part of contractual agreements with City of Mbombela; • Retain ownership of the land and completed building infrastructure. • In terms of the MOA DEDT and MEGA are responsible for the operationalization of the market. • MEGA has continued working with the IDC and Thebe to secure additional funding and partnership for the operational phase of the project.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Growth Agency	• Promote and facilitate Trade and Investment in the Province • Provide financial and non-financial support toSMMEs in the Province • Provide financial support to emerging farmers in the Province • Grant housing loans to the needy and previously advantaged	192,323	192,323	• The IDC is preparing a submission to their finance committee to secure an investment decision. This process is anticipated to be complete within the 1st quarter of the 2021/22 financial year. • entered into with the IDC and Thebe. The precinct and buildings will remain under the ownership of MEGA. • Construction on site is progressing well under the direct supervision of the DPWRT. It however seems unlikely that the infrastructure will be completed within the current financial year given the limited funds available. Completion the build requires close to a billion Rands this financial year. • MIFPM – Role of Transactional Advisors: • Tender was advertised in April 2021 • Tenders were received and being adjudicated and appointment of the panel of Transactional Advisors to be finalised before the end of the first quarter of 2021/22 financial year. • MEGA has embarked on a process to appoint a panel Transactional Advisors, which will provide advisory service. • Trade & Investment • The entity had put on hold all trade and investment outward missions, in particular overseas travel, until further notice pending declaration by government that it is safe to do so. • Management is considering undertaking outward missions in African countries while taking into consideration the necessary precautions as advised by government. • While the status quo remains, the entity relies mainly on enabling technology such as Zoom Conferencing, participation through virtual conferences such as webinars where available, as well as strategic partners that hosts investment portals. • Management is also considering reopening its Johannesburg Office in order to access foreign investors since Gauteng is a home for national government Departments, Embassies and consulate general offices which many investors use as a point of entry into South Africa. • A comprehensive submission has been submitted to the FINCOM and Board for consideration. Given MEGA's financial constraints, Management has recommended that this move be put in abeyance until our finances are sound.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Regulator	Regulate the gambling and liquor industries in the Province in line applicable laws Promote responsible gambling within the Province Improve organisational licensing; expand and standardise industry compliance and enforcement Provide an enabling environment in human capital, finance and ICT Engender high governance ethos Ensure effective and efficient administration and management of the Organisation	85,227	85,227	• Nkomati Anthracite • Nkomati Anthracite, a mine operating in Nkomazi area wherein MEGA held 40% shares, was put under business rescue in October 2020. • Through the business rescue, the shares of both Benicon and MEGA were expunged for R1, of which MEGA was given 40 cents for the 40% shares. • MEGA has challenged this process through the courts and made an application to set aside the business rescue plan. MEGA further submit • ted an appeal to the Department of Mineral Resources and Energy (DMRE) against their decision to approve the change in shareholding of Nkomati. • MEGA has through Cliffe Dekker Hofmeyer, the advising legal firm, received a letter which provides an offer from Afrimat for an amount of R5 • million to settle the matter out of court. MEGA has not responded yet, but will be negotiating for a better settlement. • Capital Raising Initiatives:SMMEs • MEGA is currently engaging possible funders with the intention of raising funds as follows:

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Tourism and Parks Agency	• Provide for effective management and conservation of biodiversity and ecosystems within the Province • Develop and ensure effective management of protected areas • Promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for the previously disadvantaged individuals and local communities in the Province	381,508	381,508	• First National Bank – A co-funding concept document has been developed following initial engagements with the bank. • Department of Human Settlements – Approached to consider funding for MEGA, flowing from the funding which the Department used to provide to MHFCO for home loans. Also engaged on funding for housing projects. Discussion are ongoing. • National Housing Finance Corporation – Meeting will be held end of April. • Small Enterprise Finance Agency – Engaged to consider wholesale funding for MEGA activities – awaiting consideration by Head Office. • Land Bank – Initial engagements done, the institution is having financial challenges and has requested bail out from government. • Capital Raising Initiatives: Critical Infrastructure Projects • Three (03) Critical Infrastructure Program (C.I.P) Applications to DBSA/DTIC • Critical Infrastructure Program that was set aside by National Government to revitalize Industrial Parks in the townships. MEGA applied for grant funding into the following industrial Parks: • Kabokweni (Phase 1) R50 million • Siyabuswa (Phase 1) R50 million • Ekandustria (Phase 2) R50 million • All applications were submitted on 22nd April 2020, we are waiting for approval by the 1st quarter of 2021/22

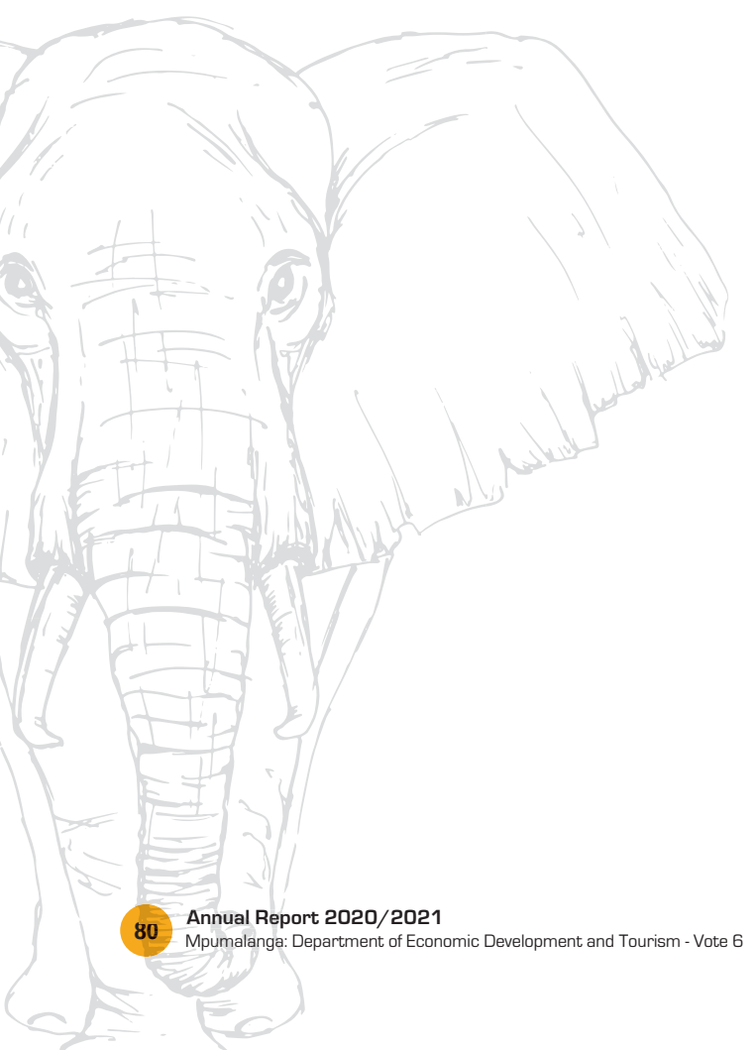
5.2 Transfer Payments

This section provides information on transfer payments made to Provinces, Municipalities, Departmental Agencies (excl. Public entities), Higher Education Institutions, Public Corporations, Private Enterprises, Foreign Governments, Non-Profit Institutions and Households. This excludes payments to Public Entities as it is included in the previous section. In this section also provide information on where funds were budgeted to be transferred but transfers were not made and the reasons for not transferring funds.

Departments are requested to provide the name of the transferee, the purpose for which these funds were transferred, did the Department comply with s38 1(j), the amount transferred, the amount spent from the transfer received by the transferee, (excluding individuals or social grant payments) and the reasons for unspent funds by the transferee. Departments must also comment on monthly monitoring systems or the lack thereof to monitor spending on such transfers. If such monitoring did take place, Departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

The Table Below Reflects the Transfer Payments made for the Period 1 April 2020 to 31 March 2021

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mpumalanga Stainless Steel initiative	Incubator in Stainless Steel Industry	Incubator to stimulate priority sector	Yes	2,691	2,691	N/A



6. CONDITIONAL GRANTS

6.1 Conditional Grants and Earmarked Funds Paid

The Department of Economic Development and Tourism (DEDT) was identified as an important organisation to implement the Extended Public Works Programme (EPWP) through its agencies, Mpumalanga Tourism and Parks Agency (MTPA) and Mpumalanga Economic Growth Agency (MEGA). Therefore an allocation of R4 058 million grant was allocated by national Department of public works to assist with alleviation of poverty. The allocated incentive was divided between the two entities of the Department, MTPA and MEGa. These two entities managed to create twenty-six (20) EPWP funded projects, twenty (20) by MTPA and seven (7) by MEGA. These two entities created a total number of 120 job opportunities.

Key Summary Of Achievements

- Maintenance and cleaning of industrial areas
- Increased fruits yield because of better spraying and maintenance of farms
- Safe and patrolled environments
- Controlled veld fires
- Alien plants removed
- Clean day visitor centre
- Controlled soil erosion
- De-bushing

All targets were implemented as planned. Monthly and quarterly evaluation reports are submitted to National public Works. The slow process of getting approval for employment of EPWP participants has delayed the start of the projects. Supply chain management process for purchase of protective clothing has delayed the procurement. Limited resources is limiting the increase in the number of EPWP employees and their effectiveness.

Conditional Grant 1:

Department/ Municipality to whom the grant has been transferred	Mpumalanga Economic Growth Agency Mpumalanga Tourism and Parks Agency
Purpose of the grant	To create jobs within the Environment and Cultural Centre
Expected outputs of the grant	Job Creation and Poverty Reduction
Actual outputs achieved	120 job were created for 2020/21 financial year
Amount per amended DORA	4,058
Amount transferred (R'000)	4,058
Reasons if amount as per DORA not transferred	None
Amount spent by the Department/ municipality (R'000)	4,058
Reasons for the funds unspent by the entity	None. All funds spent
Monitoring mechanism by the transferring Department	Monthly reports, Quarterly reports

6.2 Conditional Grants and Earmarked Funds Received

- The Expanded Public Work Programme (EPWP) conditional grant received for the annual year 2020/2021 was R4, 058, 000
- The total amount of R4, 058, 000 was used for the EPWP as per the allocation.
- All transfers were deposited into the accredited bank account of the Provincial Treasury and to the entities.
- Performance targets are measured in full time equivalents. The target for the DEDT was 380 and 380 was achieved.
- Measures taken were to strengthen the projects monitoring of attendance register and sick leave register. An overall assessment of compliance with the act was conducted and there was no non-compliance.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2020 to 31 March 2021

Conditional Grant: Expanded Public Works Programme (EPWP)

Department who transferred the grant	National Dept. of Public Works
Purpose of the grant	To create jobs within the Environment and Cultural Centre
Expected outputs of the grant	Job Creation and Poverty Reduction
Actual outputs achieved	120 job were created for 2020/21 financial year
Amount per amended DORA	R4 058 000
Amount received (R'000)	R 4 058 000
Reasons if amount as per DORA was not received	None
Amount spent by the Department (R'000)	R4 058 000
Reasons for the funds unspent by the entity	None , all funds spent
Reasons for deviations on performance	None
Measures taken to improve performance	Attendance Register, Salary Register, Physical head count are conducted during site visits.
Monitoring mechanism by the receiving Department	Monthly IYM reports, Quarterly report, Annual Evaluation report

7. DONOR FUNDS

7.1 Donor Funds Received

None

8. CAPITAL INVESTMENT

8.1 Capital Investment, Maintenance and Asset Management Plan

The only infrastructure project currently in progress is the Mpumalanga International Fresh Produce Market (MIFPM)

Capital infrastructure payments of R 250,501,000 were made towards the development of the MIFPM during the year under review. The initial phase of the project including the site development costs and underground reticulation was concluded in prior periods. The second phase of the project, the development of the top structure commenced in the previous period, and is well under way, with a projected completion date in the 2022 calendar year.

The bulk of the Department's assets are in a reasonable condition, with no backlog on maintenance to report on.

Infrastructure projects	2019/2020			2020/2021		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	223,183	223,460	0	125,367	125,362	5
Existing infrastructure assets	-	-	-	525	85	440
Capital	13,413	12,317	1,096	14,893	10,760	4,133
Total	**235,596**	**235,777**	**)181)**	**140,787**	**136,207**	**4,578**

Part C
Governance

INTRODUCTION

The Department is committed to maintain the highest standard of governance which is fundamental to the management of public finances and resources. The pervasiveness of risk in the public sector means that management considers risk management as an integral part of our strategy. The Accounting Officer, through the Risk Management Committee, governs risks using the risk strategy and policy to reduce risk exposures. The risk strategy focuses on the new era of risk and the opportunities and threats in a radically changing landscape. Getting into the culture of looking out for the value in risk has evolved the Department to the point where opportunities are sighted and pursued. Consequently, the risk universe covered by the Department has matured exponentially and now includes cyber, behavioural, culture as well as assurance risk, in addition to the ever-important traditional risks.

RISK MANAGEMENT

Governance structures which include the Risk Management Committee have been established and were functional during the year under review. Existing and emerging risks were discussed during quarterly risk management committee meetings where various programme managers and heads of section were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. The committee also referred risks of high consequence and probability to risk owners and recommended additional mitigations to manage such risks to acceptable levels. Risk Management Committee escalation reports were submitted to the Accounting Officer and Audit Committee for Intervention. The Audit Committee provided oversight over the Risk Management process to promote effective, efficient and Economic Utilisation of state resources.

The comprehensive reduction of high ranking risks has been impeded by two central causes, namely, unavailability of staff to implemented desired controls and budget restrictions. The inability to fill vacant positions and budget cuts have impacted negatively on the effective discharging of the risk management function and in the implementation of risk mitigations for the period. Filling of critical vacant positions and adequate resourcing will enhance the Department's ability to manage risks within the risk profile to acceptable levels. The following key strategic risks for the Department that were considered during the year:

- Inability to create a conducive environment for economic growth.
- Inadequate human capital (skills, warm bodies) to achieve the mandate of the Department.
- Inadequate financial management, internal controls processes, review and monitoring of financial information.
- Weak governance over public entities.
- Non achievement of planned targets.
- Limited participation of SMMEs and cooperatives in the local economy.
- Inability to attract investment.
- Unregulated business environment.
- Inability to monitor and evaluate the impact of economic interventions.
- Decline in tourism growth.
- Whether the Department has a Risk Management Policy and Strategy.

Yes, there is approved risk management policy and strategy

- Whether the Department conducts regular risk assessments to determine the effectiveness of its Risk Management Strategy and to identify new and emerging risks.

Risk assessments are conducted yearly

- Whether there is a Risk Management Committee that advises management on the overall system of Risk Management, especially the mitigation of unacceptable levels of risk.

Yes, there is Risk Management Committee in place

- Whether the audit committee advises the Department on risk management and independently monitors the effectiveness of the system of risk management.

Yes, there' a very effective audit committee.

- Whether the Department sees progress in the management of risks, whether this has transmitted into improvements in the Department's performance, and if not, what it plans on doing to address this problem.

There is progress in mitigating the identified risks and they are reported quarterly, the last progress was reported to the fourth quarter risk management committee meeting on 11 May 2021.

3. FRAUD AND CORRUPTION

The Mpumalanga Provincial Government adopted an Anti-Corruption Strategy which confirms the Province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy the Department is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external. Any parties who engage in such practices or attempts to do so are vigorously pursued by all legal means available. The Department has adopted a Fraud Prevention Implementation Plan and whistleblowing policy which gives effect to the prevention strategy.

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency. The Accounting Officer and management have set the tone at the top by leading the Department ethically, effectively, and responsibly within acceptable risk parameters as aligned to the KING IV report. The Department's efforts were calibrated to prevent fraud and corruption through the roll-out of a fraud awareness initiative during the period. The intent of the initiative was to challenge employees to think differently about fraud and corruption. This included looking at their individual conduct and performance in the workplace which May allow acts of dishonesty impacting negatively on service delivery. The approach used to implement the intervention covered areas which include prescriptions by the public services regulations, 2016 in relation to employee disclosures, ethics and gift management as well as remunerative work. The approach included zooming into a number of recent case studies of fraudulent and unethical behaviour both in the public and private sectors.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the provincial anti-fraud and corruption strategy and the Departmental Fraud Prevention Strategy. Each allegation is received by the Integrity Management Unit within the Office of the Premier and recorded in a case management system. The system is used as a management tool to give feedback on progress in relation to reported cases as well as to generate statistics for the Province and Department.

Anyone who blows the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. Meets statutory requirements e.g. was made in good faith). The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

4. MINIMISING CONFLICT OF INTEREST

In the interest of sound administration and responsible decision-making the officials of the Supply Chain Management, and the Departmental Bid Committee shall keep records of all communication, decision and give reasons when required.

Each member of the Departmental Bid Committees must complete a conflict of interest declaration and confidentiality agreement before the start of any adjudication process. No official who has an interest (or whose relative has an interest) in a particular offer will be allowed to participate in the evaluation, consideration and adjudication of the relevant Bid.

Purchase of goods or services from suppliers who are staff members is not allowed, in addition, suppliers are required to declare any interest when bidding or offering goods and services to the Department, and staff members must declare their interest in the event that suppliers are relatives, where and official has a direct or indirect interest, and where officials are involved in the Departmental Bid committee.

An assessment will be performed by the Department when a supplier fails to declare an interest and may not be prejudiced as a result of a declaration of interest.

5. CODE OF CONDUCT

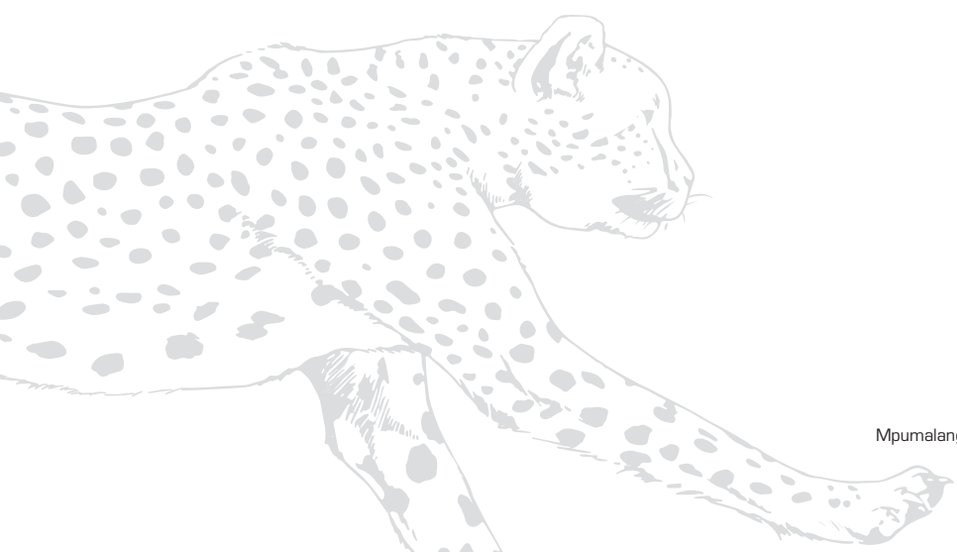
The Department held awareness sessions for all officials where the code of conduct was presented to ensure that all officials are aware of what is expected of them as public servants. The workshops also covered remunerative work outside the public service, reminding officials that no one is allowed to perform remunerative work outside the public service without approval from the executing authority. During the period under review there were no officials who breached the code of conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department addressed most of the OHS notices of contravention and improvement that were issued following the audit of all offices by the Department of Labour. In addition, the Department managed to respond to challenges posed by COVID-19 outbreak a COVID-19 committee was established to manage and oversee the implementation of COVID-19 protocols and regulations for the creation of a healthy and safe working environment. COVID-19 ppe's were procured and issued to all officials. As the different lockdown levels were implemented, the Department made sure that the protocols are adhered to, in an effort to have a safe environment for officials.

7. PORTFOLIO COMMITTEES

Matters raised by the Portfolio Committee	How the Department addressed the matter
Date Of The Meeting: **Report Of The Portfolio Committee On Premiers' Office; Finance; Economic Development And Tourism2020/21 - Department Of Economic Development And Tourism (Dedt) 1St Quarter Report**	
The Department must ensure that it concludes the appointment of the permanent MEGA CEO, as well as finalize the process of appointing the Interim Board before the end of the current 2020/21 financial year. Moreover, the Department must keep the Committee abreast until the conclusion of both processes.	The interim board was appointed with effect from 21 September 2020. The Interim board was informed that their prime role is to finalise the appointment of the CEO whose advert closed on August 2020. To date, the board is finalising the short-listing with a view of conducting interviews in the short period.
The Department must provide an update on developments taking place at the Mpumalanga International Fresh Produce Market (MIFPM), the Nkomazi SEZ, the Techno-Parks; and Makhonjwa Mountain World Heritage Site (MMH HS), on a quarterly basis.	The Department will duly provide an update on the strategic project of the Department on a quarterly basis.
The Department must provide a report on the status of the irregular expenditure and the percentage level of reduction; and submit the final report in this regard to the Portfolio Committee before the end of the 3rd quarter of the current 2020/21 financial year.	The Department will submit a report on the status of irregular expenditure. However, it should be noted that on the legacy irregular expenditure for the amount R 90 213 997 has been referred to the appointed service provider who is busy reviewing the recommendation of the loss control committee for submission to HOD and ultimately to Treasury. The amount in question makes up 83% of the total irregular expenditure as at the end of the 2019/2020 year of operation.
Date of the meeting: 13 November 2020 2020/21 Revised budget vote and Annual Performance Plan of the Department of Economic Development and Tourism and Public entities: MEGA, MTPA and MER (vote 6)	



Matters raised by the Portfolio Committee	How the Department addressed the matter
The Department, with the revised budget, must allocate resources adequately to ensure that service delivery programmes are met. This also includes addressing the triple challenge that is facing the country of unemployment, poverty and inequality.	The original Compensation of Employees (COE) budget for the Department was an amount of R158.482 million. During the Special Adjustments Appropriation in response to the COVID-19 Pandemic, the reduction to the COE budget of R10.760 million was recorded. A further reduction to the 2020 MTEF COE budget in the amount of R9,865 million, was affected by the second adjustment appropriation. The combine affect of these adjustments is to reduce the original budget by an amount of 13% during the current year, to an amount which is 5% less than the audited COE expenditure of the previous year. These reductions create a situation where the Department will overspend on COE even before pay progression or PMDS outcomes are accommodated. The adjustments make it impossible to appoint new personnel in the current period, despite the lifting of the moratorium. The Department has adjusted its plans to accommodate the adjusted goods and services budget. The original Compensation of Employees (COE) budget for the Department was an amount of R158.482 million. During the Special Adjustments Appropriation in response to the COVID-19 Pandemic, the reduction to the COE budget of R10.760 million was recorded. A further reduction to the 2020 MTEF COE budget in the amount of R9,865 million, was affected by the second adjustment appropriation. The combine affect of these adjustments is to reduce the original budget by an amount of 13% during the current year, to an amount which is 5% less than the audited COE expenditure of the previous year. These reductions create a situation where the Department will overspend on COE even before pay progression or PMDS outcomes are accommodated. The adjustments make it impossible to appoint new personnel in the current period, despite the lifting of the moratorium. The Department has adjusted its plans to accommodate the adjusted goods and services budget.

Matters raised by the Portfolio Committee	How the Department addressed the matter
The Department must provide an update on developments taking place at the Mpumalanga International Fresh Produce Market, the Nkomazi SEZ, the Techno-Parks, support for the Mining Sector and support to be provided to the Green Economy Development Plan, on a quarterly basis.	Nkomazi SEZ: Currently the Department is implementing the Interim Phase of the Nkomazi SEZ through a Service Level Agreement (SLA) with MEGA. The Department, together with the PMU in Mega and the Municipality as well as other provincial affected Departments have established the SEZ Project Team that seeks to fast-track the implementation of the key activities contained in the SEZ Interim Phase. Industrial Technology Parks: Petro-chemical Industrial Park (Govan Mbeki: Secunda): With regard to the Petro-chemical Industrial Technology Park in Govan Mbeki, the General Plan was approved by the Surveyor General. The Department is now busy with the opening of the township register where after the project would be completed. Currently the Department is working closely with the Govan Mbeki Local Municipality to finalise the Land Availability Agreement and Services Agreement in order to open the township register. The conclusion of this process will ensure the commencement of the Development Phase of the project. Forestry Industrial Park (Thaba Chweu: Sabie): Relating to the Forestry Industrial Technology Park in Sabie, there are delays in the completion of the Statutory Compliance requirement due to a number of objections against the proposed development. A Tribunal Hearing was conducted and the applicant (Department) was instructed to supplement certain information in the application. Such information has since been submitted to the Tribunal for its consideration and the Department is expecting that a new hearing would be held in early December 2020 to conclude the required planning approval. The delay of this key activity in the Project Initiation Phase will have a knock-on effect on the timelines of the project but is still envisaged that the Statutory Requirements be completed within the 2020/21 financial year. Mining Sector: The support provided to the Mining Sector is through the Memorandum of Understanding with the Mine Water Coordinating Body (MWCB) and concentrate on the following: Pilot Projects on mine water utilization implemented: Two pilot projects on reusing mine impacted water to irrigate mine rehabilitated land for agriculture use already commissioned, namely the Mafube Colliery Irrigation with Mine Water Project and the Brugspruit Pollution Control Works Project. Pilot Projects on mine rehabilitated land utilization implemented: Kromdraai Project The Kromdraai mine site has been selected for the scalable, life-size demonstration model of a sustainable mine closure project. The project will consist of several integrated components e.g. biogas plant, biodiesel, passive / semi-passive water treatment, cattle feedlots and range grazing, greenhouses and open land cropping. Currently the Sustainable Regional Closure Model is underway. Green Engine Project: This Project is aimed at developing a regional economic model where mine owned land, renewable energy and treated mined water will work together to develop business opportunities for local communities. Currently the Regional Economic Closure Model has been developed and the Socio-economic opportunities identified with mine water as an enabler Green Economy Development Plan: In terms of the establishment of the Green Economy Special Purpose Vehicle (SPV) a Service Level Agreement (SLA) between DEDT and Green Cape has already been concluded to establish the proposed SPV

Matters raised by the Portfolio Committee	How the Department addressed the matter
The Department must ensure that it concludes the appointment of the permanent MEGA CEO, before the end of the current 2020/2021 financial year; and keep the Committee abreast until the conclusion of this process.	The interim board was appointed with effect from 21 September 2020. The Interim board was informed that their prime role is to finalise the appointment of the CEO whose advert closed on August 2020. The board met with the service provider and the dispute arose which collapsed the process. As it stands, the board re-advertised the post with the closing being 22 February 2021. Thereafter, all due processes will be followed up to the appointment.
The Department must provide an update to the Committee on the completion of the Forestry Industrial Park (Sabie) Statutory Compliance requirement after the new hearing, which is scheduled in the early December 2020, so that the required planning approval can be concluded.	Relating to the Forestry Industrial Technology Park in Sabie, there are delays in the completion of the Statutory Compliance requirement due to a number of objections against the proposed development. A Tribunal Hearing was conducted, and the applicant (Department) was instructed to supplement certain information in the application. Such information has since been submitted to the Tribunal for its consideration and the Department in order to address some of the concerns raised improved the Environmental Report and this is currently being circulated for public comments, which closed on 25 February 2021 where after a new date for the Tribunal Hearing, will be requested.
The Department must share the updated Provincial Economic Recovery Plan with the Committee and submit it before the end of the fourth of the current 2020/21 financial year.	The Department presented the Economic Recovery Plan to PMC Lekgotla, which recommended that the Mpumalanga Economic Reconstruction and Recovery Implementation Plan must be inclusive of all sector. Departments. As such, it directed OTP to coordinate the process, which will lead to the framework being presented to EXCO Lekgotla planned before end of February 2021 and eventually to the Executive Council for approval. Once approved, the Department will duly share the copy with the Portfolio Committee.
The allocated budget of R10 000 000.00 is not enough to implement the Tourism Recovery Plan. The Department must therefore, source alternative measures to fund the plan over and above the allocation. Furthermore, the Department must ensure that the Tourism Recovery Plan is completed timeously, after which it must be presented to the Portfolio Committee.	The Tourism Recovery Plan was finalised and approved by the Provincial Executive Council in August 2020. The allocated budget of R10 million will augment to the R11, 9 million which the National Department of Tourism has already provided for the Tourism businesses in Mpumalanga in 2020. Of course, budget allocations will never be enough to cover every business in the tourism sector in the Province. As a result, the Department together with the MTPA will continue to advice businesses to take advantages of other available sources of funding, such as the Tourism Equity Fund, which is a collaborative initiative between the Department of Tourism and the Small Enterprise Finance Agency, as well as the Economic Distress Fund that the National Empowerment Fund and the Department of Trade, Industry and Competition have launched to help black owned businesses to recover from the COVID 19 induced financial crunch.
The implementing entity (MEGA) must fast track the process of the establishment of the Nkomazi Special Zone (SEZ) to ensure that no more investors are lost due to this cause. The Department must continue to persue more investment opportunities including those that have withdrawn.	The Department, through the implementing entity (MEGA) has prioritised the issue of the investment pipeline pertaining to the Nkomazi SEZ. All investors, both current and those who showed interest prior to the COVID-19 Lockdown, are engaged to determine if they are still interested in investing in the Nkomazi SEZ and the amount that would be invested. Secondly, they are engaged to determine their investment requirements (site-specific requirements like stand size, water and electricity requirements) that would then be incorporated into the design of the layout plan as part of the SEZ strategy to ensure that the SEZ is accommodating their investment requirements.

8.SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
6.1.1 7.1.1 7.1.2 7.1.3 7.1.4	2019/20 Audit Action Plan 6.1.1 Irregular As Well As Fruitless And Wasteful Expenditure 7.1.1 7.1.2 7.1.3 7.1.4	**6.1.1** The Accounting Officer must, henceforth, curb delays in conclusion of all investigations; ensure investigations are concluded promptly so that the findings can be effectively applied to officials who are still within the Department; and expedite the finalisation of the disciplinary process, in respect of the fruitless and wasteful expenditure identified in the 2011/12 and 2012/13 financial years respectively. Furthermore, the Accounting Officer must strengthen measures on consequence management against officials who contravene the Public Finance Management Act (PFMA) regulations. 6 **7.1.1** An updated progress report on all on-going cases, including those of the 2019/20 financial year, must be submitted to the Select Committee once the Loss Control Committee (LCC) has concluded its work, including those that have already been handed over to the South African Police Services (SAPS). **7.1.2** The Accounting Officer must ensure that, once investigations are concluded, the Loss Control Committee (LCC) must, where necessary and possible, implement disciplinary actions against official(s) who caused the Department to incur irregular; fruitless and wasteful expenditure respectively in prior years and in the 2019/20 financial year. Furthermore, the Accounting Officer must recover the fruitless and wasteful expenditure from official(s) found liable in law. **7.1.3** The Accounting Officer must ensure strengthened monitoring on the system put in place to prevent irregular, fruitless and wasteful expenditure; and provide evidence with improvement. **7.1.4** The Accounting Officer must ensure that tender processes are followed accordingly to avoid contraventions and non-compliance to the Preferential Procurement Regulation 8(2) of 2017.	The Department appointed an independent external service provider to review investigation reports and background information prior to the recommendation by the Loss Control Committee that a request for condonation of transaction be submitted to Provincial Treasury. This has impacted on the speed and value of condonation requests, but is considered to have ensured a robust process. The Department will continue to pursue prompt finalization of the processes wherever these are within the control of the Department. Regular progress reports will be provided Where applicable matters will be forwarded for disciplinary procedures and recovery of balance	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Irregular Expenditure	2016/17	The Department appointment an independent external service provider to review investigation reports and background information prior to the recommendation by the Loss Control Committee that a request for condonation of transactions be submitted to Provincial Treasury.

10. INTERNAL CONTROL UNIT

The Department does not have an Internal Control Unit. Management implemented internal control systems that encompassed all the policies and procedures that are adopted by management and the internal audit function test the adequacy and effectiveness of the system of internal control and advice management if the controls are not functioning in accordance with the purpose it was intended for to assist the Department to achieve its goals and objectives.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key Activities and Objectives of the Internal Audit.

Internal Audit is an independent appraisal function established by the Management of the organisation for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal controls as a contribution to the proper, economic and effective use of resources.

Summary of Audit work done.

The following risk based audit assignments relating to the Department were performed by the Internal Audit function for the 2020/2021 financial year as per the Annual Internal Audit Plan.

- Asset Management
- Annual Performance Information
- Annual Financial Statements
- Follow up Auditor-General and Internal Audit
- Internal Control
- Interim Financial Statements
- Mid-term Performance
- Financial and Supply Chain Management
- Transfer Payments
- Follow-up reviews: Auditor-General South Africa (AGSA) & Internal Audit Reports

Key activities and objectives of the Audit Committee are to review the following

The Audit Committee fulfill a vital role in Corporate Governance to ensure the integrity of integrated reporting and internal controls and the identification of and management of risks. The Audit Committee performs oversight role and advises management in their duties to carryout out its responsibilities relating to financial management and other reporting practices, internal controls and management of risks as well as compliance with laws, regulations and oversight of entities reporting to the Department.

Attendance of Audit Committee meetings by Audit Committee members

During the current financial year under review five (5) Audit Committee meetings were held, including special meetings. Meetings between the external auditors and the internal audit function were also held as and when a need arose.

The Audit Committee consists of 5 independent members; four (4) are appointed from outside the Public Service and one (1) member is ex officio, employed by the Mpumalanga Provincial Office of the Premier. Details of the members and their attendance of scheduled Audit Committee meetings during the 2020/2021 financial year are as follows:

The Table Below Discloses Relevant Information On The Audit Committee Members:

- Former Committee
- Serving Committee

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	No. of Meetings attended
Mr. Sam Mthembu Chairperson	Master of Business Leadership (UNISA), BCom (Accounting), Commercial Banking Licentiate Diploma (IOB)SA, FAP(IAC)SA	External	External	01/09/2019	6/6
Ms. Nonyaniso Brenda Mzuzu	B. Proc Degree Certificate in Business Rescue	External	External	01/09/2019	5/6
Mr. Sibusiso Khululekani Mavundla	B. Com. Accounting	Internal	Office of the Premier IT Audit Section	01/09/2019	6/6
Hopewell Bhekumuzi Mkhono Hlatshwayo	Mcom, (SA) RA	External	External	01/09/2019	6/6
Gaylene Anne Deiner	B.Compt BA, Higher Education Diploma (Post Grad.) (HED (PG))	External	External	01/09/2019	6/6

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the Financial Year ended 31 March 2021.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1) (a) (ii) of the Public Finance Management act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in Accounting Policies and Practices.

The Effectiveness Of Internal Control

Our review of the findings of the internal audit work, which was based on the risk assessments conducted in the Department revealed certain weaknesses, which were then raised with the Department to implement corrective actions

The following internal audit work was completed during the year under review:

- Asset Management
- Annual Performance Information
- Annual Financial Statements
- Public Entities Oversight
- Follow up Auditor-General and Internal Audit
- Transfer Payments
- Internal Control
- Interim Financial Statements
- Midterm Performance
- Financial and Supply Chain Management
- Follow-Up Auditor-General and Internal Audit

The Effectiveness Of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department revealed certain weaknesses, which were then raised with the Department.

The Following Internal Audit Work Was Completed During The Year Under Review:

- Asset Management
- Annual Performance Information
- Annual Financial Statement
- Public Entities Oversight
- Follow-Up Auditor-General and Internal Audit
- Transfer Payments
- Internal Control
- Interim Financial Statements
- Midterm Performance
- Financial and Supply Chain Management
- Follow-Up Auditor-General and Internal Audit

The following were areas of concern:

- Slow implementation of Internal Audit and Auditor General recommendations.
- Lack of Strategic and Coordinated oversight over Public Entities.
- Non achievement of Planned Targets
- Unsatisfactory compilation of the Portfolio of Evidence to support reported Performance Information
- Inadequate record keeping
- Some Quarterly targets not achieved
- Unsatisfactory keeping of Portfolio of Evidence to support reliability of reported information.
- Lack of commitment to Risk Management related issues by Management.
- Entity operating without approved APP
- Poor controls over annual leave Management
- Business Continuity Plan not updated
- MTPA and MEGA 2020/21 Shareholders Compact Not Concluded

In-year Management and monthly/quarterly report

The Department is required to report monthly and quarterly to the Treasury as is required by the PFMA.

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Department as required by the PFMA, however there is still room for improvement particularly on timeous preparation and submission of quarterly Financial Statements and submission of portfolio of evidence supporting reported achievements.

Evaluation Of Financial Statements

The Audit Committee reviewed the Annual Financial Statements and performance information documents prepared by the Department and recommended their submission to AGSA for audit.

Auditor General's Report

The Audit Committee has reviewed the Department's implementation plan for audit issues raised in the 2020/21 we are satisfied that the Department has developed a combined plan to address matters raised by both internal and external auditors. During the course of our follow up reviews on the implementation plan for audit issues, we discovered that out of 14 action plans, 2 (14%) have been fully implemented and 12 (86%) were not implemented which remain an area of great concern.

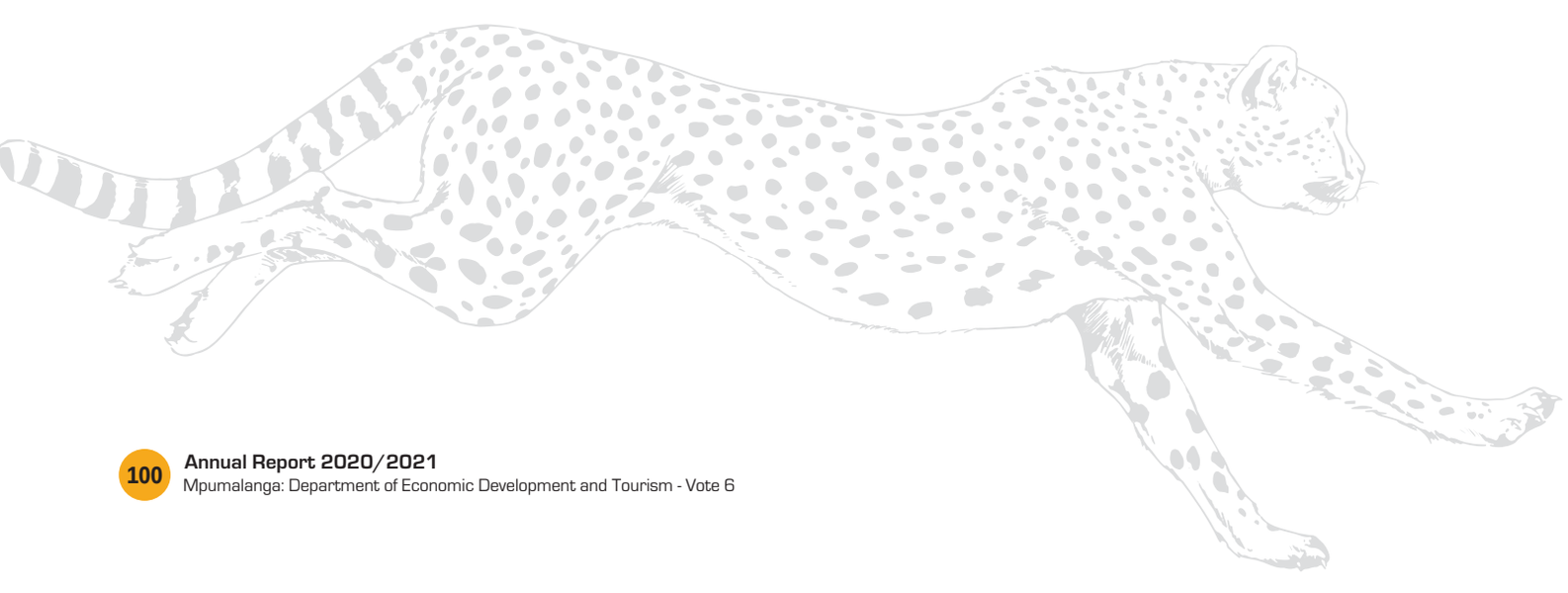
The Audit Committee is satisfied that the internal audit function is operating effectively and that it has moderately addressed the risks pertinent to the Department in its audits. There is need to address the in adequate capacity in internal audit unit, the committee believes this will strengthen the unit to improve from its current performance.

MR. SAM MTHEMBU

CHAIRPERSON OF THE AUDIT COMMITTEE

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

31 JULY 2021



13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion (include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Not applicable	The Department does not issue licenses or concessions or other authorisations Programme 4: 4th Casino License/ MER: Liquor Licenses
Developing and implementing a preferential procurement policy?	Yes	In terms of clause 3.6 of the Procurement Policy of the Department, Department of Economic Development and Tourism support the principle of supporting local manufactured products and historically disadvantaged individuals, including woman to contribute to the achievement of national objectives. It is therefore an objective of the Department to give such preferences where practical and in compliance with the Broad-Based Black Economic Empowerment (B-BBEE) policy objectives. Although purchases costing less than R30 000 are awarded purely on the basis of price, preference is shown to wholly black owned, locally (Provincial) based suppliers, selected from the Central Supplier Database (CSD). Purchases from R 30 000.01 must be made based on the highest points scored in terms of the PPPFA as amended. In the event of the transfer of a contract, if a contract was awarded as a result of the application of the principles of B-BBEE status, the transferee should also qualify similarly under the same principles.
Determining qualification criteria for the sale of state-owned enterprises?	Not applicable	No such transactions are envisaged MTPA: Commercialisation of nature reserves
Developing criteria for entering into partnerships with the private sector?	Not applicable	No such transactions are envisaged
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	Yes	The Department has identified incubation as an important element to support SMME's in the Province. The Department has established, together with other developmental partners like the municipalities and SEDA, Incubators that train, support and develop SMME's in prioritised economic sectors. They are the Furniture Technology Incubator (Furntech) and the Mpumalanga Stainless Steel Initiative (MSI). Formal training and development programmes by the Incubators are submitted to the Department for funding and once approved such training and development programmes are closely monitored by the Department until their completion and the person or company graduates to the post incubation phase.

Part D
Human Resource Management

1. INTRODUCTION

The information contained in this part of the Annual Report has been prescribed by the minister for the Public Service and Administration for all Departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The Department during the period under review had the appointed Accounting Officer transferred to another Department within the Administration and is currently operating with an acting Accounting Officer. The Department had 7% turnover rate as at 31 March 2021. The termination type; contract expiry had the highest percentage of 63%, followed by resignation and transfers to other public institutions. Due to the COVID-19 pandemic there was no overtime performed during the period under review instead there was a great need to adjust to the new normal of remote working and rotational work.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The Department anticipates a 4.7% terminations due to retirement in the next 3 years. Management is advised to ensure that a plan is put in place to ensure that the departure of those employees does not affect service delivery negatively. The Department anticipates filling fourteen vacant posts in the next financial year as the recruitment process for those posts is at an advance stage. Training and development interventions were implemented to ensure that officials of the Department have the necessary skills in order to assist the Department to achieve its objectives.

Employee performance management

The Department continues to manage the performance of employees, to that end there was an increase on compliance within performance management. There are no backlogs, all levels of performance were assessed and rewarded.

Employee wellness programmes

The Department adopted an integrated approach to employee health and wellness wherein the importance of linking individual health, safety and wellness, organisational wellness, environmental sustainability, quality management to productivity and improved service delivery outcomes was recognised. During the period under review the following critical strategic priority areas VIZ: HIV and AIDS, STI and TB management, health and productivity management, safety, health, environment, risk and quality management (SHERQ), wellness management, were focused on. During the period under review a lot of emphasis and focus was on COVID-19 ensuring that there is compliance with the regulations and protocols as well as communicating with employees to ensure that they are aware since it was something new.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Table 3.1.1 Personnel Expenditure By Programme For The Period 1 April 2020 And 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	82 625	63 114	187	0	76,40	461
Integrated Economic Develop	467 087	28 463	40	0	6,10	712
Trade and Sector Development	17 937	12 814	52	0	71,40	754
Business Regulation & Governance	103 628	17 272	32	0	16,70	617
Economic Planning	16 234	15 378	21	0	94,70	809
Tourism Services	385 127	3 200	10	0	0,80	800
TOTAL	**1 072 639**	**140 242**	**342**	**0**	**13,10**	**572**

Table 3.1.2 Personnel Costs By Salary Band For The Period 1 April 2020 And 31 March 2021

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	366	0.30	2	183
Skilled (level 3-5)	7 861	5,60	31	254
Highly skilled production (levels 6-8)	36 134	25,76	79	469
Highly skilled supervision (levels 9-12)	58 227	41,51	72	809
Senior and Top management (levels 13-16)	28 554	20,36	22	1, 298
Contract (Levels 3-5)	430	0,30	3	143
Contract (Levels 6-8)	1 734	1,23	16	108
Contract (Levels 9-12)	3 033	2,16	3	1,011
Contract (Levels >= 13)	3 343	2,38	3	1, 114
Abnormal Appointment	560	0,40	14	40
TOTAL	**140 242**	**96,30**	**245**	**572**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance And Medical Aid By Programme For The Period 1 April 2020 And 31 March 2021

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	58 332	79.44	8	0	1 348	2	2 857	4,30
Integrated Economic Develop	22 459	82,30	0	0	472	1,70	1 291	4,70
Trade and Sector Development	9 037	75,57	0	0	208	1,40	779	5,10
Business Regulation & Governance	12 910	81,15	0	0	466	2,90	814	5,10
Economic Planning	11 543	83	0	0	280	2	660	4,70
Tourism Services	3 199	52,27	0	0	207	6.4	249	7.78
TOTAL	**117 480**	**80,60**	**8**	**0**	**2 981**	**2**	**6 650**	**4,60**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance And Medical Aid By Salary Band For The Period 1 April 2020 And 31 March 2021

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	267	73	0	0	35	9,60	34	9,30
Skilled (level 3-5)	5 750	72,90	0	0	485	6,10	942	11,90
Highly skilled production (levels 6-8)	28 638	77,20	2	0	1 336	3,60	2 605	7
Highly skilled supervision (levels 9-12)	49 279	82,60	6	0	736	1,20	2 423	4,10
Senior and Top management (levels 13-16)	25 217	85,80	0	0	320	1,10	595	2
Contract (Levels 3-5)	355	80,90	0	0	35	8	0	0
Contract (Levels 6-8)	1 632	91,90	0	0	35	2	0	0
Contract (Levels 9-12)	2 731	63,60	0	0	0	0	52	1,20
Contract (Levels >= 13)	3 050	71,90	0	0	0	0	0	0
Abnormal Appointment	560	100	0	0	0	0	0	0
TOTAL	**117 480**	**80,60**	**8**	**0**	**2 981**	**2**	**6 650**	**4,60**

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	147	126	14.30	15
Integrated Economic Develop	42	39	7.14	0
Trade and Sector Development	17	16	5.90	0
Business Regulation & Governance	28	27	3.60	0
Economic Planning	18	18	0	0
Tourism Services	5	5	0	0
Total	**257**	**231**	**10.10**	**15**

The employees additional to the establishment is informed by the additional post of technical specialist in the office of the mec as per the member of executive guide of june 2019 and the epwp cleaners.

Table 3.2.2 Employment And Vacancies By Salary Band As On 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	2	2	0	0
Skilled(3-5)	34	28	17,60	0
Highly skilled production (6-8)	82	77	6,10	0
Highly skilled supervision (9-12)	83	70	15,70	0
Senior management (13-16)	24	22	8,30	0
Contract (Levels 3-5)	7	7	0	0
Contract (Levels 6-8)	16	16	0	14
Contract (Levels 9-12)	6	6	0	0
Contract (Levels >= 13)	3	3	0	1
TOTAL	**257**	**231**	**10,10**	**15**

Table 3.2.3 Employment And Vacancies By Critical Occupations As On 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	36	33	8,30	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	11	9	18,20	0
Communication And Information Related, Permanent	9	8	11,10	0
Economists, Permanent	55	51	7,30	0
Finance And Economics Related, Permanent	18	15	16,70	0
Financial And Related Professionals, Permanent	3	3	0	0
Financial Clerks And Credit Controllers, Permanent	8	5	37,50	0
Food Services Aids And Waiters, Permanent	1	1	0	0
General Legal Administration & Rel. Professionals, Permanent	1	1	0	0
Head Of Department/Chief Executive Officer, Permanent	1	0	100	0
Housekeepers Laundry And Related Workers, Permanent	1	1	0	0
Human Resources & Organisational Development & Relate Prof, Permanent	1	1	0	0
Human Resources Clerks, Permanent	11	11	0	10
Human Resources Related, Permanent	22	20	9,10	4
Information Technology Related, Permanent	1	1	0	0
Legal Related, Permanent	2	2	0	0
Light Vehicle Drivers, Permanent	4	4	0	0
Logistical Support Personnel, Permanent	3	3	0	0
Messengers Porters And Deliverers, Permanent	1	1	0	0
Other Administration & Related Clerks And Organisers, Permanent	5	3	40	0
Regulatory Inspectors, Permanent	3	3	0	0
Risk Management And Security Services, Permanent	1	0	100	0
Secretaries & Other Keyboard Operating Clerks, Permanent	24	22	8,30	0
Senior Managers, Permanent	17	16	5,90	1
Statisticians And Related Professionals, Permanent	2	2	0	0
Trade/Industry Advisers & Other Related Profession, Permanent	16	15	6,30	0
TOTAL	**257**	**231**	**10,10**	**15**

Notes

The core classification, as prescribed by the DPSA, should be used for completion of this table.
Critical occupations are defined as occupations or sub-categories within an occupation –

- In which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- For which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- Where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- In respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 Sms post information as on 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0	1	100
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	6	6	100	0	0
Salary Level 13	21	18	86	3	14.2
TOTAL	**29**	**25**	**86.2**	**4**	**13.7**

Table 3.3.2 SMS Post Information As On 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	6	6	100	0	0
Salary Level 13	20	17	85	3	15
TOTAL	**28**	**25**	**86.2**	**3**	**10.7**

The difference between tables 3.3.1 and 3.3.2 In terms of the total number of funded SMS posts is due to the change in political leadership of the Department. The change resulted in the additional post of technical specialist that was in the Department no longer filled, as the member of executive guide 20 November 2019, does not make provision for the post.

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	3	0	0
TOTAL	**3**	**0**	**0**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
There was moratorium placed in the filling of vacant positions in the Province since 2015, the moratorium was uplifted in November 2020 for critical posts only. The Department advertised three SMS post during that period.

Reasons for vacancies not filled within twelve months
There was moratorium placed in the filling of vacant positions in the Province since 2015, the moratorium was uplifted in November 2020 for critical posts only. The Department advertised three SMS post during that period.

Notes

In terms of the Public Service Regulations Chapter 1, PART VII c.1A.3, Departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed time frames.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within six months
N/A

Notes

In terms of the Public Service Regulations Chapter 1, part vii c.1A.2, Departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed time frames. In the event of non-compliance with this regulation, the relevant executive authority or Head of Department must take appropriate disciplinary steps in terms of section 16a(1) or (2) of the Public Service Act.

3.4 Job Evaluation

Within a nationally determined framework, executing authorities May evaluate or re-evaluate any job in his or her organisation. In terms of the regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation By Salary Band For The Period 1 April 2020 And 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	2	0	0	0	0	0	0
Skilled (Levels 3-5)	34	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	82	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	83	0	0	0	0	0	0
Senior Management Service Band A	16	0	0	0	0	0	0
Senior Management Service Band B	6	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Contract (Levels 3-5)	7	0	0	0	0	0	0
Contract (Levels 6-8)	16	0	0	0	0	0	0
Contract (Levels 9-12)	6	0	0	0	0	0	0
Contract Band A	3	0	0	0	0	0	0
TOTAL	**257**	**0**	**0**	**0**	**0**	**0**	**0**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**	**0**

Employees with a disability	None

The Following Table Summarises The Number Of Cases Where Remuneration Bands Exceeded The Grade Determined By Job Evaluation. Reasons For The Deviation Are Provided In Each Case.

Table 3.4.3 Employees with salary levels higher than those determined by Job Evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**
Employees with a disability	0	0	0	0	0

Notes

If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	2	0	0	0
Skilled (Levels3-5)	28	0	2	7.14
Highly skilled production (Levels 6-8)	78	0	3	3.84
Highly skilled supervision (Levels 9-12)	72	0	7	9.72
Senior Management Service Bands A	15	1	2	6.6
Senior Management Service Bands B	5	0	0	0
Senior Management Service Bands C	0	0	0	0
Senior Management Service Bands D	1	1	1	100
Contract (Levels 3-5) Permanent	3	5	0	0
Contract (Levels 6-8) Permanent	16	0	0	0
Contract (Levels 9-12) Permanent	3	3	0	0
Contract Band A Permanent	2	1	0	0
Contract Band D Permanent	1	0	1	100
TOTAL	**226**	**11**	**16**	**7.07**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative Related	31	2	1	3.22
Cleaners In Offices Workshops Hospitals Etc.	9	0	1	11.11
Communication And Information Related	8	0	2	25
Economists	51	0	0	0
Finance And Economics Related	15	0	0	0
Financial And Related Professionals	3	0	0	0
Financial Clerks And Credit Controllers	6	0	1	16,70
Food Services Aids And Waiters	0	1	0	0
General Legal Administration & Rel. Professionals	1	0	0	0
Head Of Department/Chief Executive Officer	1	0	1	100
Housekeepers Laundry And Related Workers	0	1	0	0
Human Resources & Organisational Development & Relate Prof	1	0	0	0
Human Resources Clerks	11	0	0	0
Human Resources Related	20	0	0	0
Information Technology Related	1	0	0	0
Legal Related	2	0	0	0
Light Vehicle Drivers	3	1	0	0
Logistical Support Personnel	3	0	0	0
Messengers Porters And Deliverers	1	0	1	100
Other Administration & Related Clerks And Organisers	4	0	1	25
Regulatory Inspectors	3	0	0	0
Risk Management And Security Services	1	0	1	100
Secretaries & Other Keyboard Operating Clerks	19	3	4	21.05
Senior Managers	14	2	2	14.28
Statisticians And Related Professionals	2	0	0	0
Trade/Industry Advisers & Other Related Profession	16	0	1	6,25
TOTAL	**226**	**11**	**16**	**7.07**

Notes

The Core Classification, As Prescribed By The Dpsa, Should Be Used For Completion Of This Table.

Critical Occupations Are Defined As Occupations Or Sub-Categories Within An Occupation –

In Which There Is A Scarcity Of Qualified And Experienced Persons Currently Or Anticipated In The Future, Either Because Such Skilled Persons Are Not Available Or They Are Available But Do Not Meet The Applicable Employment Criteria;

For Which Persons Require Advanced Knowledge In A Specified Subject Area Or Science Or Learning Field And Such Knowledge Is Acquired By A Prolonged Course Or Study And/Or Specialised Instruction;

Where The Inherent Nature Of The Occupation Requires Consistent Exercise Of Discretion And Is Predominantly Intellectual In Nature; And

In respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the Department.

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	1	6.25
Resignation	2	12.5
Expiry of contract	10	62.5
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	1	6.25
Transfer to other Public Service Departments	2	12.5
Total	**16**	**7.07**
Total number of employees who left as a % of total employment	16	7.07

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	31	0	0	23	74,20
Cleaners In Offices Workshops Hospitals Etc.	9	0	0	1	11,10
Communication And Information Related	8	0	0	3	37,50
Economists	51	0	0	47	92,20
Finance And Economics Related	15	0	0	11	73,30
Financial And Related Professionals	3	0	0	0	0
Financial Clerks And Credit Controllers	6	0	0	1	16,70
General Legal Administration & Rel. Professionals	1	0	0	0	0
Head Of Department/Chief Executive Officer	1	0	0	0	0
Human Resources & Organisational Development & Relate Prof	1	0	0	1	100
Human Resources Clerks	11	0	0	0	0
Human Resources Related	20	0	0	13	65
Information Technology Related	1	0	0	0	0
Legal Related	2	0	0	1	50
Light Vehicle Drivers	3	0	0	1	33,30

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Logistical Support Personnel	3	0	0	2	66,70
Messengers Porters And Deliverers	1	0	0	1	100
Other Administration & Related Clerks And Organisers	4	0	0	2	50
Regulatory Inspectors	3	0	0	3	100
Risk Management And Security Services	1	0	0	1	100
Secretaries & Other Keyboard Operating Clerks	19	0	0	15	78,90
Senior Managers	14	0	0	10	71,40
Statisticians And Related Professionals	2	0	0	2	100
Trade/Industry Advisers & Other Related Profession	16	0	0	12	75
TOTAL	226	0	0	150	66,40

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2)	2	0	0	0	0
02 Skilled (Levels 3-5)	28	0	0	19	67,90
03 Highly Skilled Production (Levels 6-8)	78	0	0	55	70,50
04 Highly Skilled Supervision (Levels 9-12)	72	0	0	56	77,80
05 Senior Management (Levels >= 13)	21	0	0	16	76,20
Contract (Levels 3-5)	3	0	0	0	0
Contract (Levels 6-8)	16	0	0	1	6,30
Contract (Levels 9-12)	3	0	0	3	100
Contract (Levels >= 13)	3	0	0	0	0
TOTAL	**226**	**0**	**0**	**150**	**66,40**

Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	12	0	0	1	3	0	0	1	17
Professionals	50	2	0	2	62	0	1	2	119
Technicians and associate professionals	16	0	0	0	19	0	0	1	36
Clerks	9	0	0	0	27	1	0	1	38
Service and sales workers	1	0	0	0	2	0	0	0	3
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	5	0	0	0	13	0	0	0	18
Total	93	2	0	3	126	1	1	5	231
Employees with disabilities	3	0	0	0	0	0	0	0	3

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	0	2	0	0	1	7
Senior Management	13	0	1	2	2	0	0	0	18
Professionally qualified and experienced specialists and mid-management	23	0	1	1	13	1	0	2	41
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	28	0	0	0	21	0	0	0	49
Semi-skilled and discretionary decision making	25	0	0	0	72	0	1	2	100
Unskilled and defined decision making	0	0	0	0	16	0	0	0	16
Total	**93**	**0**	**02**	**03**	**126**	**01**	**01**	**05**	**231**

Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	1	0	0	0	2	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	1	0	0	0	4	0	0	0	5
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	4	0	0	0	7	0	0	0	11
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Colour-ed	Indi-an	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	12	1	0	0	3	0	0	0	16
Professionally qualified and experienced specialists and mid-management	29	1	0	0	24	0	1	1	56
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	13	0	0	0	41	0	0	1	55
Semi-skilled and discretionary decision making	1	0	0	0	16	1	0	1	19
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
10 Contract (Professionally qualified), Permanent	3	0	0	0	0	0	0	0	3
11 Contract (Skilled technical), Permanent	0	0	0	0	1	0	0	0	1
Total	58	2	0	0	85	1	1	3	150
Employees with disabilities	3	0	0	0	0	0	0	0	3

The promotions refered to in this column are due to the implementation of pay progression as employees progressed from one notch to a higher notch.

Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	3	0	0	0	2	0	0	1	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	2	0	0	0	2	0	0	0	4
Unskilled and defined decision making	0	0	0	0	1	0	0	0	1
Total	**10**	**0**	**0**	**0**	**5**	**0**	**0**	**1**	**16**
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
None	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	15	0	0	3	4	0	0	1	23
Professionals	39	1	0	2	18	0	0	1	61
Technicians and associate professionals	5	0	0	0	5	0	0	0	10
Clerks	8	0	0	0	56	1	0	0	65
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	**67**	**1**	**0**	**5**	**83**	**1**	**0**	**2**	**159**
Employees with disabilities	2	0	0	0	0	0	0	0	2

Signing of performance agreements by SMS members

All members of the sms must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by sms members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of performance agreements by sms members as on 31 May 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	6	6	6	100
Salary Level 13	20	17	17	100
Total	**27**	**24**	**24**	**100**

Notes

In the event of a national or provincial election occurring within the first three months of a financial year all members of the sms must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2021.

Table 3.7.2 Reasons for not having concluded performance agreements for all sms members as on 31 March 2021

Reasons
N/A

Notes

The reporting date in the heading of this table should be aligned with that of table 3.7.1.

Table 3.7.3 Disciplinary steps taken against sms members for not having concluded performance agreements as on 31 March 2021

Reasons
02 Non-compliance Letters written to SMS members to provide reasons for non-compliance

Notes

The reporting date in the heading of this table should be aligned with that of table 3.7.1.

Performance rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	67	126	53,20	428,57	6 397
Female	36	90	40	443,49	12 319
Asian					
Male	0	0	0	0	0
Female	1	1	100	19,00	19 004
Coloured					
Male	1	2	50	9,56	9 558
Female	1	1	100	2,13	2 133
White					
Male	2	3	66,70	35,49	17 746
Female	2	5	40	24,50	12 252
Employees with a disability	1	3	33,30	5,60	5 603
TOTAL	**111**	**231**	**48,10**	**968,35**	**8 724**

Table 3.8.2 Performance rewards by salary band for personnel below senior management service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel ex-penditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employ-ee	
Lower Skilled (Levels 1-2)	1	2	50	5	5, 000	1,37%
Skilled (level 3-5)	19	28	67,86	63	3, 342	0,81%
Highly skilled production (level 6-8)	40	79	50,63	195	4, 877	0,54%
Highly skilled supervision (level 9-12)	42	72	58,33	483	11, 466	0,82%
Contract (Levels 3-5)	0	1	0	0	0	0%
Contract (Levels 6-8)	2	2	100	10	5,150	0,59%
Contract (Levels 9-12)	3	3	100	50	16,723	1,65%
TOTAL	**107**	**187**	**57,22**	**806**	**7, 529**	**0,57%**

Table 3.8.3 Performance rewards by critical occupation for the period 1 April 2020 to 31 March 2021

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	5	5	100	27	5 350
Human Resources Clerks	1	11	9,10	6	6 067
Messengers Porters And Deliverers	0	1	0	0	0
Human Resources & Organisation Development & Relate Prof	1	1	100	67	66 750
Finance And Economics Related	13	15	86,70	118	9 111
Logistical Support Personnel	1	3	33,30	6	6 336
Other Administration & Related Clerks And Organisers	2	2	100	10	4 870
Housekeepers Laundry And Related Workers	0	0	0	0	0
Legal Related	0	2	0	0	0
Financial And Related Professionals	2	3	66,70	14	6 765
Administrative Related	16	33	48,50	127	7 911
Communication And Information Related	4	8	50	45	11 413
Secretaries & Other Keyboard Operating Clerks	12	22	54,50	37	3 104
Cleaners In Offices Workshops Hospitals Etc.	6	9	66,70	32	5 406
Human Resources Related	10	21	50	72	7 242
Trade/Industry Advisers & Other Related Profession	5	15	33,30	39	7 808
Regulatory Inspectors	3	3	100	19	6 410
General Legal Administration & Rel. Professionals	0	1	0	0	0
Statisticians And Related Professionals	1	2	50	10	9 701
Senior Managers	4	24	12,50	109	54 508
Economists	23	45	47,10	204	8 461
Light Vehicle Drivers	1	4	25	4	4 630
Food Services Aids And Waiters	0	0	0	0	0
Information Technology Related	1	1	100	5	5 439
TOTAL	**111**	**231**	**48,10**	**96**	**8 724**

Notes

The core classification, as prescribed by the dpsa, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

In which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

For which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

Where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

In respect of which a Department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for senior management service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	3	17	16,70	133	44 279,40	0,53
Band B	1	6	16,70	30	29 919,10	0,12
Band C	0	0	0	0	0	0
Band D	0	1	0	0	0	0
TOTAL	**4**	**24**	**16**	**163**	**40 689,40**	**0,65**

Foreign workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (1-2)	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0	0	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**	**0**	**0**

Leave Utilisation

The public service commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 6-8)	3	0	2	3,30	2	1
Highly skilled production (Levels 6-8)	77	37,70	24	40	3	126
Highly skilled supervision (Levels 9-12)	79	55,70	19	31,70	4	247
Senior management (Levels 13-16)	19	52,60	4	6,70	5	95
Skilled (Levels 3-5)	59	40,70	11	18,30	5	50
TOTAL	**237**	**45,10**	**60**	**100**	**4**	**519**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the pscbc in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	26	2	13
Skilled Levels 3-5)	494	27	18
Highly skilled production (Levels 6-8)	1 649	80	21
Highly skilled supervision(Levels 9-12)	1 420	73	19
Senior management (Levels 13-16)	391	20	20
Contract (Levels 3-5)	8	1	8
Contract (Levels 6-8)	191	15	13
TOTAL	**4 179**	**218**	**19**

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021	Total Number of Capped Leave Available at End of Period	Number of Employees as at End of Period
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled Levels 3-5)	0	0	0	116	695.50	6
Highly skilled production (Levels 6-8)	0	0	0	47	988.12	21
Highly skilled supervision(Levels 9-12)	0	0	0	60	1 619.67	27
Senior management (Levels 13-16)	0	0	0	37	408.93	11
TOTAL	**0**	**0**	**0**	**57**	**3 712.22**	**65**

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2020 and 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Gratuity: Death/Retirement/Medical Retirement(Work	94	2	47
Annual - Head Of Departments (Gratuity) (Work Days)	84	1	84
Capped - Gratuity: Death/Retirement/Medical Retirement(Work	127	2	63
TOTAL	**305**	**5**	**61**

Hiv/Aids & Health Promotion Programmes

Table 3.11.1 Steps Taken To Reduce The Risk Of Occupational Exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
General Workers (Cleaners)	Provision of PPE's - gloves, mouth covers etc.

Table 3.11.2 Details of health promotion and hiv/aids programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms N.I Phiri Director: Human Resource Management
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The total number of staff is three (3), and the budget allocated is three million, eight hundred and eighty eight thousand (R3 088 000) for compensation and goods and services.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Proactive and reactive Employee Health and Wellness Programmes Workplace HIV/AIDS Programme Occupational Health and Safety.
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Occupational Health & Safety committee (Ms IN Phiri, Ms BG Molahlegi, , Ms S Malaza, Ms L Phoku, Ms G Makhaya, Ms M Mabilu Ms Y Thabethe, Ms A Tshifularo, Mr. MD Mashaba, Mr J Moile, Mr S Mahlangu, Mr C Ngobe , Mr L Mapheto, Mr M Mthethwa. Employment Equity Committee: Ms IN Phiri, Mr S Nkambule, Ms SJ Phahlamohlaka, Ms BG Molahlegi, Ms H Mokotedi, Mr DJ Sibiya, Mr E Monate, Ms F Hlathi,Mr MS Mahlangu, Mr SV Hlatshwayo, Ms A Johnson, Ms B Nkalanga (NEHAWU), Ms G Makhaya (PSA).
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		The Department has reviewed the SHERQ policy to incorporate COVID-19 and related issues.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Department has an approved HIV/AIDS and TB management and the Occupational Health & Safety and EHWP, Disability Management and Gender Equality and Empowerment policies and also the implementation of Education and awareness Programmes and provision of counselling and support services to address stigma and discrimination in the workplace.

Question	Yes	No	Details, if yes
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		Employees were encouraged to do medical screenings on regular basis. 23 employees undergone health screening.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Monitoring and evaluation is done through analysis of GEMS chronic illnesses reports. The Departmental HIV prevalence is currently at 9.9% (23) with 12.7% (17) females and (6%) males

Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Subject matter	Date
Total number of Collective agreements	**None**

Notes

If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	**0**	**0**

Notes

If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types Of Misconduct Addressed At Disciplinary Hearings For The Period 1 April 2020 And 31 March 2021

Type of misconduct	Number	% of total
None	0	0
Total	**0**	**0**

Table 3.12.4 Grievances Logged For The Period 1 April 2020 And 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	02	40%
Number of grievances not resolved	03	60%
Total number of grievances lodged	05	100%

Table 3.12.5 Disputes Logged With Councils For The Period 1 April 2020 And 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	01	20%
Number of disputes pending	04	80%
Total number of disputes lodged	05	100%

Table 3.12.6 Strike Actions For The Period 1 April 2020 And 31 March 2021

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary Suspensions For The Period 1 April 2020 And 31 March 2021

Number of people suspended	0
Number of people who's suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

Skills Development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers 13-16	Female	4	0	4	4	8
	Male	20	0	12	15	27
Professionals 11-12	Female	16	0	7	12	19
	Male	24	0	10	24	34
Technicians and associate professionals 9-10	Female	15	0	11	7	18
	Male	21	0	8	13	21
Clerks 4-8	Female	73	3	2	15	20
	Male	25	2	1	1	4
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations 1-3	Female	20	0	0	0	0
	Male	8	0	0	0	0
Sub Total	Female	128	3	24	34	65
	Male	98	2	31	38	86
Total		**226**	**5**	**55**	**72**	**151**

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	0	4	4	8
	Male	20	0	14	10	24
Professionals	Female	16	0	7	12	19
	Male	24	0	24	18	42
Technicians and associate professionals	Female	15	0	4	1	5
	Male	21	0	2	3	5
Clerks	Female	73	3	26	28	57
	Male	25	2	5	1	8
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	20	0	0	0	0
	Male	8	0	0	0	0
Sub Total	Female	128	3	41	45	89
	Male	98	2	45	32	79
Total		**226**	**5**	**86**	**77**	**168**

Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	1	0.4
Total	**1**	**0.4**

Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the Department. In terms of the public service regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a Department against remuneration received from any source:

The rendering of expert advice;

The drafting of proposals for the execution of specific tasks; and

The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a Department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Railway Heritage Tourism	1	50 days	R404 200
Report on the Factual finding on Irregular Expenditure	1	21 days	R110 876

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
2	2	71	R515 076

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (hdis) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Railway Heritage Tourism	100%	100 black owned	1
Report on the Factual finding on Irregular Expenditure	92%	48%	1

Table 3.15.3 Report on consultant appointments using donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

Table 3.15.4 Analysis Of Consultant Appointments Using Donor Funds, In Terms Of Historically Disadvantaged Individuals (Hdis) For The Period 1 April 2020 And 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project

Severance Packages

Table 3.16.1 Granting Of Employee Initiated Severance Packages For The Period 1 April 2020 And 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Part E
Financial Information

01

TABLE OF CONTENTS

Report of the Auditor General 139

Appropriation Statement 144

Notes to the Appropriation Statement 186

Statement of Financial Performance 187

Statement of Financial Position 188

Statement of changes in Net Assets 189

Cash Flow Statement 190

Accounting Policies 191

Notes to the Annual Financial Statements 199

Unaudited Annexures to the Financial Statements 216

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 6: Department of Economic Development and Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Economic Development and Tourism set out on pages 144 to 214 which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development and Tourism as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 4 of 2020 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2021.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting

framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 3 – trade and sector development	53 - 61

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

    - Programme 3 – Trade and sector development

Other matter

17. I draw attention to the matter below. My opinion is not modified in respect of this matter

Achievement of planned targets

18. Refer to the annual performance report on pages 33 to 75 for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

20. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements, performance report and annual report

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) (b) of the PFMA.

22. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

Other information

23. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

26. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

27. I have nothing to report in this regard.

Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation.

29. The department developed a plan to address internal and external audit findings, but the appropriate level of management did not adequately monitor adherence to the plan in a timely manner as there were recurring issues of material misstatements in the financial statements.

Auditor-General

Mbombela

02 August 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

   - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
   - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
   - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Appropriation Statement

Appropriation per programme

Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Programme										
Administartion	1	87 449	-	(1 367)	86 082	82 625	3 457	95.98 %	108 582	101 046
Intergrated Economic Development	2	478 792	-	(8 723)	470 069	466 735	3 334	99.29 %	390 316	388 004
Trade and Sector Development	3	19 314	-	(212)	19 102	17 937	1 165	93.90 %	19 975	18 084
Business Regulation and Governance	4	103 517	-	241	103 758	103 628	130	99.87 %	113 962	113 718
Economic Planning	5	16 947	-	61	17 008	16 235	773	95.46 %	18 419	18 081
Tourism	6	376 628	-	10 000	386 628	385 127	1 501	99.61 %	395 427	395 063
Programme subtotal		**1 082 647**	**-**	**-**	**1 082 647**	**1 072 287**	**10 360**	**99.04 %**	**1 046 681**	**1 033 996**
Programme sub total		1 082 647	-	-	1 082 647	1 072 287	10 360	99.04 %	1 046 681	1 033 996
Total		**1 082 647**	**-**	**-**	**1 082 647**	**1 072 287**	**10 360**	**99.04 %**	**1 046 681**	**1 033 996**

Reconciliation with statement of financial performance

Add:		
Departmental revenue	161 077	153 938
Actual amounts per statement of financial performance (total revenue)	**1 243 724**	**1 200 619**
Actual expenditure	1 072 287	1 033 996
Add:		
Actual amounts per statement of financial performance (total expenditure)	**1 072 287**	**1 033 996**

Appropriation per economic classification

Economic classification

Current payments

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees									
Salaries and wages	118 507	-	2 650	121 157	120 817	340	99.72 %	130 350	126 018
Social contributions	23 780	-	(2 649)	21 131	19 425	1 706	91.93 %	19 930	19 219
	142 287	**-**	**1**	**142 288**	**140 242**	**2 046**	**98.56 %**	**150 280**	**145 237**
Goods and services									
Administrative fees	767	-	(202)	565	92	473	16.3 %	931	806
Advertising	1 042	-	351	1 393	1 275	118	91.5 %	1 287	1 287
Minor assets	341	-	-	341	3	338	0.9 %	494	482
Audit costs: External	5 765	-	(710)	5 055	4 200	855	83.1 %	5 950	5 950
Catering: Departmental activities	127	-	6	133	29	104	21.8 %	845	730
Communication	3 399	-	244	3 643	3 038	605	83.4 %	3 454	3 454
Computer services	967	-	(223)	744	715	29	96.1 %	771	725
Consultants: Business and advisory services	857	-	(97)	760	759	1	99.9 %	2 196	2 196
Legal services	562	-	-	562	562	-	100.0 %	1 500	362
Contractors	273	-	(61)	212	15	197	7.1 %	530	401
Agency and support / outsourced services	16 879	-	(11 576)	5 303	1 561	3 742	29.4 %	4 010	3 015
Fleet services	811	-	209	1 020	1 020	-	100.0 %	1 091	1 091
Inventory: Food and food supplies	88	-	(88)	-	-	-	- %	-	-
Consumable supplies	1 131	-	205	1 336	1 230	106	92.1 %	2 136	1 991
Consumable: Stationery, printing and office supplies	622	-	30	652	554	98	85.0 %	2 112	1 570
Operating leases	17 727	-	932	18 659	18 659	-	100.0 %	21 554	21 554
Property payments	2 914	-	173	3 087	3 087	-	100.0 %	4 723	4 353
Travel and subsistence	6 410	-	511	6 921	6 233	688	90.1 %	18 568	16 177
Training and development	1 215	-	-	1 215	1 215	-	100.0 %	2 446	2 296
Operating payments	232	-	131	363	290	73	79.9 %	782	411
Venues and facilities	391	-	164	555	319	236	57.5 %	1 034	994
	62 520	**-**	**(10 001)**	**52 519**	**44 856**	**7 663**	**85.4 %**	**76 414**	**69 845**
Compensation of employees	142 287	-	1	142 288	140 242	2 046	98.56 %	150 280	145 237
Goods and services	62 520	-	(10 001)	52 519	44 856	7 663	85.41 %	76 414	69 845
Total current payments	**204 807**	**-**	**(10 000)**	**194 807**	**185 098**	**9 709**	**95.02 %**	**226 694**	**215 082**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	19	-	7	26	26	-	100.00 %	194	194
Municipalities									
Municipal agencies and funds	19	-	(19)	-	-	-	- %	-	-
Provinces	-	-	26	26	26	-	100.00 %	194	194
Municipalities	19	-	(19)	-	-	-	- %	-	-
Provinces and municipalities subtotal	**19**	**-**	**7**	**26**	**26**	**-**	**100.00 %**	**194**	**194**
Departmental agencies and accounts									
Departmental agencies (non-business entities)	456 735	-	10 000	466 735	466 735	-	100.00 %	483 729	483 729
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	192 323	-	-	192 323	192 323	-	100.00 %	201 923	201 923
Private enterprises									
Other transfers to private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Public corporations	192 323	-	-	192 323	192 323	-	100.00 %	201 923	201 923
Private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Public corporations and private enterprises subtotal	**195 014**	**-**	**-**	**195 014**	**195 014**	**-**	**100.00 %**	**203 824**	**203 824**
Households									
Social benefits	501	-	(7)	494	322	172	65.18 %	2 477	2 477
Provinces and municipalities	19	-	7	26	26	-	100.00 %	194	194
Departmental agencies and accounts	456 735	-	10 000	466 735	466 735	-	100.00 %	483 729	483 729
Public corporations and private enterprises	195 014	-	-	195 014	195 014	-	100.00 %	203 824	203 824

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Households	501	-	(7)	494	322	172	65.18 %	2 477	2 477
Total transfers and subsidies	**652 269**	**-**	**10 000**	**662 269**	**662 097**	**172**	**99.97 %**	**690 224**	**690 224**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Machinery and equipment									
Transport equipment	1 108	-	(509)	599	599	-	100.00 %	4 284	3 216
Other machinery and equipment	2 280	-	(768)	1 512	1 385	127	91.60 %	-	-
	3 388	**-**	**(1 277)**	**2 111**	**1 984**	**127**	**93.98 %**	**4 284**	**3 216**
Buildings and other fixed structures	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Machinery and equipment	3 388	-	(1 277)	2 111	1 984	127	93.98 %	4 284	3 216
Total payments for capital assets	**225 571**	**-**	**-**	**225 571**	**225 092**	**479**	**99.79 %**	**129 651**	**128 578**
	-	**-**	**-**	**-**	**-**	**-**	**- %**	**112**	**112**
Payments for financial assets									
Total current payments	204 807	-	(10 000)	194 807	185 098	9 709	95.02 %	226 694	215 082
Total transfers and subsidies	652 269	-	10 000	662 269	662 097	172	99.97 %	690 224	690 224
Total payments for capital assets	225 571	-	-	225 571	225 092	479	99.79 %	129 651	128 578
Total payments for financial assets	-	-	-	-	-	-	- %	112	112
Total	**1 082 647**	**-**	**-**	**1 082 647**	**1 072 287**	**10 360**	**99.04 %**	**1 046 681**	**1 033 996**

Appropriation Statement

Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. Administartion										
Sub programme										
Office of the MEC	1.1	10 585	-	268	10 853	10 804	49	99.55 %	13 723	13 723
Senior Management	1.2	7 434	-	(436)	6 998	5 715	1 283	81.67 %	10 757	9 127
Financial Management	1.3	37 329	-	(887)	36 442	34 695	1 747	95.21 %	45 757	42 995
Corporate Services	1.4	32 101	-	(312)	31 789	31 411	378	98.81 %	38 345	35 201
Subtotal		**87 449**	**-**	**(1 367)**	**86 082**	**82 625**	**3 457**	**95.98 %**	**108 582**	**101 046**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		54 545	-	287	54 832	54 584	248	99.55 %	61 280	57 497
Social contributions		9 092	-	(287)	8 805	8 529	276	96.87 %	9 024	8 745
		63 637	**-**	**-**	**63 637**	**63 113**	**524**	**99.18 %**	**70 304**	**66 242**
Goods and services										
Administrative fees		338	-	(140)	198	74	124	37.37 %	556	531
Advertising		912	-	(273)	639	521	118	81.53 %	675	675
Minor assets		323	-	-	323	3	320	0.93 %	482	374
Audit costs: External		5 765	-	(710)	5 055	4 200	855	83.09 %	5 950	5 950
Catering: Departmental activities		127	-	6	133	29	104	21.80 %	501	386
Communication		3 399	-	3	3 402	3 037	365	89.27 %	3 454	3 454
Computer services		235	-	21	256	228	28	89.06 %	307	307
Consultants: Business and advisory services		314	-	368	682	681	1	99.85 %	1 547	1 547
Legal services		562	-	-	562	562	-	100.00 %	1 500	362
Contractors		1	-	14	15	15	-	100.00 %	131	11
Agency and support / outsourced services		133	-	-	133	51	82	38.35 %	133	133
Fleet services		811	-	209	1 020	1 020	-	100.00 %	1 091	1 091
Inventory: Food and food supplies		88	-	(88)	-	-	-	- %	-	-
Consumable supplies		1 131	-	203	1 334	1 228	106	92.05 %	2 125	2 088

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Consumable: Stationery, printing and office supplies	622	-	-	622	524	98	84.24 %	2 067	1 525
Property payments	-	-	20	20	20	-	100.00 %	9	9
Travel and subsistence	4 353	-	367	4 720	4 461	259	94.51 %	9 207	9 085
Training and development	365	-	-	365	365	-	100.00 %	1 796	1 646
Operating payments	203	-	-	203	146	57	71.92 %	270	221
Venues and facilities	222	-	-	222	105	117	47.30 %	584	584
	19 904	**-**	**-**	**19 904**	**17 270**	**2 634**	**86.77 %**	**32 385**	**29 979**
Compensation of employees	63 637	-	-	63 637	63 113	524	99.18 %	70 304	66 242
Goods and services	19 904	-	-	19 904	17 270	2 634	86.77 %	32 385	29 979
Total current payments	**83 541**	**-**	**-**	**83 541**	**80 383**	**3 158**	**96.22 %**	**102 689**	**96 221**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	-	-	26	26	26	-	100.00 %	194	194
Municipalities									
Municipal bank accounts	19	-	(19)	-	-	-	- %	-	-
Provinces	-	-	26	26	26	-	100.00 %	194	194
Municipalities	19	-	(19)	-	-	-	- %	-	-
Provinces and municipalities subtotal	**19**	**-**	**7**	**26**	**26**	**-**	**100.00 %**	**194**	**194**
Households									
Social benefits	501	-	(97)	404	232	172	57.43 %	1 405	1 405
Provinces and municipalities	19	-	7	26	26	-	100.00 %	194	194
Households	501	-	(97)	404	232	172	57.43 %	1 405	1 405
Total transfers and subsidies	**520**	**-**	**(90)**	**430**	**258**	**172**	**60.00 %**	**1 599**	**1 599**
Payments for capital assets									
Machinery and equipment									
Transport equipment	1 108	-	(509)	599	599	-	100.00 %	4 284	3 216

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Other machinery and equipment	2 280	-	(768)	1 512	1 385	127	91.60 %	-	-
	3 388	**-**	**(1 277)**	**2 111**	**1 984**	**127**	**93.98 %**	**4 284**	**3 216**
Machinery and equipment	3 388	-	(1 277)	2 111	1 984	127	93.98 %	4 284	3 216
	-	**-**	**-**	**-**	**-**	**-**	**- %**	**10**	**10**
Payments for financial assets									
Total current payments	83 541	-	-	83 541	80 383	3 158	96.22 %	102 689	96 221
Total transfers and subsidies	520	-	(90)	430	258	172	60.00 %	1 599	1 599
Total payments for capital assets	3 388	-	(1 277)	2 111	1 984	127	93.98 %	4 284	3 216
Total payments for financial assets	-	-	-	-	-	-	- %	10	10
Total	**87 449**	**-**	**(1 367)**	**86 082**	**82 625**	**3 457**	**95.98 %**	**108 582**	**101 046**

Appropriation Statement

1.1 Office of the MEC

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	6 544	-	991	7 535	7 535	-	100.00 %	7 247	7 247
Social contributions	1 604	-	(723)	881	881	-	100.00 %	841	841
	8 148	**-**	**268**	**8 416**	**8 416**	**-**	**100.00 %**	**8 088**	**8 088**
Goods and services									
Administrative fees	142	-	(117)	25	25	-	100.00 %	201	201
Advertising	-	-	-	-	-	-	- %	74	74
Catering: Departmental activities	-	-	-	-	-	-	- %	226	226
Communication	-	-	2	2	2	-	100.00 %	2	2
Contractors	1	-	-	1	1	-	100.00 %	-	-
Consumable supplies	-	-	115	115	115	-	100.00 %	1 229	1 229
Travel and subsistence	2 217	-	-	2 217	2 198	19	99.14 %	3 212	3 212
Venues and facilities	77	-	-	77	47	30	61.04 %	147	147
	2 437	**-**	**-**	**2 437**	**2 388**	**49**	**97.99 %**	**5 091**	**5 091**
Compensation of employees	8 148	-	268	8 416	8 416	-	100.00 %	8 088	8 088
Goods and services	2 437	-	-	2 437	2 388	49	97.99 %	5 091	5 091
Total current payments	**10 585**	**-**	**268**	**10 853**	**10 804**	**49**	**99.55 %**	**13 179**	**13 179**
Transfers and subsidies									
Provinces and municipalities									

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Provinces									
Provincial Revenue Funds	-	-	-	-	-	-	- %	183	183
Provinces	-	-	-	-	-	-	- %	183	183
Households									
Social benefits	-	-	-	-	-	-	- %	361	361
Provinces and municipalities	-	-	-	-	-	-	- %	183	183
Households	-	-	-	-	-	-	- %	361	361
Total transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**544**	**544**
Total current payments	10 585	-	268	10 853	10 804	49	99.55 %	13 179	13 179
Total transfers and subsidies	-	-	-	-	-	-	- %	544	544
Total	**10 585**	**-**	**268**	**10 853**	**10 804**	**49**	**99.55 %**	**13 723**	**13 723**

1.2 Senoir Management

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4 394	-	-	4 394	4 157	237	94.61 %	6 676	5 587
Social contributions	1 240	-	(436)	804	528	276	65.67 %	924	645
	5 634	**-**	**(436)**	**5 198**	**4 685**	**513**	**90.13 %**	**7 600**	**6 232**
Goods and services									
Administrative fees	37	-	-	37	8	29	21.62 %	130	105
Advertising	118	-	-	118	-	118	- %	-	-
Catering: Departmental activities	127	-	-	127	23	104	18.11 %	205	90
Computer services	-	-	21	21	21	-	100.00 %	-	-

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Consultants: Business and advisory services	314	-	225	539	539	-	100.00 %	1 261	1 261
Agency and support / outsourced services	82	-	-	82	-	82	- %	97	97
Inventory: Food and food supplies	88	-	(88)	-	-	-	- %	-	-
Consumable supplies	118	-	88	206	82	124	39.81 %	84	84
Travel and subsistence	799	-	(246)	553	313	240	56.60 %	967	845
Venues and facilities	117	-	-	117	44	73	37.61 %	226	226
	1 800	**-**	**-**	**1 800**	**1 030**	**770**	**57.22 %**	**2 970**	**2 708**
Compensation of employees	5 634	-	(436)	5 198	4 685	513	90.13 %	7 600	6 232
Goods and services	1 800	-	-	1 800	1 030	770	57.22 %	2 970	2 708
Total current payments	**7 434**	**-**	**(436)**	**6 998**	**5 715**	**1 283**	**81.67 %**	**10 970**	**8 940**
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	- %	187	187
Households	-	-	-	-	-	-	- %	187	187
Total current payments	7 434	-	(436)	6 998	5 715	1 283	81.67 %	10 570	8 940
Total transfers and subsidies	-	-	-	-	-	-	- %	187	187
Total	**7 434**	**-**	**(436)**	**6 998**	**5 715**	**1 283**	**81.67 %**	**10 757**	**9 127**

Appropriation Statement

1.3 Financial Management

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	18 349	-	(357)	17 992	17 992	-	100.00 %	21 278	19 729
Social contributions	2 828	-	525	3 353	3 353	-	100.00 %	3 514	3 514
	21 177	**-**	**168**	**21 345**	**21 345**	**-**	**100.00 %**	**24 792**	**23 243**
Goods and services									
Administrative fees	100	-	-	100	31	69	31.00 %	85	85
Minor assets	323	-	-	323	3	320	0.93 %	482	374
Audit costs: External	5 765	-	(710)	5 055	4 200	855	83.09 %	5 950	5 950
Catering: Departmental activities	-	-	6	6	6	-	100.00 %	68	68
Communication	3 399	-	-	3 399	3 034	365	89.26 %	3 451	3 451
Computer services	235	-	-	235	207	28	88.09 %	307	307
Consultants: Business and advisory services	-	-	143	143	142	1	99.30 %	286	286
Contractors	-	-	14	14	14	-	100.00 %	11	11
Fleet services	811	-	209	1 020	1 020	-	100.00 %	1 091	1 091
Consumable supplies	1 013	-	-	1 013	1 031	(18)	101.78 %	812	775
Consumable: Stationery, printing and office supplies	513	-	-	513	513	-	100.00 %	1 442	1 442
Travel and subsistence	500	-	338	838	838	-	100.00 %	1 845	1 845
Operating payments	86	-	-	86	86	-	100.00 %	84	84
Venues and facilities	-	-	-	-	-	-	- %	24	24
	12 745	**-**	**-**	**12 745**	**11 125**	**1 620**	**87.29 %**	**15 938**	**15 793**
Compensation of employees	21 177	-	168	21 345	21 345	-	100.00 %	24 792	23 243
Goods and services	12 745	-	-	12 745	11 125	1 620	87.29 %	15 938	15 793
Total current payments	**33 922**	**-**	**168**	**34 090**	**32 470**	**1 620**	**95.25 %**	**40 730**	**39 036**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	-	-	26	26	26	-	100.00 %	11	11
Municipalities									
Municipal bank accounts	19	-	(19)	-	-	-	- %	-	-

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Provinces	-	-	26	26	26	-	100.00 %	11	11
Municipalities	19	-	(19)	-	-	-	- %	-	-
Provinces and municipalities subtotal	**19**	**-**	**7**	**26**	**26**	**-**	**100.00 %**	**11**	**11**
Households									
Social benefits	-	-	215	215	215	-	100.00 %	731	731
Provinces and municipalities	19	-	7	26	26	-	100.00 %	11	11
Households	-	-	215	215	215	-	100.00 %	732	732
Total transfers and subsidies	**19**	**-**	**222**	**241**	**241**	**-**	**100.00 %**	**743**	**743**
Payments for capital assets									
Machinery and equipment									
Transport equipment	1 108	-	(509)	599	599	-	100.00 %	1 014	38
Other machinery and equipment	2 280	-	(768)	1 512	1 385	127	91.60 %	3 270	3 178
	3 388	**-**	**(1 277)**	**2 111**	**1 984**	**127**	**93.98 %**	**4 284**	**3 216**
Machinery and equipment	3 388	-	(1 277)	2 111	1 984	127	93.98 %	4 284	3 216
Total current payments	33 922	-	168	34 090	32 470	1 620	95.25 %	40 730	39 036
Total transfers and subsidies	19	-	222	241	241	-	100.00 %	743	743
Total payments for capital assets	3 388	-	(1 277)	2 111	1 984	127	93.98 %	4 284	3 216
Total	**37 329**	**-**	**(887)**	**36 442**	**34 695**	**1 747**	**95.21 %**	**45 757**	**42 995**

Appropriation Statement

1.4 Corporate Services

Figures in Rand thousand

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	25 258	-	(347)	24 911	24 900	11	99.96 %	26 079	24 934
Social contributions	3 420	-	347	3 767	3 767	-	100.00 %	3 745	3 745
	28 678	**-**	**-**	**28 678**	**28 667**	**11**	**99.96 %**	**29 824**	**28 679**
Goods and services									
Administrative fees	59	-	(23)	36	10	26	27.78 %	140	140
Advertising	794	-	(273)	521	521	-	100.00 %	601	601
Catering: Departmental activities	-	-	-	-	-	-	- %	2	2
Communication	-	-	1	1	1	-	100.00 %	1	1
Legal services	562	-	-	562	562	-	100.00 %	1 500	362
Contractors	-	-	-	-	-	-	- %	120	-
Agency and support / outsourced services	51	-	-	51	51	-	100.00 %	36	36
Consumable: Stationery, printing and office supplies	109	-	-	109	11	98	10.09 %	625	83
Property payments	-	-	20	20	20	-	100.00 %	9	9
Travel and subsistence	837	-	275	1 112	1 112	-	100.00 %	3 183	3 183
Training and development	365	-	-	365	365	-	100.00 %	1 796	1 646
Operating payments	117	-	-	117	60	57	51.28 %	186	137
Venues and facilities	28	-	-	28	14	14	50.00 %	187	187
	2 922	**-**	**-**	**2 922**	**2 727**	**195**	**93.33 %**	**8 386**	**6 387**
Compensation of employees	28 678	-	-	28 678	28 667	11	99.96 %	29 824	28 679
Goods and services	2 922	-	-	2 922	2 727	195	93.33 %	8 386	6 387
Total current payments	**31 600**	**-**	**-**	**31 600**	**31 394**	**206**	**99.35 %**	**38 210**	**35 066**
Transfers and subsidies									
Households									
Social benefits	501	-	(312)	189	17	172	8.99 %	125	125
Households	501	-	(312)	189	17	172	8.99 %	125	125

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**10**	**10**
Total current payments	31 600	-	-	31 600	31 394	206	99.35 %	38 210	35 066
Total transfers and subsidies	501	-	(312)	189	17	172	8.99 %	125	125
Total payments for financial assets	-	-	-	-	-	-	- %	10	10
Total	**32 101**	**-**	**(312)**	**31 789**	**31 411**	**378**	**98.81 %**	**38 345**	**35 201**

2. Intergrated Economic Development

		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
CD: Office Support	2.1	1 949	-	-	1 949	1 848	101	94.82 %	2 107	2 107
Enterprise Development	2.2	438 311	-	(8 962)	429 349	426 300	3 049	99.29 %	341 484	341 091
Local Econimc Development	2.3	6 740	-	(574)	6 166	5 950	216	96.50 %	8 253	7 873
Econimc Empowerment	2.4	4 273	-	(120)	4 153	4 185	(32)	100.77 %	5 571	4 433
Regional Directors	2.5	27 519	-	933	28 452	28 452	-	100.00 %	32 901	32 500
Subtotal		**478 792**	**-**	**(8 723)**	**470 069**	**466 735**	**3 334**	**99.29 %**	**390 316**	**388 004**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		24 300	-	(182)	24 118	24 499	(381)	101.58 %	25 776	25 649
Social contributions		4 378	-	182	4 560	3 964	596	86.93 %	4 135	3 930
		28 678	**-**	**-**	**28 678**	**28 463**	**215**	**99.25 %**	**29 911**	**29 579**
Goods and services										
Administrative fees		123	-	(63)	60	3	57	5.00 %	107	59
Catering: Departmental activities		-	-	-	-	-	-	- %	321	321

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Consultants: Business and advisory services	-	-	3	3	3	-	100.00 %	183	183
Contractors	-	-	-	-	-	-	- %	390	390
Agency and support / outsourced services	14 093	-	(11 119)	2 974	374	2 600	12.58 %	1 782	1 139
Operating leases	17 727	-	932	18 659	18 659	-	100.00 %	21 554	21 554
Property payments	2 914	-	153	3 067	3 067	-	100.00 %	4 714	4 344
Travel and subsistence	712	-	76	788	704	84	89.34 %	2 928	2 377
Operating payments	29	-	18	47	31	16	65.96 %	358	36
Venues and facilities	10	-	-	10	-	10	- %	395	354
	35 608	**-**	**(10 000)**	**25 608**	**22 841**	**2 767**	**89.19 %**	**32 732**	**30 757**
Compensation of employees	28 678	-	-	28 678	28 463	215	99.25 %	29 911	29 579
Goods and services	35 608	-	(10 000)	25 608	22 841	2 767	89.19 %	32 732	30 757
Total current payments	**64 286**	**-**	**(10 000)**	**54 286**	**51 304**	**2 982**	**94.51 %**	**62 643**	**60 336**
Transfers and subsidies									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	192 323	-	-	192 323	192 323	-	100.00 %	201 923	201 923
Public corporations	192 323	-	-	192 323	192 323	-	100.00 %	201 923	201 923
Households									
Social benefits	-	-	-	-	-	-	- %	332	332
Public corporations and private enterprises	192 323	-	-	192 323	192 323	-	100.00 %	201 923	201 923
Households	-	-	-	-	-	-	- %	332	332
Total transfers and subsidies	**192 323**	**-**	**-**	**192 323**	**192 323**	**-**	**100.00 %**	**202 255**	**202 255**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Buildings and other fixed structures	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
	-	**-**	**-**	**-**	**-**	**-**	**- %**	**51**	**51**
Payments for financial assets									
Total current payments	64 286	-	(10 000)	54 286	51 304	2 982	94.51 %	62 643	60 336
Total transfers and subsidies	192 323	-	-	192 323	192 323	-	100.00 %	202 255	202 255
Total payments for capital assets	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Total payments for financial assets	-	-	-	-	-	-	- %	51	51
Total	**478 792**	**-**	**(8 723)**	**470 069**	**466 735**	**3 334**	**99.29 %**	**390 316**	**388 004**

2.1 CD: Office Support

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 367	-	201	1 568	1 568	-	100.00 %	1 660	1 660
Social contributions	447	-	(201)	246	204	42	82.93 %	200	200
	1 814	**-**	**-**	**1 814**	**1 772**	**42**	**97.68 %**	**1 860**	**1 860**
Goods and services									
Administrative fees	36	-	-	36	-	36	- %	-	-
Travel and subsistence	99	-	-	99	76	23	76.77 %	196	196
	135	**-**	**-**	**135**	**76**	**59**	**56.30 %**	**196**	**196**
Compensation of employees	1 814	-	-	1 814	1 772	42	97.68 %	1 860	1 860
Goods and services	135	-	-	135	76	59	56.30 %	196	196
Total current payments	**1 949**	**-**	**-**	**1 949**	**1 848**	**101**	**94.82 %**	**2 056**	**2 056**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	-	-	-	-	-	-	- %	51	51
Payments for financial assets									
Total current payments	1 949	-	-	1 949	1 848	101	94.82 %	2 056	2 056
Total payments for financial assets	-	-	-	-	-	-	- %	51	51
Total	**1 949**	**-**	**-**	**1 949**	**1 848**	**101**	**94.82 %**	**2 107**	**2 107**

2.2 Enterprise Development

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	8 870	-	(261)	8 609	8 513	96	98.88 %	9 304	9 206
Social contributions	1 245	-	261	1 506	1 505	1	99.93 %	1 545	1 545
	10 115	**-**	**-**	**10 115**	**10 018**	**97**	**99.04 %**	**10 849**	**10 751**
Goods and services									
Administrative fees	63	-	(60)	3	3	-	100.00 %	26	26
Catering: Departmental activities	-	-	-	-	-	-	- %	270	270
Consultants: Business and advisory services	-	-	-	-	-	-	- %	173	173
Contractors	-	-	-	-	-	-	- %	390	390
Agency and support / outsourced services	13 414	-	(10 440)	2 974	374	2 600	12.58 %	928	793
Travel and subsistence	200	-	243	443	443	-	100.00 %	986	986
Operating payments	13	-	18	31	31	-	100.00 %	191	36
Venues and facilities	-	-	-	-	-	-	- %	326	326
	13 690	**-**	**(10 239)**	**3 451**	**851**	**2 600**	**24.66 %**	**3 290**	**3 000**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	10 115	-	-	10 115	10 018	97	99.04 %	10 849	10 751
Goods and services	13 690	-	(10 239)	3 451	851	2 600	24.66 %	3 290	3 000
Total current payments	**23 805**	**-**	**(10 239)**	**13 566**	**10 869**	**2 697**	**80.12 %**	**14 139**	**13 751**
Transfers and subsidies									
Public corporations and private enterprises	192 323	-	-	192 323	192 323	9 600	100.00 %	201 923	201 923
Households									
Social benefits	-	-	-	-	-	-	- %	55	55
Public corporations and private enterprises	192 323	-	-	192 323	192 323	9 600	100.00 %	201 923	201 923
Households	-	-	-	-	-	-	- %	55	55
Total transfers and subsidies	**192 323**	**-**	**-**	**192 323**	**192 323**	**9 600**	**100.00 %**	**201 978**	**201 978**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Buildings and other fixed structures	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Total current payments	23 805	-	(10 239)	13 566	10 869	2 697	80.12 %	14 139	13 751
Total transfers and subsidies	192 323	-	-	192 323	192 323	9 600	100.00 %	201 978	201 978
Total payments for capital assets	222 183	-	1 277	223 460	223 108	352	99.84 %	125 367	125 362
Total	**438 311**	**-**	**(8 962)**	**429 349**	**426 300**	**12 649**	**99.29 %**	**341 484**	**341 091**

Appropriation Statement

2.3 Local Econimc Development

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5 876	-	(606)	5 270	5 079	191	96.38 %	5 894	5 894
Social contributions	775	-	32	807	807	-	100.00 %	905	905
	6 651	**-**	**(574)**	**6 077**	**5 886**	**191**	**96.86 %**	**6 799**	**6 799**
Goods and services									
Administrative fees	19	-	-	19	-	19	- %	56	9
Agency and support / outsourced services	-	-	-	-	-	-	- %	679	346
Travel and subsistence	70	-	-	70	64	6	91.43 %	442	442
	89	**-**	**-**	**89**	**64**	**25**	**71.91 %**	**1 177**	**797**
Compensation of employees	6 651	-	(574)	6 077	5 886	191	96.86 %	6 799	6 799
Goods and services	89	-	-	89	64	25	71.91 %	1 177	797
Total current payments	**6 740**	**-**	**(574)**	**6 166**	**5 950**	**216**	**96.50 %**	**7 976**	**7 596**
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	- %	277	277
Households	-	-	-	-	-	-	- %	277	277
Total current payments	6 740	-	(574)	6 166	5 950	216	96.50 %	7 976	7 596
Total transfers and subsidies	-	-	-	-	-	-	- %	277	277
Total	**6 740**	**-**	**(574)**	**6 166**	**5 950**	**216**	**96.50 %**	**8 253**	**7 873**

Appropriation Statement

2.4 Econimc Empowerment

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2 875	-	-	2 875	3 544	(669)	123.27 %	3 491	3 491
Social contributions	1 167	-	-	1 167	613	554	52.53 %	734	531
	4 042	**-**	**-**	**4 042**	**4 157**	**(115)**	**102.85 %**	**4 225**	**4 022**
Goods and services									
Administrative fees	5	-	(3)	2	-	2	- %	17	16
Catering: Departmental activities	-	-	-	-	-	-	- %	51	51
Consultants: Business and advisory services	-	-	3	3	3	-	100.00 %	10	10
Agency and support / outsourced services	-	-	-	-	-	-	- %	175	-
Travel and subsistence	200	-	(120)	80	25	55	31.25 %	857	306
Operating payments	16	-	-	16	-	16	- %	167	-
Venues and facilities	10	-	-	10	-	10	- %	69	28
	231	**-**	**(120)**	**111**	**28**	**83**	**25.23 %**	**1 346**	**411**
Compensation of employees	4 042	-	-	4 042	4 157	(115)	102.85 %	4 225	4 022
Goods and services	231	-	(120)	111	28	83	25.23 %	1 346	411
Total current payments	**4 273**	**-**	**(120)**	**4 153**	**4 185**	**(32)**	**100.77 %**	**5 571**	**4 433**
Total current payments	4 273	-	(120)	4 153	4 185	(32)	100.77 %	5 571	4 433
Total	**4 273**	**-**	**(120)**	**4 153**	**4 185**	**(32)**	**100.77 %**	**5 571**	**4 433**

Appropriation Statement

2.5 Regional Directors

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5 312	-	484	5 796	5 795	1	99.98 %	5 426	5 395
Social contributions	744	-	90	834	835	(1)	100.12 %	752	752
	6 056	**-**	**574**	**6 630**	**6 630**	**-**	**100.00 %**	**6 178**	**6 147**
Goods and services									
Administrative fees	-	-	-	-	-	-	- %	8	8
Agency and support / outsourced services	679	-	(679)	-	-	-	- %	-	-
Operating leases	17 727	-	932	18 659	18 659	-	100.00 %	21 554	21 554
Property payments	2 914	-	153	3 067	3 067	-	100.00 %	4 714	4 344
Travel and subsistence	143	-	(47)	96	96	-	100.00 %	447	447
	21 463	**-**	**359**	**21 822**	**21 822**	**-**	**100.00 %**	**26 723**	**26 353**
Compensation of employees	6 056	-	574	6 630	6 630	-	100.00 %	6 178	6 147
Goods and services	21 463	-	359	21 822	21 822	-	100.00 %	26 723	26 353
Total current payments	**27 519**	**-**	**933**	**28 452**	**28 452**	**-**	**100.00 %**	**32 901**	**32 500**
Total current payments	27 519	-	933	28 452	28 452	-	100.00 %	32 901	32 500
Total	**27 519**	**-**	**933**	**28 452**	**28 452**	**-**	**100.00 %**	**32 901**	**32 500**

3. Trade and Sector Development

		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
CD: Office Support	3.1	1 756	-	-	1 756	1 554	202	88.50 %	2 224	1 910
Trade and Investment Support	3.2	3 791	-	(127)	3 664	3 289	375	89.77 %	4 348	3 651
Sector Development	3.3	11 699	-	(85)	11 614	11 151	463	96.01 %	10 887	10 214
Strategic Initiatives	3.4	2 068	-	-	2 068	1 943	125	93.96 %	2 516	2 309
Subtotal		**19 314**	**-**	**(212)**	**19 102**	**17 937**	**1 165**	**93.90 %**	**19 975**	**18 084**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	11 573	-	(407)	11 166	10 976	190	98.30 %	11 562	11 140
Social contributions	1 578	-	407	1 985	1 839	146	92.64 %	1 621	1 690
	13 151	**-**	**-**	**13 151**	**12 815**	**336**	**97.45 %**	**13 183**	**12 830**
Goods and services									
Administrative fees	183	-	(1)	182	1	181	0.55 %	93	51
Minor assets	5	-	-	5	-	5	- %	-	-
Catering: Departmental activities	-	-	-	-	-	-	- %	4	4
Agency and support / outsourced services	1 847	-	(287)	1 560	1 078	482	69.10 %	952	889
Travel and subsistence	499	-	1	500	427	73	85.40 %	3 013	1 579
Training and development	850	-	-	850	850	-	100.00 %	650	650
Operating payments	-	-	75	75	75	-	100.00 %	92	92
Venues and facilities	88	-	-	88	-	88	- %	36	37
	3 472	**-**	**(212)**	**3 260**	**2 431**	**829**	**74.57 %**	**4 840**	**3 302**
Compensation of employees	13 151	-	-	13 151	12 815	336	97.45 %	13 183	12 830
Goods and services	3 472	-	(212)	3 260	2 431	829	74.57 %	4 840	3 302
Total current payments	**16 623**	**-**	**(212)**	**16 411**	**15 246**	**1 165**	**92.90 %**	**18 023**	**16 132**
Transfers and subsidies									
Public corporations and private enterprises									
Private enterprises									
Other transfers to private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Public corporations and private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**51**	**51**
Total current payments	16 623	-	(212)	16 411	15 246	1 165	92.90 %	18 023	16 132
Total transfers and subsidies	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Total payments for financial assets	-	-	-	-	-	-	- %	51	51
Total	**19 314**	**-**	**(212)**	**19 102**	**17 937**	**1 165**	**93.90 %**	**19 975**	**18 084**

3.1 CD: Office Support

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 186	-	188	1 374	1 374	-	100.00 %	1 371	1 371
Social contributions	450	-	(188)	262	152	110	58.02 %	130	125
	1 636	**-**	**-**	**1 636**	**1 526**	**110**	**93.28 %**	**1 501**	**1 496**
Goods and services									
Administrative fees	59	-	-	59	-	59	- %	56	14
Catering: Departmental activities	-	-	-	-	-	-	- %	4	4
Travel and subsistence	61	-	-	61	28	33	45.90 %	612	345
	120	**-**	**-**	**120**	**28**	**92**	**23.33 %**	**672**	**363**
Compensation of employees	1 636	-	-	1 636	1 526	110	93.28 %	1 501	1 496
Goods and services	120	-	-	120	28	92	23.33 %	672	363
Total current payments	**1 756**	**-**	**-**	**1 756**	**1 554**	**202**	**88.50 %**	**2 173**	**1 859**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	-	-	-	-	-	-	- %	51	51
Payments for financial assets									
Total current payments	1 756	-	-	1 756	1 554	202	88.50 %	2 173	1 859
Total payments for financial assets	-	-	-	-	-	-	- %	51	51
Total	**1 756**	**-**	**-**	**1 756**	**1 554**	**202**	**88.50 %**	**2 224**	**1 910**

3.2 Trade and Investment Support

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2 900	-	(145)	2 755	2 755	-	100.00 %	2 893	2 808
Social contributions	256	-	230	486	486	-	100.00 %	459	459
	3 156	**-**	**85**	**3 241**	**3 241**	**-**	**100.00 %**	**3 352**	**3 267**
Goods and services									
Administrative fees	65	-	-	65	1	64	1.54 %	18	18
Minor assets	5	-	-	5	-	5	- %	-	-
Agency and support / outsourced services	420	-	(212)	208	-	208	- %	95	95
Travel and subsistence	57	-	-	57	47	10	82.46 %	847	234
Venues and facilities	88	-	-	88	-	88	- %	36	37
	635	**-**	**(212)**	**423**	**48**	**375**	**11.35 %**	**996**	**384**
Compensation of employees	3 156	-	85	3 241	3 241	-	100.00 %	3 352	3 267
Goods and services	635	-	(212)	423	48	375	11.35 %	996	384
Total current payments	**3 791**	**-**	**(127)**	**3 664**	**3 289**	**375**	**89.77 %**	**4 348**	**3 651**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total current payments	3 791	-	(127)	3 664	3 289	375	89.77 %	4 348	3 651
Total	**3 791**	**-**	**(127)**	**3 664**	**3 289**	**375**	**89.77 %**	**4 348**	**3 651**

3.3 Sector Development

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	6 244	-	(450)	5 794	5 744	50	99.14 %	5 986	5 723
Social contributions	694	-	365	1 059	1 059	-	100.00 %	987	987
	6 938	**-**	**(85)**	**6 853**	**6 803**	**50**	**99.27 %**	**6 973**	**6 710**
Goods and services									
Administrative fees	59	-	(1)	58	-	58	- %	17	17
Agency and support / outsourced services	856	-	(75)	781	426	355	54.55 %	-	-
Travel and subsistence	305	-	1	306	306	-	100.00 %	1 254	844
Training and development	850	-	-	850	850	-	100.00 %	650	650
Operating payments	-	-	75	75	75	-	100.00 %	92	92
	2 070	**-**	**-**	**2 070**	**1 657**	**413**	**80.05 %**	**2 013**	**1 603**
Compensation of employees	6 938	-	(85)	6 853	6 803	50	99.27 %	6 973	6 710
Goods and services	2 070	-	-	2 070	1 657	413	80.05 %	2 013	1 603
Total current payments	**9 008**	**-**	**(85)**	**8 923**	**8 460**	**463**	**94.81 %**	**8 986**	**8 313**
Transfers and subsidies									

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Public corporations and private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Public corporations and private enterprises	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Total current payments	9 008	-	(85)	8 923	8 460	463	94.81 %	8 986	8 313
Total transfers and subsidies	2 691	-	-	2 691	2 691	-	100.00 %	1 901	1 901
Total	**11 699**	**-**	**(85)**	**11 614**	**11 151**	**463**	**96.01 %**	**10 887**	**10 214**

3.4 Strategic Initiatives

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 243	-	-	1 243	1 103	140	88.74 %	1 237	1 237
Social contributions	178	-	-	178	142	36	79.78 %	120	120
	1 421	**-**	**-**	**1 421**	**1 245**	**176**	**87.61 %**	**1 357**	**1 357**
Goods and services									
Administrative fees	-	-	-	-	-	-	- %	2	2
Agency and support / outsourced services	571	-	-	571	652	(81)	114.19 %	857	794
Travel and subsistence	76	-	-	76	46	30	60.53 %	300	156
	647	**-**	**-**	**647**	**698**	**(51)**	**107.88 %**	**1 159**	**952**
Compensation of employees	1 421	-	-	1 421	1 245	176	87.61 %	1 357	1 357
Goods and services	647	-	-	647	698	(51)	107.88 %	1 159	952
Total current payments	**2 068**	**-**	**-**	**2 068**	**1 943**	**125**	**93.96 %**	**2 516**	**2 309**

Appropriation Statement

Total current payments	2 068	-	-	2 068	1 943	125	93.96 %	2 516	2 309
Total	**2 068**	**-**	**-**	**2 068**	**1 943**	**125**	**93.96 %**	**2 516**	**2 309**

4. Business Regulation and Governance

		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
CD: Office Support	4.1	1 584	-	52	1 636	1 636	-	100.00 %	2 474	2 474
Consumer Protection	4.2	11 903	-	302	12 205	12 171	34	99.72 %	12 668	12 593
Regulation Services	4.3	90 030	-	(113)	89 917	89 821	96	99.89 %	98 820	98 651
Subtotal		**103 517**	**-**	**241**	**103 758**	**103 628**	**130**	**99.87 %**	**113 962**	**113 718**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		12 323	-	2 280	14 603	14 757	(154)	101.05 %	14 752	14 752
Social contributions		5 140	-	(2 340)	2 800	2 516	284	89.86 %	2 653	2 409
		17 463	**-**	**(60)**	**17 403**	**17 273**	**130**	**99.25 %**	**17 405**	**17 161**
Goods and services										
Administrative fees		9	-	-	9	9	-	100.00 %	77	77
Advertising		130	-	624	754	754	-	100.00 %	612	612
Catering: Departmental activities		-	-	-	-	-	-	- %	4	4
Consultants: Business and advisory services		543	-	(543)	-	-	-	- %	148	148
Consumable supplies		-	-	2	2	2	-	100.00 %	1	1
Travel and subsistence		133	-	103	236	236	-	100.00 %	1 144	1 144
Operating payments		-	-	16	16	16	-	100.00 %	6	6
Venues and facilities		12	-	9	21	21	-	100.00 %	9	9
		827	**-**	**211**	**1 038**	**1 038**	**-**	**100.00 %**	**2 001**	**2 001**
Compensation of employees		17 463	-	(60)	17 403	17 273	130	99.25 %	17 405	17 161
Goods and services		827	-	211	1 038	1 038	-	100.00 %	2 001	2 001

Appropriation Statement

Total current payments	**18 290**	**-**	**151**	**18 441**	**18 311**	**130**	**99.30 %**	**19 406**	**19 162**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	85 227	-	-	85 227	85 227	-	100.00 %	93 855	93 855
Households									
Social benefits	-	-	90	90	90	-	100.00 %	701	701
Departmental agencies and accounts	85 227	-	-	85 227	85 227	-	100.00 %	93 855	93 855
Households	-	-	90	90	90	-	100.00 %	701	701
Total transfers and subsidies	**85 227**	**-**	**90**	**85 317**	**85 317**	**-**	**100.00 %**	**94 556**	**94 556**
Total current payments	18 290	-	151	18 441	18 311	130	99.30 %	19 406	19 162
Total transfers and subsidies	85 227	-	90	85 317	85 317	-	100.00 %	94 556	94 556
Total	**103 517**	**-**	**241**	**103 758**	**103 628**	**130**	**99.87 %**	**113 962**	**113 718**

4.1 CD: Office Support

	2020/2021							2019/2020	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 396	-	(14)	1 382	1 382	-	100.00 %	1 424	1 424
Social contributions	147	-	67	214	214	-	100.00 %	179	179
	1 543	**-**	**53**	**1 596**	**1 596**	**-**	**100.00 %**	**1 603**	**1 603**
Goods and services									
Administrative fees	1	-	-	1	1	-	100.00 %	10	10
Travel and subsistence	34	-	-	34	34	-	100.00 %	160	160
Venues and facilities	6	-	(1)	5	5	-	100.00 %	-	-
	41	**-**	**(1)**	**40**	**40**	**-**	**100.00 %**	**170**	**170**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	1 543	-	53	1 596	1 596	-	100.00 %	1 603	1 603
Goods and services	41	-	(1)	40	40	-	100.00 %	170	170
Total current payments	**1 584**	**-**	**52**	**1 636**	**1 636**	**-**	**100.00 %**	**1 773**	**1 773**
Transfers and subsidies									
Households	-	-	-	-	-	-	- %	701	701
Households	-	-	-	-	-	-	- %	701	701
Total current payments	1 584	-	52	1 636	1 636	-	100.00 %	1 773	1 773
Total transfers and subsidies	-	-	-	-	-	-	- %	701	701
Total	**1 584**	**-**	**52**	**1 636**	**1 636**	**-**	**100.00 %**	**2 474**	**2 474**

4.2 Consumer Protection

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	7 948	-	1 459	9 407	9 455	(48)	100.51 %	9 437	9 437
Social contributions	3 285	-	(1 459)	1 826	1 744	82	95.51 %	1 770	1 695
	11 233	**-**	**-**	**11 233**	**11 199**	**34**	**99.70 %**	**11 207**	**11 132**
Goods and services									
Administrative fees	7	-	-	7	7	-	100.00 %	56	56
Advertising	130	-	624	754	754	-	100.00 %	612	612
Consultants: Business and advisory services	533	-	(533)	-	-	-	- %	148	148
Consumable supplies	-	-	2	2	2	-	100.00 %	1	1
Travel and subsistence	-	-	103	103	103	-	100.00 %	635	635

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Venues and facilities	-	-	16	16	16	-	100.00 %	9	9
	670	**-**	**212**	**882**	**882**	**-**	**100.00 %**	**1 461**	**1 461**
Compensation of employees	11 233	-	-	11 233	11 199	34	99.70 %	11 207	11 132
Goods and services	670	-	212	882	882	-	100.00 %	1 461	1 461
Total current payments	**11 903**	**-**	**212**	**12 115**	**12 081**	**34**	**99.72 %**	**12 668**	**12 593**
Transfers and subsidies									
Households									
Social benefits	-	-	90	90	90	-	100.00 %	-	-
Households	-	-	90	90	90	-	100.00 %	-	-
Total current payments	11 903	-	212	12 115	12 081	34	99.72 %	12 668	12 593
Total transfers and subsidies	-	-	90	90	90	-	100.00 %	-	-
Total	**11 903**	**-**	**302**	**12 205**	**12 171**	**34**	**99.72 %**	**12 668**	**12 593**

4.3 Regulation Services

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2 979	-	835	3 814	3 920	(106)	102.78 %	3 891	3 891
Social contributions	1 708	-	(948)	760	558	202	73.42 %	704	535
	4 687	**-**	**(113)**	**4 574**	**4 478**	**96**	**97.90 %**	**4 595**	**4 426**
Goods and services									
Administrative fees	1	-	-	1	1	-	100.00 %	11	11
Catering: Departmental activities	-	-	-	-	-	-	- %	4	4

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Consultants: Business and advisory services	10	-	(10)	-	-	-	- %	-	-
Travel and subsistence	99	-	-	99	99	-	100.00 %	349	349
Operating payments	-	-	16	16	16	-	100.00 %	6	6
Venues and facilities	6	-	(6)	-	-	-	- %	-	-
	116	**-**	**-**	**116**	**116**	**-**	**100.00 %**	**370**	**370**
Compensation of employees	4 687	-	(113)	4 574	4 478	96	97.90 %	4 595	4 426
Goods and services	116	-	-	116	116	-	100.00 %	370	370
Total current payments	**4 803**	**-**	**(113)**	**4 690**	**4 594**	**96**	**97.95 %**	**4 965**	**4 796**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	85 227	-	-	85 227	85 227	-	100.00 %	93 855	93 855
Departmental agencies and accounts	85 227	-	-	85 227	85 227	-	100.00 %	93 855	93 855
Total current payments	4 803	-	(113)	4 690	4 594	96	97.95 %	4 965	4 796
Total transfers and subsidies	85 227	-	-	85 227	85 227	-	100.00 %	93 855	93 855
Total	**90 030**	**-**	**(113)**	**89 917**	**89 821**	**96**	**99.89 %**	**98 820**	**98 651**

Appropriation Statement

5. Economic Planning

Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
CD: Office Support	5.1	1 650	-	109	1 759	1 698	61	96.53 %	2 191	2 127
Economic Policy and Planning	5.2	2 746	-	152	2 898	2 626	272	90.61 %	3 029	3 020
Research & Development	5.3	944	-	-	944	858	86	90.89 %	1 279	1 137
Knowledge Management	5.4	3 740	-	184	3 924	3 682	242	93.83 %	3 835	3 810
Monitoring and Evaluation	5.5	2 654	-	177	2 831	2 761	70	97.53 %	3 266	3 228
Economic Analysis	5.6	5 213	-	(561)	4 652	4 610	42	99.10 %	4 819	4 759
Subtotal		**16 947**	**-**	**61**	**17 008**	**16 235**	**773**	**95.46 %**	**18 419**	**18 081**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		12 576	-	672	13 248	13 249	(1)	100.01 %	13 820	13 820
Social contributions		2 776	-	(611)	2 165	2 129	36	98.34 %	1 948	1 948
		15 352	**-**	**61**	**15 413**	**15 378**	**35**	**99.77 %**	**15 768**	**15 768**
Goods and services										
Administrative fees		114	-	-	114	3	111	2.63 %	67	57
Minor assets		13	-	-	13	-	13	- %	12	-
Catering: Departmental activities		-	-	-	-	-	-	- %	2	2
Communication		-	-	241	241	1	240	0.41 %	-	-
Computer services		732	-	(244)	488	487	1	99.80 %	464	418
Consultants: Business and advisory services		-	-	75	75	75	-	100.00 %	318	318
Contractors		272	-	(75)	197	-	197	- %	9	-
Consumable supplies		-	-	-	-	-	-	- %	10	10
Consumable: Stationery, printing and office supplies		-	-	30	30	30	-	100.00 %	45	45
Travel and subsistence		430	-	(36)	394	239	155	60.66 %	1 652	1 391
Operating payments		-	-	22	22	22	-	100.00 %	23	23
Venues and facilities		34	-	(13)	21	-	21	- %	10	10
		1 595	**-**	**-**	**1 595**	**857**	**738**	**53.73 %**	**2 612**	**2 274**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	15 352	-	61	15 413	15 378	35	99.77 %	15 768	15 768
Goods and services	1 595	-	-	1 595	857	738	53.73 %	2 612	2 274
Total current payments	**16 947**	**-**	**61**	**17 008**	**16 235**	**773**	**95.46 %**	**18 380**	**18 042**
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	- %	39	39
Households	-	-	-	-	-	-	- %	39	39
Total current payments	16 947	-	61	17 008	16 235	773	95.46 %	18 380	18 042
Total transfers and subsidies	-	-	-	-	-	-	- %	39	39
Total	**16 947**	**-**	**61**	**17 008**	**16 235**	**773**	**95.46 %**	**18 419**	**18 081**

5.1 CD: Office Support

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 238	-	187	1 425	1 425	-	100.00 %	1 680	1 680
Social contributions	311	-	(78)	233	233	-	100.00 %	218	218
	1 549	**-**	**109**	**1 658**	**1 658**	**-**	**100.00 %**	**1 898**	**1 898**
Goods and services									
Administrative fees	19	-	-	19	-	19	- %	18	8
Minor assets	13	-	-	13	-	13	- %	12	-
Travel and subsistence	69	-	-	69	40	29	57.97 %	263	221
	101	**-**	**-**	**101**	**40**	**61**	**39.60 %**	**293**	**229**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	1 549	-	109	1 658	1 658	-	100.00 %	1 898	1 898
Goods and services	101	-	-	101	40	61	39.60 %	293	229
Total current payments	**1 650**	**-**	**109**	**1 759**	**1 698**	**61**	**96.53 %**	**2 191**	**2 127**
Total current payments	1 650	-	109	1 759	1 698	61	96.53 %	2 191	2 127
Total	**1 650**	**-**	**109**	**1 759**	**1 698**	**61**	**96.53 %**	**2 191**	**2 127**

5.2 Economic Policy and Planning

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 862	-	263	2 125	2 125	-	100.00 %	2 171	2 171
Social contributions	428	-	(111)	317	317	-	100.00 %	283	283
	2 290	**-**	**152**	**2 442**	**2 442**	**-**	**100.00 %**	**2 454**	**2 454**
Goods and services									
Administrative fees	31	-	-	31	1	30	3.23 %	14	14
Consultants: Business and advisory services	-	-	75	75	75	-	100.00 %	251	251
Contractors	272	-	(75)	197	-	197	- %	9	-
Travel and subsistence	132	-	-	132	108	24	81.82 %	294	294
Venues and facilities	21	-	-	21	-	21	- %	7	7
	456	**-**	**-**	**456**	**184**	**272**	**40.35 %**	**575**	**566**
Compensation of employees	2 290	-	152	2 442	2 442	-	100.00 %	2 454	2 454
Goods and services	456	-	-	456	184	272	40.35 %	575	566

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total current payments	**2 746**	**-**	**152**	**2 898**	**2 626**	**272**	**90.61 %**	**3 029**	**3 020**
Total current payments	2 746	-	152	2 898	2 626	272	90.61 %	3 029	3 020
Total	**2 746**	**-**	**152**	**2 898**	**2 626**	**272**	**90.61 %**	**3 029**	**3 020**

5.3 Research & Development

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	693	-	52	745	746	(1)	100.13 %	785	785
Social contributions	200	-	(52)	148	112	36	75.68 %	114	114
	893	**-**	**-**	**893**	**858**	**35**	**96.08 %**	**899**	**899**
Goods and services									
Administrative fees	20	-	-	20	-	20	- %	8	8
Computer services	-	-	-	-	-	-	- %	95	95
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	- %	45	45
Travel and subsistence	31	-	-	31	-	31	- %	232	90
	51	**-**	**-**	**51**	**-**	**51**	**- %**	**380**	**238**
Compensation of employees	893	-	-	893	858	35	96.08 %	899	899
Goods and services	51	-	-	51	-	51	- %	380	238
Total current payments	**944**	**-**	**-**	**944**	**858**	**86**	**90.89 %**	**1 279**	**1 137**
Total current payments	944	-	-	944	858	86	90.89 %	1 279	1 137
Total	**944**	**-**	**-**	**944**	**858**	**86**	**90.89 %**	**1 279**	**1 137**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5.4 Knowledge Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2 861	-	(33)	2 828	2 828	-	100.00 %	2 826	2 826
Social contributions	362	-	217	579	579	-	100.00 %	551	551
	3 223	**-**	**184**	**3 407**	**3 407**	**-**	**100.00 %**	**3 377**	**3 377**
Goods and services									
Administrative fees	20	-	-	20	1	19	5.00 %	8	8
Catering: Departmental activities	-	-	-	-	-	-	- %	2	2
Computer services	469	-	-	469	247	222	52.67 %	120	95
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	- %	10	10
Travel and subsistence	28	-	-	28	27	1	96.43 %	318	318
	517	**-**	**-**	**517**	**275**	**242**	**53.19 %**	**458**	**433**
Compensation of employees	3 223	-	184	3 407	3 407	-	100.00 %	3 377	3 377
Goods and services	517	-	-	517	275	242	53.19 %	458	433
Total current payments	**3 740**	**-**	**184**	**3 924**	**3 682**	**242**	**93.83 %**	**3 835**	**3 810**
Total current payments	3 740	-	184	3 924	3 682	242	93.83 %	3 835	3 810
Total	**3 740**	**-**	**184**	**3 924**	**3 682**	**242**	**93.83 %**	**3 835**	**3 810**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
5.5 Monitoring and Evaluation	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 939	-	482	2 421	2 421	-	100.00 %	2 569	2 569
Social contributions	594	-	(305)	289	289	-	100.00 %	279	279
	2 533	**-**	**177**	**2 710**	**2 710**	**-**	**100.00 %**	**2 848**	**2 848**
Goods and services									
Administrative fees	-	-	-	-	-	-	- %	13	13
Consultants: Business and advisory services	-	-	-	-	-	-	- %	67	67
Travel and subsistence	121	-	(22)	99	29	70	29.29 %	315	277
Operating payments	-	-	22	22	22	-	100.00 %	23	23
	121	**-**	**-**	**121**	**51**	**70**	**42.15 %**	**418**	**380**
Compensation of employees	2 533	-	177	2 710	2 710	-	100.00 %	2 848	2 848
Goods and services	121	-	-	121	51	70	42.15 %	418	380
Total current payments	**2 654**	**-**	**177**	**2 831**	**2 761**	**70**	**97.53 %**	**3 266**	**3 228**
Total current payments	2 654	-	177	2 831	2 761	70	97.53 %	3 266	3 228
Total	**2 654**	**-**	**177**	**2 831**	**2 761**	**70**	**97.53 %**	**3 266**	**3 228**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
5.6 Economic Analysis	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	3 983	-	(279)	3 704	3 704	-	100.00 %	3 789	3 789
Social contributions	881	-	(282)	599	599	-	100.00 %	503	503
	4 864	**-**	**(561)**	**4 303**	**4 303**	**-**	**100.00 %**	**4 292**	**4 292**
Goods and services									
Administrative fees	24	-	-	24	1	23	4.17 %	6	6
Communication	-	-	241	241	1	240	0.41 %	-	-
Computer services	263	-	(244)	19	240	(221)	1 263.16 %	249	228
Consumable: Stationery, printing and office supplies	-	-	30	30	30	-	100.00 %	-	-
Travel and subsistence	49	-	(14)	35	35	-	100.00 %	230	191
Venues and facilities	13	-	(13)	-	-	-	- %	3	3
	349	**-**	**-**	**349**	**307**	**42**	**87.97 %**	**488**	**428**
Compensation of employees	4 864	-	(561)	4 303	4 303	-	100.00 %	4 292	4 292
Goods and services	349	-	-	349	307	42	87.97 %	488	428
Total current payments	**5 213**	**-**	**(561)**	**4 652**	**4 610**	**42**	**99.10 %**	**4 780**	**4 720**
Transfers and subsidies									
Households	-	-	-	-	-	-	- %	39	39
Households	-	-	-	-	-	-	- %	39	39
Total current payments	5 213	-	(561)	4 652	4 610	42	99.10 %	4 780	4 720
Total transfers and subsidies	-	-	-	-	-	-	- %	39	39
Total	**5 213**	**-**	**(561)**	**4 652**	**4 610**	**42**	**99.10 %**	**4 819**	**4 759**

Appropriation Statement

Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
6. Tourism										
					2020/2021				**2019/2020**	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
Tourism	6.1	376 628	-	10 000	386 628	385 127	1 501	99.61 %	395 427	395 063
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		3 190	-	-	3 190	2 752	438	86.27 %	3 160	3 160
Social contributions		816	-	-	816	448	368	54.90 %	549	497
		4 006	**-**	**-**	**4 006**	**3 200**	**806**	**79.88 %**	**3 709**	**3 657**
Goods and services										
Administrative fees		-	-	2	2	2	-	100.00 %	31	31
Catering: Departmental activities		-	-	-	-	-	-	- %	13	13
Agency and support / outsourced services		806	-	(170)	636	58	578	9.12 %	1 143	854
Travel and subsistence		283	-	-	283	166	117	58.66 %	624	601
Venues and facilities		25	-	168	193	193	-	100.00 %	33	33
		1 114	**-**	**-**	**1 114**	**419**	**695**	**37.61 %**	**1 844**	**1 532**
Compensation of employees		4 006	-	-	4 006	3 200	806	79.88 %	3 709	3 657
Goods and services		1 114	-	-	1 114	419	695	37.61 %	1 844	1 532
Total current payments		**5 120**	**-**	**-**	**5 120**	**3 619**	**1 501**	**70.68 %**	**5 553**	**5 189**
Transfers and subsidies										

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
Transfers and subsidies	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Departmental agencies and accounts									
Departmental agencies (non-business entities)	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Departmental agencies and accounts	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Total current payments	5 120	-	-	5 120	3 619	1 501	70.68 %	5 553	5 189
Total transfers and subsidies	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Total	**376 628**	**-**	**10 000**	**386 628**	**385 127**	**1 501**	**99.61 %**	**395 427**	**395 063**

6.1 Sub-programme 1

	2020/2021							2019/2020	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	3 190	-	-	3 190	2 752	438	86.27 %	3 160	3 160
Social contributions	816	-	-	816	448	368	54.90 %	549	497
	4 006	**-**	**-**	**4 006**	**3 200**	**806**	**79.88 %**	**3 709**	**3 657**
Goods and services									
Administrative fees	-	-	2	2	2	-	100.00 %	31	31
Catering: Departmental activities	-	-	-	-	-	-	- %	13	13
Agency and support / outsourced services	806	-	(170)	636	58	578	9.12 %	1 143	854
Travel and subsistence	283	-	-	283	166	117	58.66 %	624	601
Operating payments	-	-	-	-	-	-	- %	33	33
Venues and facilities	25	-	168	193	193	-	100.00 %	-	-
	1 114	**-**	**-**	**1 114**	**419**	**695**	**37.61 %**	**1 844**	**1 532**

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	4 006	-	-	4 006	3 200	806	79.88 %	3 709	3 657
Goods and services	1 114	-	-	1 114	419	695	37.61 %	1 844	1 532
Total current payments	**5 120**	**-**	**-**	**5 120**	**3 619**	**1 501**	**70.68 %**	**5 553**	**5 189**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Departmental agencies and accounts	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Total current payments	5 120	-	-	5 120	3 619	1 501	70.68 %	5 553	5 189
Total transfers and subsidies	371 508	-	10 000	381 508	381 508	-	100.00 %	389 874	389 874
Total	**376 628**	**-**	**10 000**	**386 628**	**385 127**	**1 501**	**99.61 %**	**395 427**	**395 063**

Notes to the Appropriation Statement

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note 6 on Transfers and subsidies, disclosure notes and Annexure 1B,1D and 1G to the annual financial statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 Annual appropriation to the annual financial statements.

3. Detail on payments for financial assets

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the annual financial statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Administration	86 082	82 625	3 457	4.0 %
Integrated Economic Development	470 069	466 735	3 334	0.7 %
Trade and Sector Development	19 102	17 937	1 165	6.1 %
Business Regulation and Governance	103 758	103 628	130	0.1 %
Economic Planning	17 008	16 235	773	4.5 %
Tourism	386 628	385 127	1 501	0.4 %

Compensation of employees

The underspending on compensation of employees is a result of budget for the filling of vacant posts for which approval was granted, but in respect of which appointment processes were not complete by the end of the year under review.

Goods and Services

Under Programme 1 -The underspending in Programme one is as a result of reduction travel by Officials due to hard lock-down imposed under Disaster Management Act emanating from the COVID-19 Pandemic. In addition PMDS payments were less than originally budgeted per Programme

Under Programme 3 This was mainly due to the delay in finalising the Statutory Requirement Processes due to the objections against the Forestry Industrial Park, which necessitated the Department to rework the required Environmental Scoping Report. Further to this, due to the COVID-19 lockdown regulations the programme was unable to interact on various interventions with role players leading to a substantial saving on fuel and accommodation within the goods & services economic classification.

Under Programme 4 The budget for goods and services covers mostly the activities for consumer education workshops and radio slots, Consumer Court sittings and Municipal Workshops on by-laws. All these activities could not be done extensively and were impacted by the COVID-19 regulations as no workshops nor could court sittings take place. Due to delay in procurement, radio slots could not be done on time. The Programme will be opting for use of digital platforms and social media for workshops in the future

Under Programme 5 The Goods and Services budget of the programme could not be fully utilised by the end of the financial year as the COVID-19 pandemic affected the item on travel and accommodation. Attendance has been remote and as a result, travel and accommodation costs has not been utilized. However, the activities of the programme were being monitored on a regular basis and the programme has implemented the planned targets in the APP since the beginning of the financial year.

Under Programme 6 The finalisation of the Business Model and Commercial Feasibility of the Rail Tourism project took slightly longer than anticipated, particularly as it related to stakeholder development and mapping processes. Due to the prevalence of the COVID-19 restrictions, engagements with various stakeholders had to take a few turns. As a consequence of this, some elements of the planning and commercial feasibility development processes overlapped into the 2021/22 financial year.

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

4. Explanations of material variances from Amounts Voted (after Virement): (continued)

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	142 288	140 242	2 046	1 %
Goods and services	52 519	44 856	7 663	15 %
Transfers and subsidies				
Provinces and municipalities	26	26	-	- %
Departmental agencies and accounts	466 735	466 735	-	- %
Public corporations and private enterprises	195 014	195 014	-	- %
Households	494	322	172	35 %
Payments for capital assets				
Buildings and other fixed structures	223 460	223 108	352	- %
Machinery and equipment	2 111	1 984	127	6 %

The reduction in travel and accommodation due to COVID-19 Pandemic and hard lock-down of 2020 resulted in significant underspending on Goods and Services. These also resulted in underspending caused by delays in implementation of Industrial Technology Parks.

4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure
Extended Public Works Program	4 058	4 058

The amount of R4 058 000 relates to Extended Public Works Programme (EPWP) of which R1 200 000 was appropriated under MEGA and R2 858 000 under MTPA respectively. An amount of R1 200 000 has been transferred to MEGA and R2 858 000 to MTPA respectively during the year under review.

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Revenue			
Annual appropriation	1	1 082 647	1 046 681
Departmental revenue	2	161 077	153 938
Total revenue		**1 243 724**	**1 200 619**
Expenditure			
Current expenditure			
Compensation of employees	3	140 242	145 237
Goods and services	4	44 856	69 845
Total current expenditure		**185 098**	**215 082**
Transfers and subsidies			
Transfers and subsidies	6	662 097	690 224
Expenditure for capital assets			
Tangible assets	7	225 092	128 578
Payments for financial assets	5	-	112
Total expenditure		**1 072 287**	**1 033 996**
Surplus for the year		**171 437**	**166 623**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		10 360	12 685
		10 360	**12 685**
Departmental revenue and NRF Receipts	11	161 077	153 938
Surplus for the year		**171 437**	**166 623**

Statement of Financial Position as at 31 March 2021

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Assets			
Current Assets			
Cash and cash equivalents	8	28 670	26 779
Receivables	9	68	8
		28 738	**26 787**
Non-Current Assets			
Receivables	9	-	4
Total Assets		**28 738**	**26 791**
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	10	10 360	12 685
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	18 377	12 818
Payables	12	-	1 288
		28 737	**26 791**
Total Liabilities		**28 737**	**26 791**
		1	**-**
Represented by:			
Recoverable revenue		1	-

Statement of Changes in Net Assets

Figures in Rand thousand	Note	2020/2021	2019/2020
Recoverable revenue			
Opening balance		-	5
Transfers:			
Debts recovered (incl in dept receipts)		(1)	(5)
Debts raised		2	-
Closing balance		**1**	**-**

Cash Flow Statement

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	1 082 647	1 046 681
Departmental revenue received	2	159 285	151 382
Interest received	2.2	1 685	2 556
		1 243 617	**1 200 619**
Net (increase)/decrease in working capital		(1 347)	1 203
Surrendered to Revenue Fund		(168 204)	(143 885)
Current payments		(185 097)	(215 082)
Payments for financial assets		-	(112)
Transfers and subsidies paid		(662 097)	(690 224)
Net cash flow available from operating activities	13	**226 872**	**152 519**
Cash flows from investing activities			
Payments for capital assets	7	(225 092)	(128 578)
Proceeds from sale of capital assets	2.3	107	-
(Increase)/decrease in non-current receivables	9	4	122
Net cash flows from investing activities		**(224 981)**	**(128 456)**
Cash flows from financing activities			
Increase/(decrease) in net assets		(1)	(5)
Cash and cash equivalents at beginning of period		26 779	2 721
Net increase/(decrease) in cash and cash equivalents		1 891	24 058
Cash and cash equivalents at the end of the year	14	**28 670**	**26 779**

Summary of significant accounting policies

The annual financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the annual financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the annual financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999, and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The annual financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The annual financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand () which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand ().

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's annual financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the annual financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the annual financial statements at cost at the reporting date.

Accounting Policies

8. Expenditure (continued)

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the year under review are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the annual financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the annual financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the annual financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

Accounting Policies

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the annual financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the annual financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to annual financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the annual financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the annual financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the annual financial statements when the department commences the development phase of the project.

Accounting Policies

16. Capital assets (continued)

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and contingents

17.1 Provisions

Provisions are recorded in the notes to the annual financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the annual financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the annual financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital Commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the annual financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial position; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Accounting Policies

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the annual financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate.

24. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]

Accounting Policies

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the annual financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the annual financial statements.

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the annual financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Accounting Policies

32. Mergers (continued)

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note	2020/2021	2019/2020

1. Annual appropriation

1.1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

Figures in Rand thousand	2020/2021		2019/2020	
	Final Appropriation	Actual Funds Received	Final Appropriation	Appropriation received
Administration	86 082	86 082	108 582	108 582
Integrated Economic Development	470 069	470 069	390 316	390 316
Trade and Sector Development	19 102	19 102	19 975	19 975
Business Regulation and Governance	103 758	103 758	113 962	113 962
Economic Planning	17 008	17 008	18 419	18 419
Tourism	386 628	386 628	395 427	395 427
Total	**1 082 647**	**1 082 647**	**1 046 681**	**1 046 681**

1.2 Conditional grants

Provincial grants included in total grants received	4 058	3 467

The amount of R4 058 000 relates to Extended Public Works Programme (EPWP) of which R1 200 000 was appropriated under MEGA and R2 858 000 under MTPA respectively. An amount of R1 200 000 has been transferred to MEGA and R2 858 000 to MTPA respectively during the year under review

2. Departmental revenue

Tax revenue		150 828	151 251
Sales of goods and services other than capital assets	2.1	123	117
Interest, dividends and rent on land	2.2	1 685	2 556
Sales of capital assets	2.3	107	-
Transactions in financial assets and liabilities	2.4	8 334	14
Total revenue collected		**161 077**	**153 938**

The Department mainly receives revenue in the form of tax revenue from Gambling, Liquor licence fees and Horse Racing collected by Mpumalanga Economic Regulator (MER) and paid through the Department to the Provincial Revenue Fund.

Other receipts are amounts related to previous financial year expenditure as well as debt amounts recovered through PERSAL deductions from employees. Included above is an amount of R8 324 000 surrendered by MER through the Department to the Provincial Revenue Fund

2.1 Sales of goods and services other than capital assets

Sales by market establishment	123	117

2.2 Interest, dividends and rent on land

Interest	1 685	2 556

2.3 Sales of capital assets

Tangible assets			
Machinery and equipment	25	107	-

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

2. Departmental revenue (continued)

2.4 Transactions in financial assets and liabilities

Receivables		3	6
Other receipts including recoverable revenue		8 331	8
Total	2	**8 334**	**14**

Other receipts are amounts related to previous financial year expenditure as well as debts amounts recovered through PERSAL deductions from employees, in addition, an amount of R8 324 000 was surrendered by Mpumalanga Economic regulator (MER) this comprised returned surplus operational grant funds transferred in prior years, and still retained at the end of the 2019/2020 financial period

3. Compensation of employees

3.1 Salaries and wages

Basic salary	96 618	99 411
Performance award	968	2 038
Service based	87	985
Compensative/circumstantial	1 597	2 074
Other non-pensionable allowances	21 547	21 506
Total	**120 817**	**126 014**

Other non-pensionable allowances include subsidized vehicle,service bonuses and housing allowances

3.2 Social contributions

Employer contributions		
Pension	12 495	12 758
Medical	6 776	6 421
Bargaining council	22	21
Insurance	132	23
Total	**19 425**	**19 223**
Total compensation of employees	**140 242**	**145 237**
Average number of employees	241	228

Included in the number of employees above are 14 Interns on a 24 month Internship contract which started on 01 August 2019 ending 31 July 2021 as well 14 EPWP Commercial cleaners.

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

4. Goods and services

Administrative fees		92	808
Advertising		1 275	1 287
Minor assets	4.1	3	374
Catering		29	729
Communication		3 038	3 454
Computer services	4.2	715	725
Consultants: Business and advisory services		759	2 196
Legal services		562	362
Contractors		15	401
Agency and support / outsourced services		1 561	3 015
Audit cost - external	4.3	4 200	5 950
Fleet services		1 020	1 092
Consumables	4.4	1 784	3 670
Operating leases		18 659	21 554
Property payments	4.5	3 087	4 353
Travel and subsistence	4.6	6 233	16 175
Venues and facilities		319	1 028
Training and development		1 215	2 295
Other operating expenditure	4.7	290	377
Total		**44 856**	**69 845**

Other operating expenditure include professional membership subscriptions,Insurance for subsidized vehicles and printing and publication.

4.1 Minor assets

Tangible assets			
Machinery and equipment		3	374

4.2 Computer services

SITA computer services		207	307
External computer service providers		508	418
Total	4	**715**	**725**

4.3 Audit cost - external

Regularity audits		4 200	5 950

4.4 Consumables

Uniform and clothing		126	149
Household supplies		996	1 938
IT consumables		108	3
Consumable supplies		**1 230**	**2 090**
Stationery, printing and office supplies		554	1 580
Total	4	**1 784**	**3 670**

Other consumables relate to the supply of newspapers, magazines and journals for the Department.

4.5 Property payments

Municipal services		2 612	3 081
Other		475	1 272

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

4. Goods and services (continued)

Total	4	**3 087**	**4 353**

Other property payments relate to cleaning services at the Department Regional Services offices..]

4.6 Travel and subsistence

Local	6 228	16 133
Foreign	5	42
Total	**6 233**	**16 175**

4.7 Other operating expenditure

Professional bodies, membership and subscription fees		19	15
Other		271	362
Total	4	**290**	**377**

Other Operating Expenditure includes insurance payments for subsidized motor vehicle and executive motor vehicle.

5. Payments for financial assets

Debt written off	5.1	-	112

5.1 Details of debt written off

Nature of debt written off		
Staff debt written off	-	112

6. Transfers and subsidies

Provinces and municipalities	29	26	194
Departmental agencies and accounts	Annexure 1B	466 735	483 729
Public corporations and private enterprises	Annexure 1D	195 014	203 824
Households	Annexure 1G	322	2 477
Total		**662 097**	**690 224**

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
7. Expenditure for capital assets			
Tangible assets			
Buildings and other fixed structures	26	223 108	125 362
Machinery and equipment	25	1 984	3 216
		225 092	**128 578**

7.1 Analysis of funds utilised to acquire capital assets - 2020/2021

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Buildings and other fixed structures	223 108	223 108
Machinery and equipment	1 984	1 984
	225 092	**225 092**

7.2 Analysis of funds utilised to acquire capital assets - 2019/2020

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Buildings and other fixed structures	125 362	125 362
Machinery and equipment	3 216	3 216
	128 578	**128 578**

8. Cash and cash equivalents		
Consolidated paymaster general account	28 670	27 007
Disbursements	-	(228)
Total	**28 670**	**26 779**

9. Receivables

Figures in Rand thousand	Note	2020/2021 Current	2020/2021 Total	2019/2020 Current	2019/2020 Non-current	2019/2020 Total
Trade receivables	9.1	61	61	-	-	-
Recoverable expenditure	9.2	2	2	2	-	2
Staff debt	9.3	5	5	6	4	10
Total		**68**	**68**	**8**	**4**	**12**

9.1 Trade receivables

Sal Income Tax	61	-

9.2 Recoverable expenditure (disallowance accounts)

Recoverable expenditure	2	2

9.3 Staff debt

Salary overpayment	5	10

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
10. Voted funds to be surrendered to the Revenue Fund			
Opening balance		12 685	1 564
Transferred from statement of financial performance (as restated)		10 360	12 685
Paid during the year		(12 685)	(1 564)
Closing balance		**10 360**	**12 685**
11. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		12 818	1 201
Transferred from statement of financial performance (as rested)		161 077	153 938
Paid during the year		(155 518)	(142 321)
Closing balance		**18 377**	**12 818**
12. Payables - current			
Clearing accounts	12.1	-	587
Other payables	12.2	-	701
Total		**-**	**1 288**
12.1 Clearing accounts			
Sal: Persal EBT Control Acc: Dom		-	587
12.2 Other payables			
Sal Income Tax		-	701
13. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		171 437	166 623
Add back non cash/cash movements not deemed operating activities			
(Increase)/decrease in receivables		(60)	-
(Increase)/decrease in prepayments and advances		-	(1)
Increase/(decrease) in payables – current		(1 288)	1 204
Proceeds from sale of capital assets		(107)	-
Expenditure on capital assets		225 092	128 578
Surrenders to Revenue Fund		(168 203)	(143 885)
Net cash flow generated by operating activities		**226 871**	**152 519**
14. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated paymaster general account		28 670	27 007
Disbursements		-	(228)
		28 670	**26 779**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

Liable to	**Nature**			
Housing loan guarantees	Employees	Annex 3A	84	84
Claims against the department		Annex 3B	5 804	3 097
Intergovernmental payables (unconfirmed balances)		Annex 5	613	-
Total			**6 501**	**3 181**

The timing of payments in respect of Claims against the department are dependent on the legal process currently underway, and beyond the control of the department.

15.2 Contingent assets

Nature of contingent asset		
Paid to a service provider in respect of a contract entered into by in a previous year, the ouputs of which are in dispute. This amount is net of projected cost of recovery as the supplier maintains the view that value has been delivered	400	400

16. Capital commitments

Computer Equipment	-	113
Mpumalanga Int Fresh Produce Market	10 011	-
Total	**10 011**	**113**

17. Accruals and payables not recognised

17.1 Accruals

Figures in Rand thousand		2020/2021		2019/2020
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	347	17	364	861

Listed by programme level		
Administration	193	861
Integrated Economic Development	171	-
Total	**364**	**861**

17.2 Payables not recognised

Figures in Rand thousand		2020/2021		2019/2020
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	452	4	456	619
Capital assets	9 543	-	9 543	-
Total	**9 995**	**4**	**9 999**	**619**

Listed by programme level		
Administration	67	330
Integrated Economic Development	9 932	-
Business Regulation and Governance	-	289
Total	**9 999**	**619**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

17. Accruals and payables not recognised (continued)

Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	2 234	29

18. Employee benefits

Leave entitlement	11 843	7 693
Service bonus	3 932	4 007
Performance awards	783	1 188
Capped leave commitments	6 532	6 570
Other	174	87
Total	**23 264**	**19 545**

Included in the note above is an amount of R 174 000 under the item 'Other' which represents total amount paid to officials for long service awards during the year under review.

The leave entitlement disclosed above includes negative leave. At this stage the department is not able to reliably measure the long term portion of the long service awards.

19. Lease commitments

19.1 Operating leases

2020/2021

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	5 885	5 885
Later than 1 year and not later than 5 years	7 592	7 592
Total lease commitments	**13 477**	**13 477**

2019/2020

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7 088	347	7 435
Later than 1 year and not later than 5 years	13 477	-	13 477
Total lease commitments	**20 565**	**347**	**20 912**

20. Accrued departmental revenue

Tax revenue	18 154	11 074

20.1 Analysis of accrued departmental revenue

Opening balance	11 074	11 313
Less: Amounts received	(11 074)	(11 313)
Add: Amounts recognised	18 154	11 074
Total	**18 154**	**11 074**

The closing balance of R 18 154 000 relates to Gambling Levies, Application, Licence Fees and Penalties as well as Liquor Applications, Penalties and License renewal fees which were paid in April 2021 after the reporting date.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

Opening balance		108 995	90 213
Add: Irregular expenditure - relating to prior year	21.2	2 381	18 067
Add: Irregular expenditure - relating to current year	21.2	13 904	715
Closing balance		**125 280**	**108 995**

Analysis of closing balance		
Current year	16 285	18 067
Prior year	108 995	90 928
Total	**125 280**	**108 995**

21.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Figures in Rand thousand		2020/2021
Incident	**Disciplinary steps taken/ Criminal proceedings**	
Property Leases - Concluded by PWRT allowed to continue on a month to month basis without advertising	None	7 006
Office Equipment - Incorrect SCM procedure followed for the total value of the procurement	None	9 258
Newspapers - Incorrect Supply Chain Procedure	None	21
Total		**16 285**

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

Opening balance	7 777	7 777

Investigations in respect of Fruitless and Wasteful Expenditure of R3 936 000 recognised in prior periods have been concluded, investigations in respect of Fruitless and Wasteful Expenditure of R3 841 000 recognised in 2018/2019 are currently under way.

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

23. Related party transactions

Revenue received

Tax revenue	150 828	151 251

Payments made

Transfers	662 097	690 224

Year end balances arising from revenue/payments

Receivables from related parties	51 938	76 966
Payables to related parties	(61 879)	(47 832)
Total	**(9 941)**	**29 134**

Occupation and utilization of Government Building at Riverside Government Complex under the control and ownership by the Department of Public Works,Roads and Transport. The Department of Economic Development and Tourism occupies Government Building in the Province provided by the Department of Public Works, Roads and Transport free of charge. The Department is only liable for Municipal Services.
Information Technology (ICT) service provided for by Provincial Treasury. The Department has entered into a memorandum of understanding for the rendering of information technology communication services (ICT) with Mpumalanga Provincial Treasury. These service are provided by the Department of Finance free of charge.
The Tax Revenue referred to above relates to revenue collected by the Mpumalanga Economic Regulator (MER) through its regulation of the Gambling and Liquor Industries. This includes Casino Taxes, gambling in the Province that is related to Horse Racing and other sporting betting. Also Included are liquor license application fees and annual renewals collected during the year under review.
The receivable amount of R 51 938 000 includes an amount of R 33,784, 000 in respect of MIFPM and R 18 154 000 due to the Department from MER for revenue collected for March 2021 which gets transferred to the Department in April 2021 after the financial year end. The payable amount of R 61 879 000 relates to costs incurred by MEGA in respect of MIFPM.

The above relates to revenue collected by the Mpumalanga Economic Regulator (MER) through its regulation of the gambling and liquor industries. This includes casinos taxes, gambling in the Province that is related to horse racing and other sports betting. Also included are liquor license application fees, annual renewals collected during the year under review.

24. Key management personnel

	No. of Individuals		
Political office bearers (provide detail below)	2	2 047	2 091
Officials:			
Level 15 to 16	3	1 400	1 878
Level 14 (incl. CFO if at a lower level)	8	11 061	11 777
Total		**14 508**	**15 746**

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

25. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2021

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	5 570	599	212	5 957
Computer equipment	6 470	810	74	7 206
Furniture and office equipment	10 523	-	-	10 523
Other machinery and equipment	1 274	575	-	1 849
Total movable tangible capital assets	**23 837**	**1 984**	**286**	**25 535**

25.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2021

Figures in Rand thousand	Cash	Total
Machinery and equipment		
Transport assets	599	599
Computer equipment	810	810
Other machinery and equipment	575	575
Total additions to movable tangible capital assets	**1 984**	**1 984**

25.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2021

Figures in Rand thousand	Sold for cash	Non-cash disposal	Total disposals
Machinery and equipment			
Transport assets	212	-	212
Computer equipment	-	74	74
Total disposals of movable tangible capital assets	**212**	**74**	**286**

25.3 Movement for 2019/2020

Movement in movable tangible capital assets per asset register for the year ended 31 March 2020

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	5 623	38	(91)	5 570
Computer equipment	6 115	1 082	(727)	6 470
Furniture and office equipment	9 850	1 060	(387)	10 523
Other machinery and equipment	598	690	(14)	1 274
Total movable tangible capital assets	**22 186**	**2 870**	**(1 219)**	**23 837**

25.4 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2021

Figures in Rand thousand	Machinery and equipment	Total
Opening balance	3 876	3 876
Additions	3	3

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
25. Movable Tangible Capital Assets (continued)			
Total minor assets		**3 879**	**3 879**

Figures in Rand thousand	Machinery and equipment	Total
Number of R1 minor assets	23	23
Number of minor assets at cost	1 866	1 866
Total number of minor assets	**1 889**	**1 889**

Movement in minor assets per the asset register for the year ended as at 31 March 2020

Figures in Rand thousand	Machinery and equipment	Total
Opening balance	3 853	3 853
Additions	270	270
Disposals	(247)	(247)
Total minor assets	**3 876**	**3 876**

Figures in Rand thousand	Machinery and equipment	Total
Number of R1 minor assets	23	23
Number of minor assets at cost	1 865	1 865
Total number of minor assets	**1 888**	**1 888**

26. Immovable Tangible Capital Assets

26.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2021

Figures in Rand thousand	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)
Buildings and other fixed structures				
Other fixed structures	223 108	61 177	(250 501)	(33 784)

The cash above comprises of an addition of R223 108 000 transferred or paid out during the year under reivew, and R61 177 000 brought forward from the previous financial year.

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

26. Immovable Tangible Capital Assets (continued)

26.2 Movement for 2019/2020

26.3 Capital Work-in-progress

Capital Work-in-progress as at 31 March 2021

Figures in Rand thousand	Note	Opening balance 01 April 2020	Current Year WIP	Closing balance 31 March 2021
Buildings and other fixed structures	Annexure 7	759 984	250 501	1 010 485

Figures in Rand thousand	Number of projects Planned, Construction started	2020/2021 Total
Age analysis on ongoing projects		
3 to 5 Years	1	1

Payables not recognised relating to Capital WIP

Retentions	-	656

Capital Work-in-progress as at 31 March 2020

Figures in Rand thousand	Note	Opening balance 01 April 2019	Prior period error	Current Year WIP	Closing balance 31 March 2020
Buildings and other fixed structures	Annexure 7	566 887	4 715	188 382	759 984

Figures in Rand thousand	Number of projects Planned, Construction not started	2019/2020 Total
Age analysis on ongoing projects		
3 to 5 Years	1	1

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

27. Prior period errors

27.1 Correction of prior period errors

Figures in Rand thousand	Note	Amount bef error correction	2019/2020 Prior period error	Restated amount
Expenditure:				
Current year Capital work in progress, current costs and finance lease payments		188 382	4 715	193 097

Figures in Rand thousand	Note	Amount bef error correction	2019/2020 Prior period error	Restated amount
Assets:				
Capital Work in Progress - Buildings and other fixed structures		755 269	4 715	759 984
Additions to Immovable Tangible Capital Assets - Received current, not paid		65 892	(4 715)	61 177
Net effect		**821 161**	**-**	**821 161**

Figures in Rand thousand	Note	Amount bef error correction	2019/2020 Prior period error	Restated amount
Liabilities:				
Payables to related parties - costs incurred by MEGA in respect of MIFPM		52 547	(4 715)	47 832

Certain payments claimed in previous periods by MEGA as the MIFPM implementing agent were disputed by the department due to the inclusion of amounts related to other projects. The disputes have subsequently been resolved, this adjustment comprises that portion of the claims that relate to the development of the MIFPM.

Figures in Rand thousand

28. Statement of Conditional grants received

Figures in Rand thousand	Grant allocation		Spent	2019/2020
Name of grant	Division of Revenue Act/ Provincial Grants	Total Available	Amount spent by department	Amount spent by department
Extended Public Works Programme	4 058	4 058	4 058	3 467

Notes to the Annual Financial Statements

Figures in Rand thousand

29. Statement of Conditional grants and other transfers to municipalities

Figures in Rand thousand	2020/2021		2019/2020
	Grant allocation		
Name of municipality	DoRA and other transfers	Total Available	Actual Transfer
Mbombela Local Municipality	26	26	11
South African Police Services	-	-	183
Total	**26**	**26**	**194**

30. Broad based black economic empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

31. COVID 19 Response Expenditure

Expenditure per economic classification	Annexure 11		
Goods services		336	-

Unaudited Annexures to the Annual Financial Statements

Annexures to the Annual Financial Statements

Annexure 1B

Statement of transfers to Departmental Agencies and Accounts

Figures in Rand thousand	Transfer allocation		Transfer		2019/2020
Departmental agency / Account	Adjusted Appropriation	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
Mpumalanga Tourism and Parks Agency - MTPA	381 508	381 508	381 508	100 %	389 874
Mpumalanga Economic Regulator - MER	85 227	85 227	85 227	100 %	93 855
Total	**466 735**	**466 735**	**466 735**		**483 729**

Annexures to the Annual Financial Statements

Annexure 1D

Statement of transfers/subsidies to Public Corporations and Private Enterprises

Figures in Rand thousand	Transfer allocation		Expenditure		2019/2020
Name of Public Corporations/ Private Enterprise	Adjusted Appropriation Act	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
Public corporations					
Transfers					
Mpumalanga Economic Growth Agency - MEGA	192 323	192 323	192 323	100 %	201 923
Private enterprises					
Transfers					
Mpumalanga Stainless Steel Initiative	2 691	2 691	2 691	100.0 %	1 901
Total	**195 014**	**195 014**	**195 014**	**100.0 %**	**203 824**

Annexures to the Annual Financial Statements

Annexure 1G

Statement of transfers to Households

Figures in Rand thousand	Transfer Allocation		Expenditure		2019/2020
Households	Adjusted Appropriation Act	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
Transfers					
Post Retirement Benefit	-	-	-	- %	256
Leave Gratuity	501	501	306	61 %	2 221
Injury on Duty	-	-	16	- %	-
Total	**501**	**501**	**322**		**2 477**

Annexures to the Annual Financial Statements

Annexure 3A

Statement of financial guarantees issued as at 31 March 2021 - Local

Guarantor institution	Guarantee in respect of	Opening balance 01 April 2020	Closing balance 31 March 2021	Accrued guaranteed interest for year ended 31 March 2021
Figures in Rand thousand				
	Housing			
ABSA Bank	Housing	84	84	84

Annexures to the Annual Financial Statements

Annexure 3B

Statement of contingent liabilities as at 31 March 2021

Nature of Liability	Opening Balance 01 April 2020	Liabilities incurred during the year	Closing Balance 31 March 2021
Figures in Rand thousand			
Claims against the department			
M Makgamatha / DEDT	1 217	-	1 217
B P Mnisi / MEC & MTPA	500	-	500
Faranani / DEDT	1 000	-	1 000
McBeth Attorneys / MEC DEDT	380	-	380
TN Msiza / DEDT	-	349	349
Outstanding Wage increases emanating from Resolution 1 of 2018 Negotiations currently in the Constitution Court	-	2 358	2 358
Subtotal	**3 097**	**2 707**	**5 804**

Annexures to the Annual Financial Statements

Nature of Liability	Opening Balance 01 April 2020	Liabilities incurred during the year	Closing Balance 31 March 2021
Figures in Rand thousand			

Annexure 4

Claims recoverable

Government Entity	Unconfirmed balance outstanding	Total
Figures in Rand thousand	2020/2021	2020/2021
Other Government Entities		
South African Revenue Services	61	61

Annexures to the Annual Financial Statements

Statement of contingent liabilities as at 31 March 2021

Nature of Liability	Opening Balance 01 April 2020	Liabilities incurred during the year	Closing Balance 31 March 2021
Figures in Rand thousand			

Annexure 5

Inter-Government payables

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding	Total	
Figures in Rand thousand	2020/2021	2019/2020	2020/2021	2020/2021	2019/2020
Departments					
Current					
South African Police Services	49	29	-	49	29
Department of Community Safety, Security & Liaison	226	-	-	226	-
Department of Agriculture Dev,Land & Environmental Affairs	1 331	-	613	1 944	-
Department of Public Works	90	-	-	90	-
Department of Human Settlements	538	-	-	538	-
Subtotal	**2 234**	**29**	**613**	**2 847**	**29**

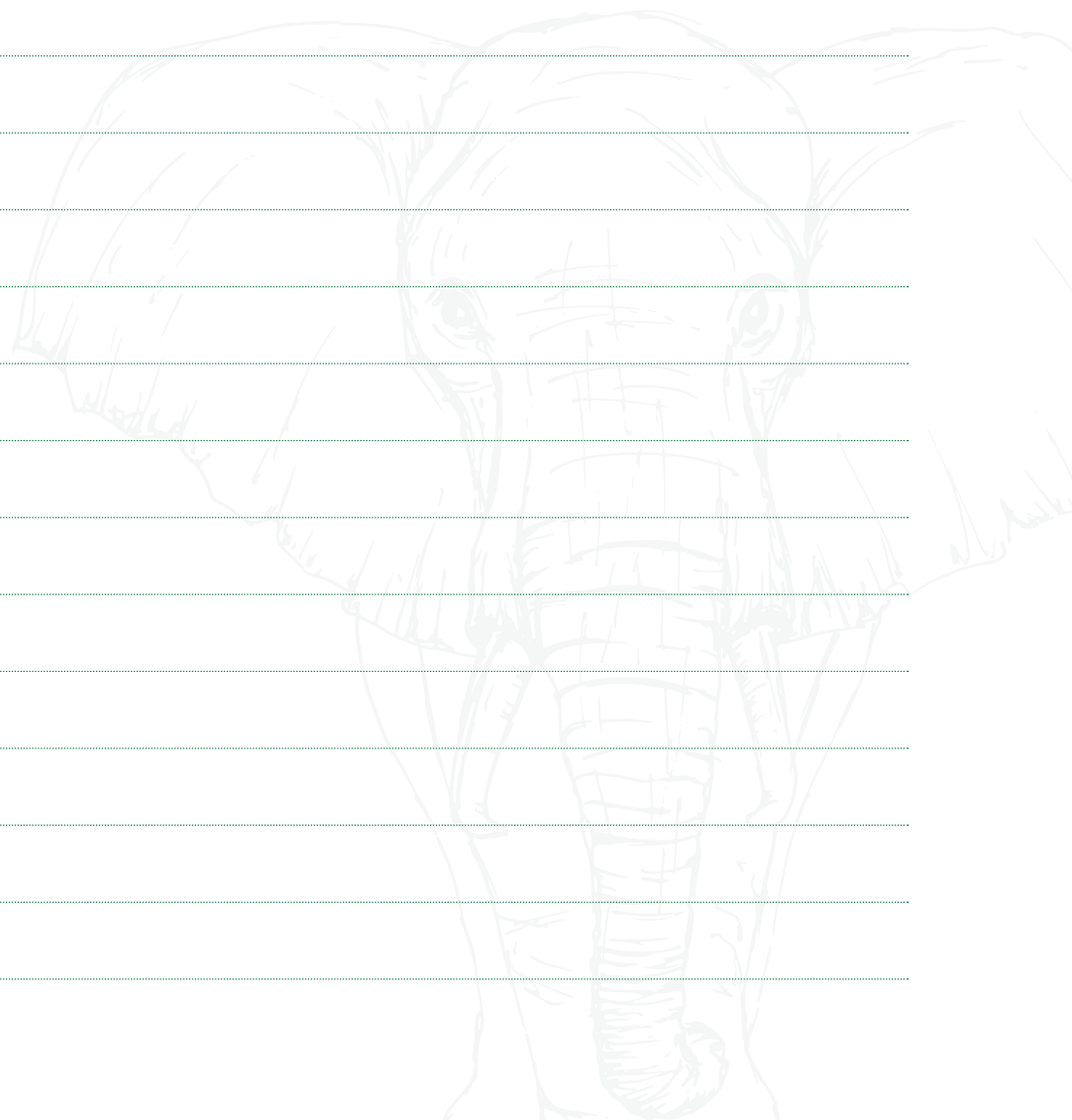
Annexures to the Annual Financial Statements

Annexure 6 (continued)

COVID 19 Response Expenditure
Per quarter and in total

Expenditure per economic classification	2020/2021			
	Q2	Q3	Q4	TOTAL
Figures in Rand thousand				
Goods services	**132**	**40**	**164**	**336**
	132	40	164	336

NOTES



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