



18 February 2014

**ANALYSIS: THIRD QUARTER EXPENDITURE AND PERFORMANCE REPORT FOR THE
DEPARTMENT OF DEFENCE AND MILITARY VETERANS FOR 2013/14**

1. Background

In line with Chapter 5 of the National Treasury regulations for departments, trading entities, constitutional institutions and public entities, the accounting officer of an institution must establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action. The following analysis of the First Quarter Expenditure and Performance Report of the Department of Defence and Military Veterans (DODMV) will provide a brief overview of aspects that may require further examination by the Portfolio Committee on Defence and Military Veterans (PCDMV).

2. Department of Defence and Military Veterans: Expenditure and Performance Report

By the end of the First Quarter on 31 December 2013 of the financial year 2013/14, a total of R28.291 billion of the Department's approved budget of R R40.658 billion had been spent, representing 68.9 per cent of the total budget. This figure is slightly lower than the 70.9 per cent projected expenditure. It is, however, 0.7 percentage points higher than the actual spending for the same period in the 2012/13 financial year.

2.1 Departmental Spending Analysis

The departmental spending analysis by the end 31 December 2013 was as follows:

- At programme level, variations between the projected and actual expenditure were marginal for all the programmes and were within the 8 per cent limit as per National Treasury regulations (see Table 1).
- In terms of economic classification, the spending patterns were in line with projections, with the exception of transfers to households (39.1 per cent), specialised military assets (7.4 per cent) and software and other intangible assets (4.6 per cent).

The Committee may inquire on the following:

What were the reasons for lower spending (than projected) on the following:

- Transfers to households at 39.1 per cent.
- Specialised military assets at 7.4 per cent.
- Software and other intangible assets at 4.6 per cent.

Table 1: Spending as at end of third quarter of 2013/14

Department of Defence and Military Veterans	Adjusted Appropriation	Actual Spent	% Spent	% Projected	% Variance	% Spent Q3
R'000	2013/14	Q3	Q3	Q3	Q3	12/13
Programmes						
Administration	4 508 999	3 161 982	70.1%	69.2%	0.9%	74.8%
Force Employment	3 555 742	2 368 691	66.6%	67.1%	(0.5%)	66.8%
Landward Defence	13 614 853	9 892 272	72.7%	71.4%	1.2%	70.8%
Air Defence	5 766 437	3 906 997	67.8%	74.6%	(6.8%)	64.8%
Maritime Defence	3 157 341	2 137 354	67.7%	73.6%	(5.9%)	68.7%
Military Health Support	3 905 163	2 672 136	68.4%	72.0%	(3.6%)	72.0%
Defence Intelligence	767 940	511 396	66.6%	68.3%	(1.7%)	81.5%
General Support	5 381 709	3 640 330	67.6%	67.6%	0.0%	63.0%
Total	40 658 184	28 291 157	69.6%	70.9%	(1.3%)	68.9%
Economic classification						
Current payments	33 057 378	22 871 121	69.2%	70.4%	(1.2%)	69.0%
Compensation of employees	21 373 046	15 744 356	73.7%	74.9%	(1.2%)	75.6%
Goods and services	11 684 332	7 126 765	61.0%	62.4%	(1.4%)	58.2%
Transfers and subsidies	6 189 626	4 736 948	76.5%	78.7%	(2.2%)	312.8%
Foreign governments and international organisations	299 107	303 347	101.4%	75.1%		0.0%
Departmental agencies and accounts	4 695 236	3 522 832	75.0%	100.0%	(25.0%)	68.8%
Public corporations and private enterprises	1 050 798	850 431	80.9%	89.9%	(9.0%)	67.0%
Non-profit institutions	6 923	6 523	94.2%	70.7%		77.1%
Households	137 562	53 815	39.1%	73.9%	(34.8%)	100.0%
Payments for capital assets	1 257 568	499 396	39.7%	42.8%	(3.1%)	66.4%
Buildings and other fixed structures	235 997	144 162	61.1%	48.5%		154.5%
Machinery and equipment	966 484	350 405	36.3%	41.2%	(4.9%)	48.3%
Specialised military assets	39 867	2 942	7.4%	48.1%	(40.7%)	21.1%
Biological assets	1 245	1 244	99.9%	0.0%		0.0%
Software and other intangible assets	13 975	643	4.6%	47.2%	(42.6%)	41.1%
Payments for financial assets	153 612	183 692	119.6%	0.0%		64.3%
Total	40 658 184	28 291 157	69.6%	70.9%	(1.3%)	68.9%

2.2 Programme and subprogramme Spending Analysis and Summary of Performance Targets

In terms of spending in the various programmes and subprogrammes of the Department as compared to the projected expenditure based on the approved budget by 31 December 2013, the following have been identified:

2.2.1 Programme 1 (Administration).

- *Spending Analysis.* As at 31 December 2013, the Administration programme spent 70.1 per cent of the total adjusted allocated budget of R4.509 billion, which was 0.9 per cent higher than the projected expenditure of 69.2 per cent. Expenditure per subprogramme was generally reasonable, except for the Defence Foreign Relations, Departmental Management and Inspection Services whose expenditure stood at 48.3 per cent, 57.8 per cent and 60.7 per cent, respectively. Reasons for the slow spending should be provided. In contrast, expenditure on Ministry was already at 87.3 per cent of its adjusted budget of R62.204 million, which was higher than the projected 76.2 per cent. If the expenditure pattern continues the Department might overspend on this subprogramme by the end of the financial year. In terms of economic classification, the Administration programme only spent 39.7 per cent on machinery and equipment, which is 8.7 per cent lower than the projected 48.5 per cent by the end of the third

quarter. It has been observed that the department incurred expenditure on payments for financial assets (R20.305 million) although no amount has been budgeted for this item.

- *Summary of Performance Targets.* No performance targets are indicated in the 2013 Annual Performance Plan (APP).

Based on the aforementioned, the Committee may inquire into the following:

- Low spending in Defence Foreign Relations (48.3 per cent), Departmental Management (57.8 per) and Inspection Services (60.7 per cent).
- High spending on Ministry at 87.3 per cent of its adjusted budget of R62.204 million.
- Low spending on machinery and equipment at 39.7 per cent.
- Expenditure on payments for financial assets (R20.305 million) although no amount has been budgeted for this item.

2.2.2 Programme 2 (Force Employment).

- *Spending Analysis.* During the period under review, the Force Employment programme spent 66.6 per cent of its adjusted budget of R3.556 billion. The proportion spent is 0.5 per cent lower than the approved projection of 67.1 per cent. Compared to other subprogrammes, the spending on the Defence Capability Management, Support to the People, Strategic Direction and Operational Direction subprogrammes were the lowest at 41.7 per cent and 53 per cent, 60.7 per cent and 63.7 per cent, respectively. Reasons should be provided for the slow spending. In terms of economic classification, the Department recorded the highest spending on buildings and other fixed structures in comparison to all other items (83.4 per cent). Public corporations and private enterprises (64.5 per cent), households (48.9 per cent), machinery and equipment (15.2 per cent) and specialised military assets (3.7 per cent), were the lowest spending items in comparison with other items.
- *Summary of Performance Targets.* According to the 2013 APP, this programme has 8 performance targets of which 2 have been classified. Of the unclassified targets 4 were achieved. The following 2 targets were under achieved as shown below.

Performance Indicator	Annual Target	3 rd Quarter Target as per APP	3 rd Quarter Actual output – validated	Overall progress Indicator (Red/Green)	Budget Spent on Subprogramme as on 31 December 2013
Subprogramme: Regional Security					
Percentage Compliance with number of ordered commitments (external operations)	100%	100%	75%		73.7% (R1.218 billion of R1.653 billion)
Subprogramme: Defence Capability Management					
Number of planned joint, interdepartmental and multinational military exercises conducted per year	9	1	0		41.7% (R10.4 million of R25.12 million)

Based on the aforementioned, the PCDMV may inquire into the following:

- High spending on buildings and other fixed structures at 83.4 per cent.
- Low spending on Defence Capability Management subprogramme at 41.7 per cent.
- Low spending on Support to the People subprogramme at 53 per cent.
- Low spending on Strategic Direction subprogramme at 60.7 per cent.
- Low spending on Operational Direction subprogramme at 63.7 per cent.
- Low spending on Public corporations and private enterprises at 64.5 per cent.
- Low spending on households at 48.9 per cent.
- Low spending on machinery and equipment at 15.2 per cent.
- Low spending on specialised military assets at 3.7 per cent.

2.2.3 Programme 3 (Landward Defence).

- Spending Analysis.** During the third quarter of 2013/14 financial year, expenditure by the Landward Defence programme was R9.892 billion of the total adjusted budget of R13.615 billion. Projected expenditure was R9.716 billion, therefore, the department is ahead by R179 million. Generally the spending at subprogrammes level is viewed as acceptable. It has been observed that the department incurred the lowest expenditure on transfer to households (55.6 per cent) and on specialised military assets (1.7 per cent). Expenditure on both buildings and other fixed structures and biological assets has already reached 100 per cent of its adjusted budget of R334.304 million and R1.245 million, respectively.
- Performance Targets.** According to the Annual Performance Plan 2013, the programme has 4 performance targets of which 3 have been classified. Of the unclassified targets 1 was under achieved as shown below.

Performance Indicator	Annual Target	3rd Quarter Target as per APP	3rd Quarter Actual output – validated	Overall progress Indicator (Red/Green)	Budget Spent on Subprogramme as on 31 December 2013
Subprogramme:					
General Training Capability (General Training for Regular and Reserve Members)					
Compliance with DOD formal training targets (number of learners on planned courses)	(5 772) 100%	(2 380) 42%	(1 326) 23.17%		74% (R308.191 million of R416.588 million)

Based on the aforementioned, the PCDMV may inquire into the following:

- High spending on both buildings and other fixed structures at 100 per cent of its adjusted budget of R334.304 million.
- High spending on biological assets at 100 per cent of its adjusted budget of R1.245 million.
- Low spending on transfer to households at 55.6 per cent.
- Low spending on specialised military assets at 1.7 per cent.
- Reasons for high spending at 74 per cent of the budget of the Training Capability, which is 8.5 per cent higher than the projected 65.5 per cent and not achieving the target.

2.2.4 Programme 4 (Air Defence).

- *Spending Analysis.* The expenditure for the Air Defence programme for the period up to 31 December 2013 was 67.8 per cent of the total adjusted budget of R5.766 billion. The percentage spent was lower than the projected expenditure of 74.6 per cent, which recorded a variation of 6.8 per cent. The Command Post, Helicopter Capability and Strategic Direction subprogrammes recorded the slowest spending compared to other subprogrammes. The figures stood at 57.1 per cent, 40.2 per cent and 46.2 per cent, respectively. The Command and Control Capacity subprogramme recorded a high spending of 101.2 per cent of its adjusted budget of R316.474 million. In terms of economic classification, spending on the following items recorded the slowest spending in comparison to the other items; goods and services (43.3 per cent), households (37 per cent) and machinery and equipment (34.5 per cent). High expenditure was recorded on departmental agencies and accounts (105.8 per cent), building and other fixed structures (100 per cent) and specialised military assets (98 per cent). Consequently, this signifies that the Department is likely to overspend on these line items at the end of the financial year.
- *Summary of Performance Targets.* According to the 2013 APP, the programme has 4 performance targets of which 3 have been classified. The unclassified targets is Compliance with DOD formal training targets (number of learners on planned course), which was not achieved. The reason provided by the Department is that less learners attended courses as targets of some courses were adjusted after the submission of the APP due to changes in the curriculum.¹

Based on the aforementioned, the PCDMV may inquire into the following:

- Low spending for the programme at 67.8 per cent of the total adjusted budget of R5.766 billion as compared to the projected expenditure of 74.6 per cent.
- Low spending on the Command Post, Helicopter Capability and Strategic Direction subprogrammes recorded the slowest spending compared to other subprogrammes, with the figures at 57.1 per cent, 40.2 per cent and 46.2 per cent, respectively.
- High spending the Command and Control Capacity subprogramme at 101.2 per cent.

2.2.5 Programme 5 (Maritime Defence).

- *Spending Analysis.* The Department spent 67.7 per cent of the total adjusted budget of R3.157 billion on the Maritime Defence programme. The percentage spent was 5.9 per cent lower than the approved projection of 73.6 per cent. The expenditure on the subprogrammes was satisfactory. In terms of economic classification, a lower expenditure on the following items was recorded in comparison to the other items: goods and services (52.4 per cent); households (23.3 per cent), buildings and other fixed structures (37.8 per cent) and machinery and equipment (52.7 per cent).

¹ Presentation by the Department of Defence (Def Sec and SANDF) on 3rd Quarterly Performance Report for FY2013/14.

- *Summary of Performance Targets.* According to the Annual Performance Plan 2013, the programme has 4 performance targets of which 3 were classified. Of the unclassified targets 1 was under achieved as shown below.

Performance Indicator	Annual Target	3rd Quarter Target as per APP	3rd Quarter Actual output – validated	Overall progress Indicator (Red/Green)	Budget Spent on Subprogramme as on 31 December 2013
Subprogramme:					
Maritime Human Resources and Training Capability (General Education, Training and Development of Navy personnel)					
Compliance with DOD formal training targets (number of learners on planned courses)	(2 984) 100%	(820) 27.48%	(371) ² 12.48%		83.1% (R298.941 million of R359.660 million)

- Based on the aforementioned, the PCDMV may inquire into the following:

- Low spending for the Maritime Combat Capability subprogramme at 67.7 per cent of the total adjusted budget of R3.157 billion, which was 5.9 per cent lower than the approved projection of 73.6 per cent.
- Low spending on the following items:
 - Machinery and equipment at 52.7 per cent.
 - Goods and services at 52.4 per cent.
 - Buildings and other fixed structures at 37.8 per cent.
 - Households at 23.3 per cent.
- Spending 83.1 per cent (R298.941 million) of the total allocated budget of R359.660 million and only achieving 12.43 per cent of the target of the third quarter.

2.2.6 Programme 6 (Military Health Support).

- *Spending Analysis.* As at 31 December 2013, the Military Health Support programme spent R2.672 billion of the total adjusted budget of R3.905 billion. The amount spent was R39.415 million lower than the planned expenditure of R2.711 billion. At 22 per cent and 61 per cent respectively, the Military Health Product Support Capability and Strategic

² Ibid.

Direction subprogrammes recorded the slowest spending compared to all other subprogrammes. In terms of economic classification, the Department did not spend any money on software and other intangible assets during the period under review. Low expenditure was also recorded on households at 20.1 per cent. By 31 December the Department had already spent 136.3 per cent of its adjusted appropriation on transfers to departmental agencies and accounts.

- *Summary of Performance Targets.* According to the Annual Performance Plan 2013, the programme has 6 performance targets of which 3 were classified. Of the unclassified targets all 3 were achieved.

Based on the aforementioned, the PCDMV may inquire into the following:

- Low spending on the Military Health Product Support Capability and Strategic Direction subprogrammes.
- Low spending on households at 20.1 per cent.
- High spending on at 136.3 per cent on transfers to departmental agencies and accounts.
- Lack of spending on Software and other intangible assets.
- The spending of R362 000 for payment for financial assets which was not budgeted for.

2.2.7 Programme 7 (Defence Intelligence).

- *Spending Analysis.* Expenditure on the Defence Intelligence programme was 66.6 per cent of the total adjusted budget of R767.940 million, which is slightly lower than the projected spending of 68.3 per cent. Low spending was recorded on Strategic Direction at 42.2 per cent as well as machinery and equipment at 37.8 per cent.
- *Summary of Performance Targets.* According to the 2013 APP, the programme has 4 performance targets of which 2 were classified. Of the unclassified targets, both were achieved.

- The PCDMV may inquire into the low spending on Strategic Direction at 42.2 per cent and machinery and equipment at 37.8 per cent.

2.2.8 Programme 8 (General Support).

- *Spending Analysis.* During the third quarter of 2013/14 financial year, the General Support programme spent 67.6 per cent of the total adjusted budget of R5.382 billion, which was in line with the projections of 67.6 per cent. However, the Command and Management Information Systems subprogramme was the slowest spending at 56.9 per cent. In terms of economic classification, expenditure on specialised military assets (0.5 per cent), machinery and equipment (49.7 per cent) and households (16.7 per cent) were relatively low. If this trend continues the Department will under spend by the end of the

financial year. High spending was recorded in transfers and subsidies for foreign governments and international organisations at 101.4 per cent.

- *Summary of Performance Targets.* According to the Annual Performance Plan 2013, the programme has 17 performance targets of which 4 were classified. Of the unclassified targets the Department only reported on 9 of which 5 were under achieved as shown below. This was an improvement as compared to the 7 underachieved targets at the end of the first quarter of the financial year.

Performance Indicator	Annual Target	3rd Quarter Target as per APP	3rd Quarter Actual output – validated	Overall progress Indicator (Red/Green)	Budget Spent on Subprogramme as on 31 December 2013
Subprogramme: Joint Logistic Services					
Codification of Items of Supply. Percentage compliance with DOD codification requirements	80%	20%	13.4%		61.2 % (R1.386 billion of R2.253 billion)
Disposal of Materiel. Percentage requests approved for disposal versus requests received	75%	18.75%	16%		
Payment of Accommodation. Percentage of expenditure in accordance with facilities plan (payment of leases)	100%	25%	31.84% ³		

³ Although better payment as planned for the quarter, only 69% planned for the year has been paid against a planned total of 75%. Thus, overall progress has not been achieved due to poor performance in the previous two quarters.

Payment of Accommodation. Percentage of expenditure in accordance with facilities plan (municipal Services)	100%	25%	24.26%	
Logistics Training: (logistics, ammo hospitality training, facility, fire fighting and codification). Percentage compliance with DOD formal training targets (number of learners on planned courses)	(3 488) 100%	(872) 25%	(858) 24.5%	

Based on the aforementioned, the PCDMV may inquire into the following:

- Low spending in the Command and Management Information Systems subprogramme at 56.9 per cent.
- Low spending on specialised military assets (0.5 per cent), machinery and equipment (49.7 per cent) and households (16.7 per cent)
- High spending on foreign governments and international organisations.
- Reasons for not achieving the 5 planned targets.

2.3 Spending on selected lowest level items

Table 2: selected low level items (goods and services)

Defence and Military Veterans	Audited Outcomes					2013/14			% Change 12/13-13/14
	2008/09	2009/10	2010/11	2011/12	2012/13	Adjusted appropriation	Actual spent as at 31 Dec 2013	% spent as at 31 Dec 2013	
R'000									
Goods and Services (Total)	4 920 838	5 547 306	6 119 384	6 461 354	5 108 130	5 765 923	3 164 658	54.9%	12.9%
<i>of which: Advertising</i>	7 922	7 186	5 553	6 874	11 986	12 992	9 906		8.4%
<i>Agency/support services</i>	311 458	349 062	364 843	352 175	572 285	470 493	249 849	53.1%	-17.8%
<i>Catering and entertainment</i>	53 671	46 232	47 186	46 556	28 412	46 030	22 332	48.5%	
<i>Communication</i>	96 274	107 906	88 873	94 130	92 938	106 834	69 536	65.1%	
<i>Computer services</i>	782 601	841 358	856 280	861 234	896 605	1 040 197	547 940	52.7%	
<i>Consultants</i>	187 432	333 888	290 329	266 471	138 086	331 806	149 108	44.9%	
<i>Contractors</i>	2 405 898	2 834 305	3 322 192	3 619 466	2 041 642	2 450 467	1 135 829	46.4%	
<i>Fuel</i>	416 327	309 438	405 655	461 762	534 448	527 698	383 091	72.6%	-1.3%
<i>Travel and Subsistence</i>	644 628	703 034	728 501	733 171	778 498	779 406	597 067		0.1%
<i>Local</i>	416 791	460 351	516 724	518 169	501 007	498 171	434 339		-0.6%
<i>Foreign</i>	227 837	242 683	211 777	215 002	277 491	281 235	162 728	57.9%	-1.3%
<i>Venues and Facilities</i>	14 627	14 897	9 972	19 515	13 230	-	-	-	-100.0%

High spending was recorded on travel and subsistence - local trips at 87.2 per cent as well as advertising at 76.2 per cent. Between 2012/13 and 2013/14 the department reduced allocations for agency/support services, fuel and travel and subsistence - local trips by 17.8 per cent, 1.3 per cent and 0.6 per cent, respectively. It should however, be noted that the increases in projected spending on consultants (140.3 per cent), catering and entertainment (62 per cent), contractors (20 per cent), computer services (16 per cent) and communication (15 per cent) is relatively high.

> What are the reasons for high spending on travel and subsistence (local trips)?

2.4 Spending on selected projects

Table 3: Selected projects

Project name (R'000)	Adjusted appropriation	Actual spending as at 31 December 2013	% Spent as at 31 December 2013
Border Safeguarding-Operation CORONA	776 642	443 427	57.1%
Maritime Security Strategy- Operation Copper	492 000	347 753	70.7%
Total	1 268 642	791 180	62.4%

Table 3 above denotes the project plans for the 2013/14 financial year. By the end of the third quarter, the Department spent 62.4 per cent of the total adjusted budget of R1.269 billion. The slow spending on these projects is an issue of concern and should be explained. If this trend continues, the department is likely to underspend its budget for 2013/14 financial year.

> What are the reasons for low spending on the above mentioned projects?

2.5 Analysis of Critical Occupation

At the end of the third quarter on 31 December 2013, a total of 13 885 posts were filled, which resulted in an overall vacancy rate of 25.7 per cent. The situation was more intense for categories such as Engineer, Aircrew, Combat Navy and Technical which was 56.1 per cent, 40.1 per cent, 39.9 per cent and 31.1 per cent, respectively.

With regards to vacancies, the PCDMV may inquire as to:

- > The current number of vacancies.
- > The impact of lack of Engineers, Aircrew and Technical staff to the readiness of the SANDF.
- > Strategies to ensure that vacancies are filled.

2.6 Foreign deployments

According to Table 4, expenditure on foreign deployments for the third quarter of 2013/14 financial year was at 73.7 per cent of the available budget of R1.653 billion. Expenditure on Operation VIMBEZELA in the Central African Republic (CAR) had already reached 97.3 per cent of its allocated budget of R172.941 million, which is high. Expenditure on Operation CORDITE in Sudan was also relatively high at 80.1 per cent.

Table 4: Foreign Operational Deployments

Update on Foreign Operational Deployments as at 31 December 2013									
Serial No	Operation	Average number of members deployed	Entry date	Exit date	Adjusted budget 2013/14	Expenditure April 2013 to December 2013	% Spent April 2013 to December 2013	Reimbursement (Received April 2013 to December 2013)	Projected Reimbursement 2013/14
1	OP MISTRAL (DRC)	1224	Sep-99	Unknown	993 570	671 774	67.6%	113 991	81 649
2	OP CORDITE (Sudan)	801	Jul-04	Unknown	279 530	224 002		97 370	89 437
3	OP VIMBEZELA (CAR)	0	Dec-06	Mar-13	172 941	168 341		0	0
4	OP COPPER	191	Apr-11	Unknown	207 070	154 577	74.6%	0	0
TOTAL					1 653 111	1 218 694	73.7%	211 361	171 086

- The PCDMV may inquire into the reasons for high spending on operations VIMBEZELA and CORDITE.
- Explanations for the continued reporting on Operation Vimbezela should be provided since the operation has since been cancelled. In addition, questions should be raised whether there are any ongoing expenditure to this operation and, if not, where the excess funds will be allocated to.

2.7. Special Defence Account

Overall, expenditure on the Special Defence Account (SDA) recorded 76.1 per cent which was well within reasonable spending trends. However, spending on Mobile Military Health Support (227.3 per cent), Operational Support and Intelligence capability (164.8 per cent) and Infantry capability (100 per cent) was relatively high. In contrast, low spending was observed from items such as, Commission Services (44, 6 per cent), Maritime Logistic Support Capacity (36.1 per cent) and Transport and maritime capacity (26 per cent) (see Table 5 in the next page).

Table 5: Spending on the Special Defence Account

Departmental Agencies and Accounts (SDA)			
Sub-Programme (R'000)	Adjusted Budget	Actual spending as at 31 December 2013	% spent as at 31 December 2013
Air Combat Capability	580 250	525 829	
Air Defence Artillery Capability	164 521	101 758	61.9%
Artillery Capability	36 728	31 488	85.7%
Cmi Services	17 500	7 800	44.6%
Command and Control Capability	-	107 637	-
Helicopter Capability	159 284	122 998	77.2%
Hr Support Services	18 504	10 896	0.0%
Infantry Capability	907 662	907 662	
Maritime Combat Capability	144 743	97 768	67.5%
Maritime Logistics Support Cap	23 000	8 305	36.1%
Military Police	635	477	75.1%
Mobile Military Health Support	1 760	4 000	
Operational Intelligence	7 080	-	0.0%
Operations	441 890	269 209	60.9%
Ops Support and Int Capability	54 215	89 341	
Special Operations	149 130	95 891	64.3%
Strategic Direction	1 174	-	0.0%
Support Capability	1 275 479	674 195	52.9%
Technical Support Services	900	-	0.0%
Technology Development	347 856	241 496	69.4%
Training Capability	7 114	6 160	86.6%
Transport & Maritime Capability	4 378	1 137	26.0%
TOTAL	4 343 805	3 304 047	76.1%

3. Conclusion

Expenditure at the end of third quarter of 2013/14 financial year was R28.291 billion or 69.6 per cent of the total adjusted budget of R40.658 billion. The proportion spent was 1.3 per cent lower than the approved projection of 70.9 per cent and 0.7 per cent higher than what was spent over the same period during the 2012/13 financial year.

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