

Overview & Progress Report

Presentation to the Standing Committee on Appropriations

22 September 2015



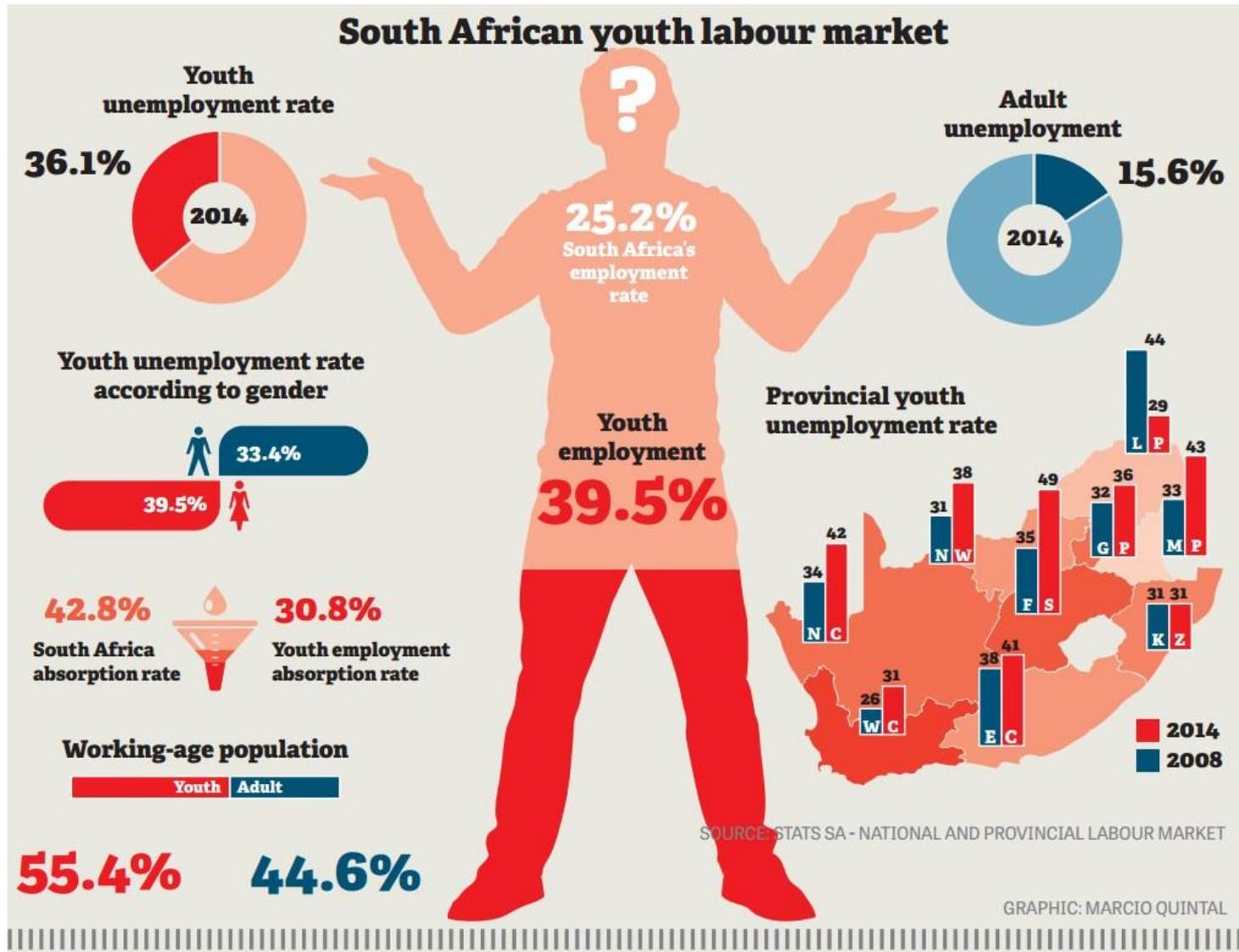
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Problem Statement

- Despite periods of strong economic growth over the last decade, South Africa's level of unemployment remains high
- The official unemployment rate taken from the Labour Force Survey Q1 2015/16 sits at 26.4%
- Roughly one in four South Africans in the labour force is unemployed
- If discouraged workers are included (those who have given up searching for employment) the unemployment rate rises to approximately 34%
- This suggests a high degree of hopelessness in the ranks of the jobless

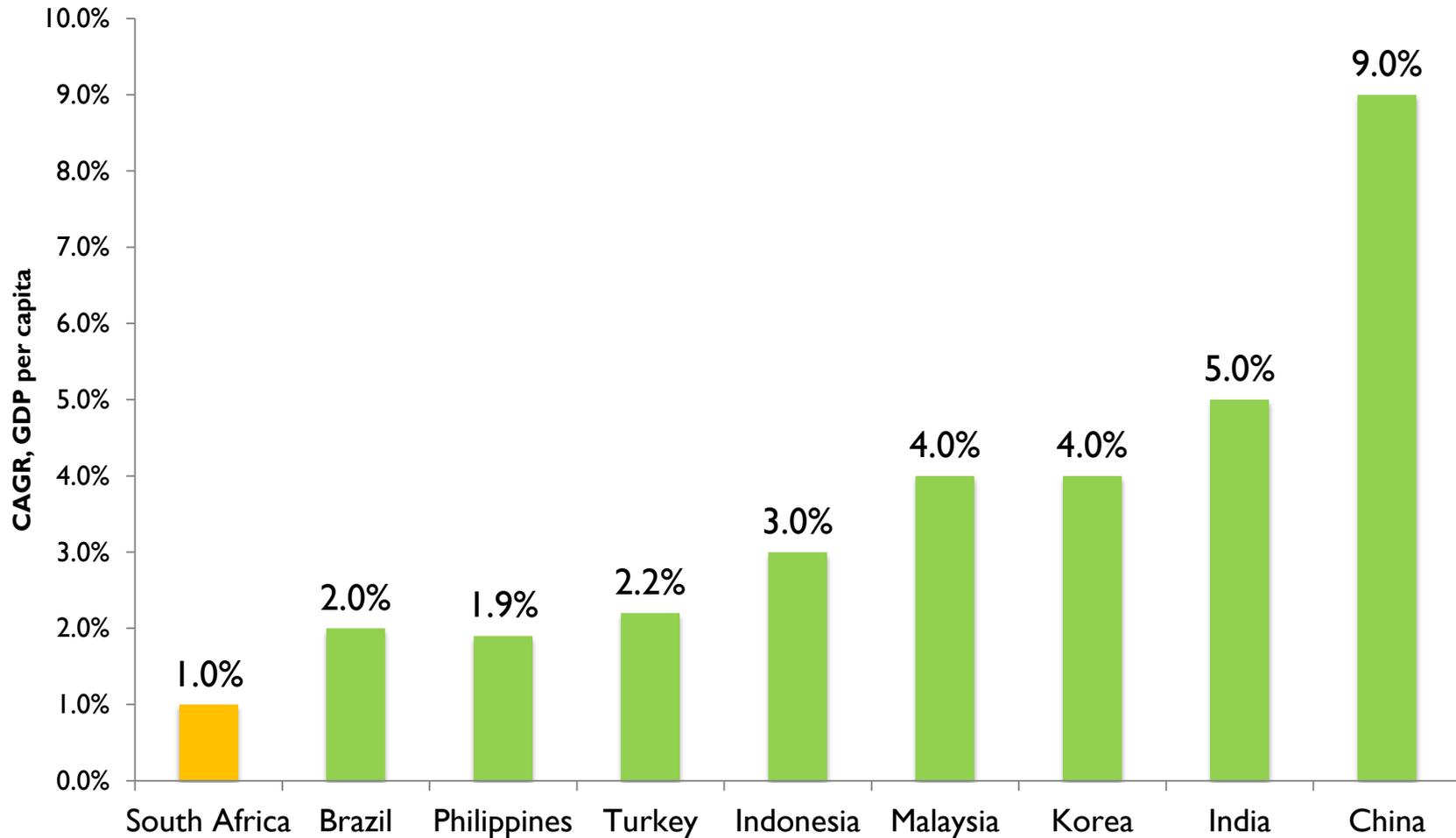
Labour Market - Youth



Labour Market - Gender Disaggregation

- There are more unemployed women than men
- Unemployment rate:
 - Women, 29%
 - Men, 24%
- Yet women play a particularly important role in marginalized communities where they often support extended families
- Many women do not have formal skills or work experience and struggle to find suitable employment

Average Annual per capita GDP growth: 1990-2013



Source: *IMF World Economic Outlook, 2014*

Supply & Demand of Labour

Supply side

- Over-supply of poorly skilled labour
- Although greater numbers have access to education, the quality and depth of the education system result in a lack of the skills and experience required to meet the requirements of employers
- In the face of uncertainty about labour quality, employers may be reluctant to commit to the full costs of expanding permanent employment opportunities

Demand side

- The improving competitiveness of Asian countries results in a relative decline in competitiveness of labour-intensive industries in SA
- Falling demand from Western markets following the financial crisis results in less demand for SA labour (especially manufacturing)
- Regulatory framework associated with employing people
- Infrastructural backlogs and the high transport costs of moving people to and from their place of work = employers less inclined to adopt labour-intensive strategies

Addressing the Challenge

Addressing the Unemployment Challenge

- To address the challenge of unemployment sustainably, South Africa requires (amongst other things) high rates of sustained economic growth
- The macro-economic policy environment, infrastructure asset base, schooling system and regulatory frameworks are all key determinants of the growth path
- The Jobs Fund is not intended to tackle these long-term, structural causes of low growth and unemployment
- Many other government initiatives are directed at these challenges
- Rather, the Jobs Fund is an opportunity to complement these efforts with a limited and targeted programme of support for effective labour market interventions that promise job creation in the short to medium term

Jobs Fund Mandate & Objectives

Jobs Fund mandate

- *The primary mandate of the Jobs Fund is to support initiatives that pilot innovative approaches to employment creation*
 - *To create 150 000 new jobs*
- *To learn from these innovative models and build a knowledge base that can be used to contribute toward evidenced based policy making*
- *The impact it seeks, is to contribute toward achieving positive systemic impact on poverty reduction, through the catalytic projects the Fund supports*

Background to the Jobs Fund

- R9 billion fund administered by the National Treasury - GTAC
- Launched in June 2011, completed 5 calls for proposals
- Operates on *challenge fund* principles – allocation process is:
 - Competitive
 - Transparent
- Co-finance innovative public and private sector projects with the potential to contribute significantly to sustainable job creation
- Jobs Fund Partners share risk and costs by matching the Jobs Fund allocation: Emphasis on partnership and collaboration
- Overcome barriers related to: cost, technology and infrastructure
- Create 150,000 sustainable jobs (over the project portfolio implementation period)
- Focus on projects that benefit women and youth

Funding Strategy - Challenge Fund Approach

- Challenge Fund Principles - open, transparent and competitive allocation of funding

Open

- Public sector entities, local authorities, NGOs and business can apply
- Leveraging private sector capacity to achieve public sector goals

Transparent

- Clear application and assessment processes
- Clearly communicated criteria

Competitive

- Independent investment committee
- Applications compete against one another for funding

- Open, public calls for proposals – targeted windows (Agriculture and Innovation)
- Matched Funding
- Funding Criteria are designed to maximise job creation i.t.o:
 - Innovation, Impact, Sustainability and Value for money
- Good practice project performance tracking, grant management, and Evaluation & learning

Jobs Fund Impact on Poverty



Funding Windows



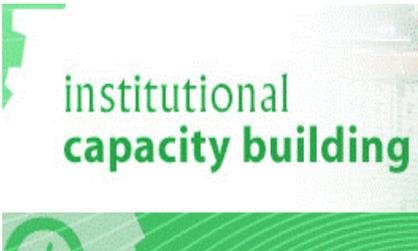
enterprise development

- Initiatives that develop innovative commercial approaches to long-term job creation in ways that combine profitability with high social impact.
- Share/reduce risk, remove barriers to market access or improve/ broaden supply chains.
- Looks for new ways of doing things: new business models, products and markets.
- Initiatives that will stimulate demand for labour.



support for work seekers

- Seeks to link active work-seekers, especially the youth, to formal sector opportunities and job placement.
- Targets initiatives aimed at facilitating rapid access to employment and work-related training for unemployed people, particularly the youth.
- Goal is to improve the quality and supply of labour.



institutional capacity building

- JF recognises that institutional weaknesses may in some cases inhibit job creation.
- Targets projects that will improve operational efficiencies, remove barriers to doing business, catalyse innovation and thereby scale up the potential for job creation.
- Assist organisations that can influence labour demand and can improve efficiency of the labour market. Goal is to unlock institutional barriers to job creation.



infrastructure investment

- Involves the co-financing of critical missing infrastructure
- Investments in infrastructure improve the business environment for enterprises, or make the difference between employment-linked investment taking place or not.
- Lower the cost and risk barriers that inhibit innovative enterprise models, partnerships, ideas and projects that will directly enhance sustainable job creation

Target Sectors - Giving effect to the NDP

Potential target sectors and subsectors

	Enterprise Development	Infrastructure	Support for Work Seekers	Institutional Capacity Building
BPO	<ul style="list-style-type: none"> Support services in rural areas 	<ul style="list-style-type: none"> Improve telecommunications infrastructure 	<ul style="list-style-type: none"> Training and placement 	
Agriculture	<ul style="list-style-type: none"> Agro processing High value niche markets Small holder farming expansion 	<ul style="list-style-type: none"> Small holder farming commercialisation 		
Construction		<ul style="list-style-type: none"> New labour intensive construction methods Construction that catalyses other economic activity 		
Green Economy	<ul style="list-style-type: none"> Waste Management Biofuels Waste to energy 	<ul style="list-style-type: none"> Waste management Biofuels Waste to energy 		
Manufacturing	<ul style="list-style-type: none"> Agro-processing Light manufacturing Innovative niche products 	<ul style="list-style-type: none"> Metal fabrication; capital equipment; transport equipment 	<ul style="list-style-type: none"> Skills development 	
Mining	<ul style="list-style-type: none"> Linkages and transformation of supply chains 		<ul style="list-style-type: none"> Employment transition for mine workers 	<ul style="list-style-type: none"> ?
Tourism	<ul style="list-style-type: none"> Rural development Creative industries High value niche markets 	<ul style="list-style-type: none"> Facilitating access to rural tourist sites 	<ul style="list-style-type: none"> Skills development Local community development 	<ul style="list-style-type: none"> Increased coordination

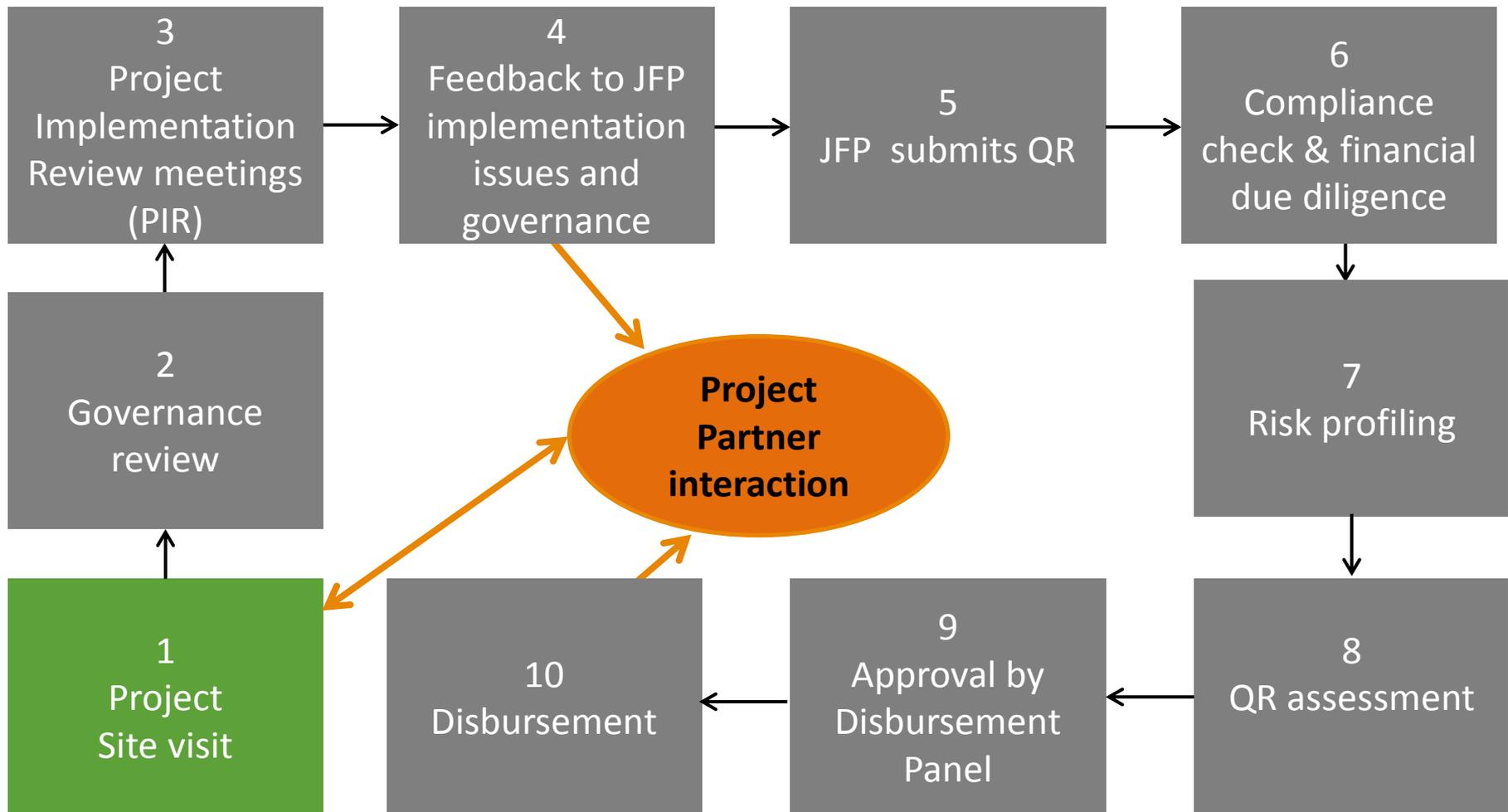
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Operationalising the Jobs Fund-Governance

- Investment Committee
- Technical Evaluation Committee
- Management Committee
- Operating Frameworks
 - Funding rounds/open calls for proposals
 - Performance monitoring
 - Project Quarterly reporting Framework
 - Quarterly Site visits, evidence collection and verification
 - Financial Management Framework
 - Disbursement framework
 - Year end Review Process
 - Project audits
 - Evaluation & learning

Disbursement Management and Monitoring & Evaluation

Disbursement Process



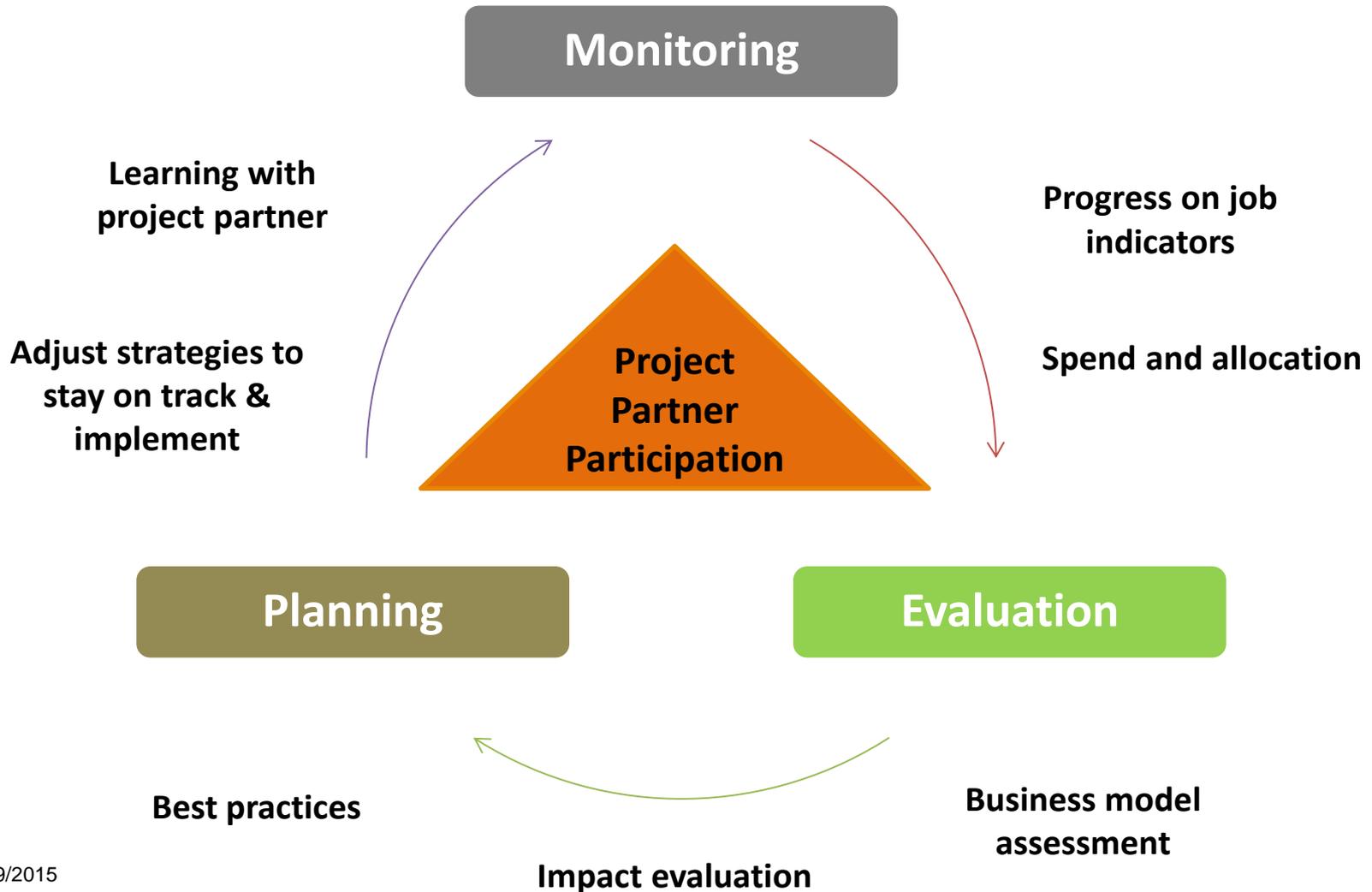
Disbursement Management

- Challenges encountered by JFPs that result in delay in disbursement:
 - Meeting grant conditions (submission of compliance documents, FICA, tax clearance certificate)
 - Projects deliver slower than originally projected which results in delayed request for disbursement (affects JF planned targets)
 - Inability to perform at 80% of set targets required for disbursement
 - Insufficient evidence of results
 - Lack of implementation capacity
 - Internal organisational delays
 - Inability to secure match funding
 - Delays in receiving the first advanced disbursement due to contracting and other pre-implementation delays
 - Project Termination

Addressing Disbursement Challenges

- Plans to address challenges
 - Continuous and proactive engagement with partners to ensure compliance on all provisions of the Grant Agreement
 - Early identification of project challenges
 - Projects with capacity issues are identified and supported before reporting time
 - Projects are encouraged to put in more than the required match-funding per quarter to cover unforeseen events
 - Improve contracting processes

Monitoring & Evaluation Framework



Jobs Fund Budget

2016 MTEF: Context & Expenditure Analysis

- The Jobs fund was initially managed by the Development Bank of Southern Africa; operations have since (November 2014/15) been migrated to the National Treasury and are now located in the Government Technical Advisory Centre (GTAC)
- The increase in operational expenditure is mainly by: the fund's maturity- the project portfolio has increased; currently managing 90 projects with a confirmed 18 new projects to be incorporated into the Fund through the 5th call for proposals (agricultural funding round)
 - 2014/15 expenditure is relatively lower than trend due to the fund's migration which affected expenditure on operations and compensation.

2016 MTEF: Context & Expenditure Analysis

- Currently, the fund employs 42 staff members (employed on medium term contracts) and it is anticipated that the fund will peak at a complement of 69 contract employees.
- Due to the project nature of the Fund capacity is brought in on a need to have basis the Fund also in-sources technical resources when required.
- Employment Creation Facilitation Fund (ECFF) Project Support comprises services provided to the Fund by various organisations such as:
 - Project Development Facility (PDF)
 - Project development support by the GTAC
 - Economic research provided by higher education institutions (UCT and UJ)

Jobs Fund Actual Expenditure Outcome

EMPLOYMENT CREATION FACILITATION FUND BUDGET SUMMARY							
	2014/15	2014/15	2014/15	2015/16	2016/17	2017/18	2018/19
	Adjusted Appropriation	Actual Outcome	Deviation	AENE Allocation	MTEF Allocation		
A JOBS FUND OPERATIONS	92 284	58 321	33 963	85 256	100 010	102 374	107 493
Compensation of Employees	41 192	30 485	10 708	35 567	57 497	61 654	64 737
Operating Expenditure	51 092	27 836	23 256	49 689	42 513	40 720	42 756
B ECFE PROGRAMME SUPPORT	54 103	28 300	25 803	6 200	-	-	-
C JOBS FUND DISBURSEMENT TO PROJECTS	1 192 526	1 126 541	65 985	912 031	1 287 872	1 209 880	1 270 374
Jobs Fund Grant Disbursements	1 192 526	1 126 541	65 985	912 031	1 287 872	1 209 880	1 270 374
D TOTAL JOBS FUND	1 338 913	1 213 162	125 751	1 003 487	1 387 882	1 312 254	1 377 867

ECFF Appropriation: 2015/16 Q1 Outcome

	Main appropriation	Adjustment budget*	Available budget	April to June Expenditure	April to June percentage spent #
<i>R'000</i>	2015/16				
Total	1 318 000	1 003 487	831 717	171 770	20.7%
Economic Classification					
Current Payments	97 144	84 756	71 986	12 770	18%
Compensation of Employees	53 377	35 567	29 771	5 796	19%
Goods and Services	43 767	49 189	42 215	6 974	17%
Transfer and Subsidies	1 218 731	918 231	759 231	159 000	21%
Public Corporations & Priv Ent / Grants	1 182 031	912 031	753 031	159 000	21%
Departmental Agencies and Accounts	30 500	-	-	-	0%
Universities and Technicons	6 200	6 200	6 200	-	0%
Payment for Capital Assets	2 125	500	500	-	0%

ECFF Appropriation: 2015/16 Q1 Outcome

- The Expenditure on CoE is lower than planned by R5.4 million mainly due to staff turnover and slower than anticipated growth in project portfolio; 35 vacant positions (end Q1). Since Jan 2015, 11 employees were brought on board.
- The budget has been reduced with R7 million during the AENE mainly due to a reduction in operational items (reduce in-sourced services and replace with contracted staff).
- As at Jun 2015, expenditure is 17% of the total adjusted budget of R42.2 million. This is in line with the activities that are planned for Q3 and Q4 which account for an increase in expenditure in the latter parts of the year: Project evaluations; project closeout audits; Mid-term evaluation of the fund.
- Amount disbursed to JFP's are lower than previously planned (delays in some projects reaching milestones, a few projects granted –no cost- extensions on their implementation period -thus revision of disbursement projections (23 projects in total).
- Programme support budget has been rescheduled and will now be managed on an ad hoc basis from JF operational budget.
- UCT Contract extended to March 2016
- IT equipment to be procured in Q3

Jobs Fund Performance

Jobs Fund Performance to Date

Projects

- Four calls for proposals were completed in the period 2011/12 to 2014/15
- The 5th call for proposals is sector-specific; it targets the Agricultural Sector and 18 new projects were approved in early September 2015
- 108 projects in total have been approved and 86 of those have been contracted (CFP 1 to 5)

	No.
Projects in contracting	20
Projects in current implementation	72
Withdrawn	2
Completed projects	7
Terminated projects	7

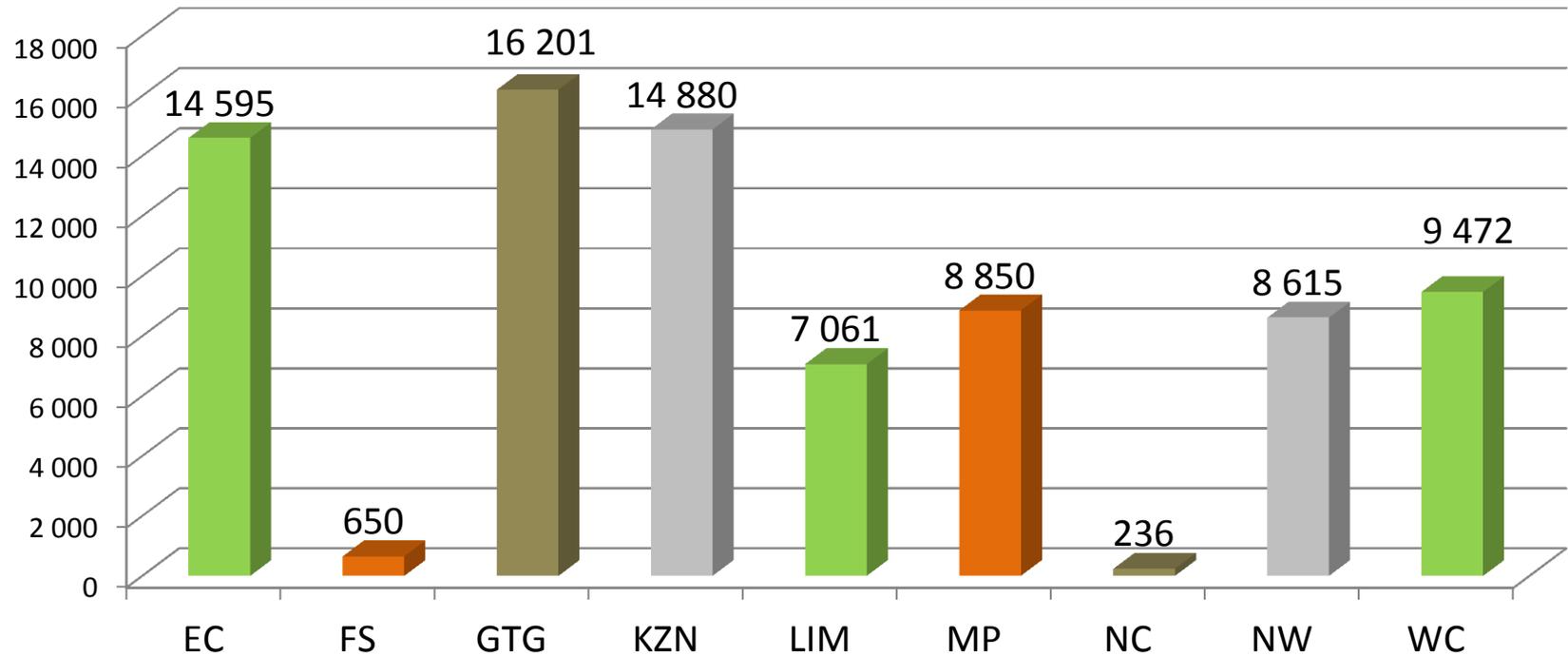
Funding (as at end June 2015)

- R4.74 billion in grants committed
- R2.63 billion in grants disbursed to the implementing projects
- R3.54 billion in matched funding has been leveraged from project partners
- Agricultural round – another possible R800 million committed

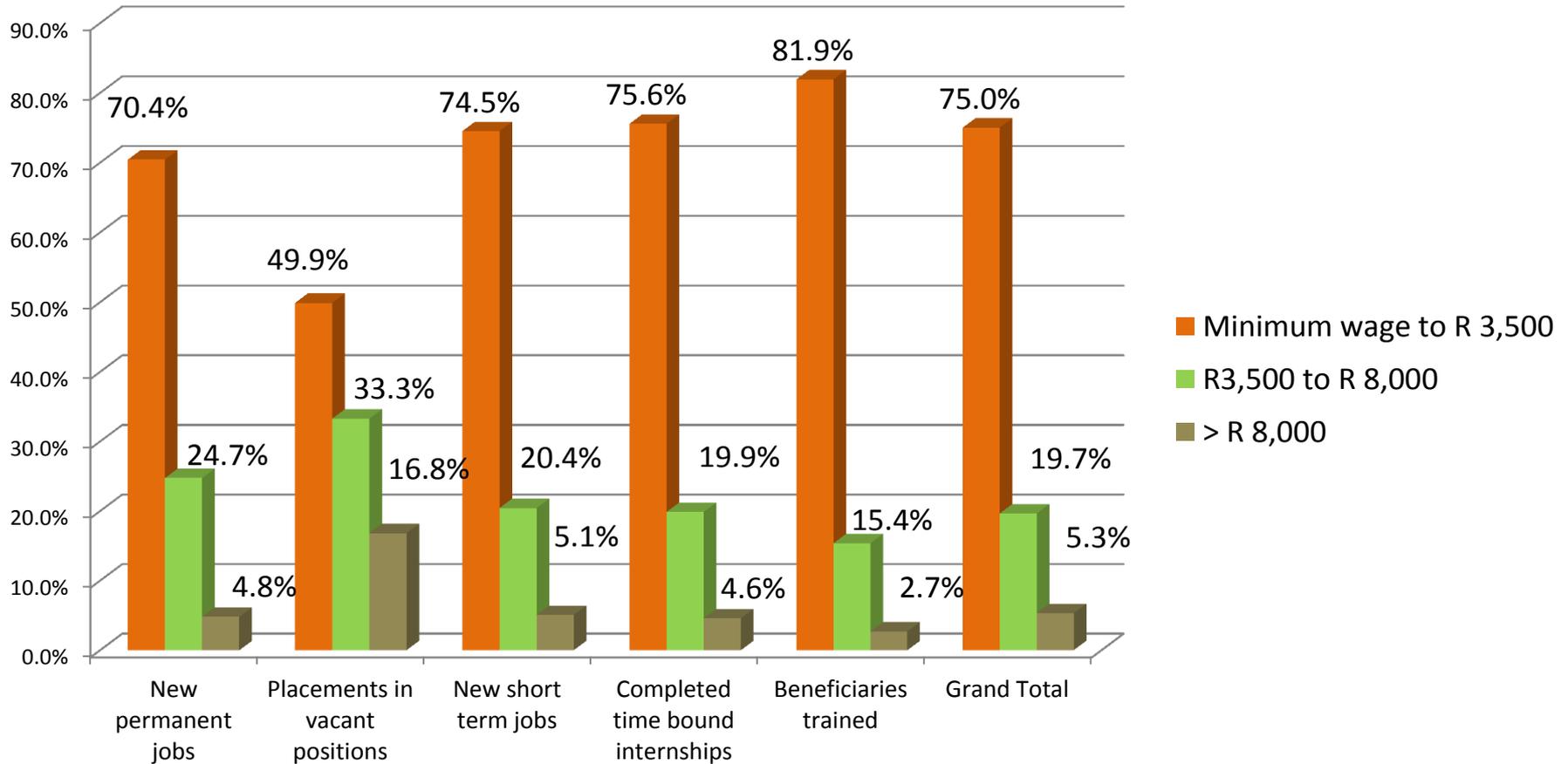
Jobs Fund Performance to Date

	INDICATORS	Target	Actual	% Target Reached
IMPLEMENTATION PROGRESS	Projects contracted as at end of June 2015	90	86	96%
	Projects reporting as at the end of June 2015	90	83	92%
	Jobs Fund Grant disbursed (end of June 2015)	R 3.168 bn	R 2.628 bn	83%
	Grantee contributions leveraged	R 3.037 bn	R 3.541 bn	110%
	Total project cost (Matched Funding + JF Grant)	R 6.205 bn	R 6.168 bn	99%
	New permanent jobs created	56,819	55,244	97%
	Placements in vacant positions	31,676	25,315	80%
	Short term jobs created	14,510	14,096	97%
	Beneficiaries completing internships	12,695	11,419	90%
	Beneficiaries completing training	104,073	112,550	108%

Provincial Spread of Permanent Jobs (Actual to date)



Distribution of Income per Indicator to Date



Current Funding Round – (2015)

- The 5th call for proposals is sector-specific it targets the Agricultural Sector
- The Fund chose projects that demonstrate innovative approaches to supporting smallholder farmers by providing/enhancing:
 - access to existing markets and integration into agricultural value chains,
 - facilitating training, provision of farming extension services and
 - securing the viability and sustainability of primary production activities
- Concept Note applications opened 12 Jan 2015 and closed 28 Feb
- 211 applications were received: 88 were eligible and 123 ineligible (quality assurance process)
- Full Business case applications opened 13 May and closed 19 June 2015
- The Investment Committee approved 18 projects (9 month cycle from application opening to funding allocated)

The Jobs Fund Value Proposition

Value Proposition of the Jobs Fund

- Facilitate collaboration and partnerships across value chains
- Create a space for innovation and risk-taking - through practical implementation, build a knowledge repository for evidence-based policy development
- Leverage additional funds towards job creation
- Support projects that are the most competitive/commercially viable/sustainable/create long-term employment
- Once-off injection of grant funds yield sustainable jobs and contribute to economic growth
- Provision of critical support, e.g.. business development services for enterprise development; improving the match between supply and demand for labour through work readiness and technical skills development

Cost per job - National and international projects

Programme Name	Actual cost per job	Calculation method
Expanded Public Works Programme¹	R 100,000	Total expenditure ⁽¹⁾ on an EPWP project ÷ the number of job opportunities created
Cadiz Enterprise Development²	R 60,141	Cadiz Investment ÷ number of jobs created
Industrial Development Corporation (IDC)³	R 256,000	Total disbursed funding ÷ the number of jobs created
General job creation by government spending (USA)⁴	R1,288,000 (\$92,000)	
Motiva Enterprises (USA)⁵	R14,414,400 (\$1,029,600)	Total subsidy amount ÷ number of jobs created
Scripps Research Institute (USA)⁵	R14,000,000 (\$1,000,000)	Total subsidy amount ÷ number of jobs created
International Finance Corporation (Jordan)⁶	R451,612 (\$32,258)	Total grant amount ÷ number of jobs created
International Finance Corporation (Ghana)⁶	R120,694 (\$8,621)	Total grant amount ÷ number of jobs created
International Finance Corporation (Tunisia)⁶	R56,686 (\$4,049)	Total grant amount ÷ number of jobs created

¹Actual expenditure relates to the expenditure on the project by the contractor plus the expenditure by the professional service provider appointed to design and supervise the project. The actual expenditure excludes expenditure on government management and administration (Expanded Public Works Programme [EPWP] 5 Year Review Report, pg. 37) (This is similar to Project cost on the Jobs Fund).

Meyer, Daniel Francois (2014) Job creation, a mission impossible? The South African Case. North-West University, South Africa.

² Cadiz Supplier Development Press Release (2014);

³Geoffrey Qhena Interview (Chief executive of the Industrial Development Corporation) (2011).

⁴Executive Office of the President Council of Economic Advisors (2009) Estimates of job creation from the American recovery and reinvestment act of 2009;

⁵ Mattera, P., Tarczynska, K. & LeRoy, G. (2013) Megadeals: The Largest Economic Development Subsidy Packages Ever Awarded by State and Local Governments in the United. Washington, Good Jobs First;

⁶ International Finance Corporation (2014) Estimating Economy-wide Job Creation Effects

The Challenge with Comparative Analysis of Cost per job

- **Scarcity of information:**
 - Literature on cost per job actuals is difficult to find - Statistics tend not to be published by organisations funding/ implementing job creation initiatives
 - Targets are generally published but it is difficult to find statistics on *actual* numbers from the projects to date
- **Calculation method:**
 - In the literature, the method of the Cost per job figure is not readily included
- **Calculated at a certain point in time:**
 - Cost per job will fluctuate during project implementation and the true cost per job can only be measured at the end of the project
- **International vs. local:**
 - American cost per job figures were found during the literature review but are problematic since they are reported in US Dollars: merely converting these numbers with the current exchange rate does not give a good indication of value
 - Three cost per job figures for South African programmes were found and are reported in the next slide
- **Impact**
 - Cost per job is not an accurate reflection of impact achieved

Factors Influencing Cost per Job

- There are a number of factors that influence the cost of job creation
 - The sector
 - Barrier to entry may be high
 - Cost of infrastructure
 - The business model/enterprise type
 - Capital-intensive business or a less capital-intensive business (for example, high cost of infrastructure will inevitably result in a higher cost per job)
 - The type of project intervention
 - Whether or not the investment is recycled (for example, in the case of enterprise development and micro-finance where the money is recycled through the lending and pay-back cycle. The same pool of money could benefit more than one beneficiary and as a result further jobs are created)
- *The Jobs Fund supports a range of projects across sectors/ business models/ nature of intervention*

The Jobs Fund Portfolio – Cost per job

- The Jobs Fund portfolio is diverse and encompasses a number of different projects across four windows:
 - Enterprise development
 - Infrastructure
 - Support for work seekers
 - Institutional capacity building

And across three different spheres:

- Non-governmental
 - Private organisations
 - Government institutions
- The Jobs Fund addresses different barriers/challenges confronted by these vastly different projects and in this way catalyse job creation
- Cost per job varies considerably from project to project depending on their unique intervention

Jobs Fund Portfolio Cost per Job Spread

	Calculation Method	< R30,000	R30,001 to R60,000	R60,001 to R100,000	R100,001 to R150,000	R150,001 to R250,000	R250,001 to R350,000	R350,001 to R450,000	R450,001 to R645,000
Grant Cost (Project Life)	Contracted Grant cost ÷ Contracted Permanent job targets	36.4%	25.0%	19.3%	8.0%	5.7%	4.5%	1.1%	0.0%
Matched Funding and Grant Cost (Project Life)	Contracted Total Project cost (Matched + JF Grant) ÷ Contracted Permanent job targets	27.3%	10.2%	13.6%	14.8%	14.8%	10.2%	5.7%	3.4%

- The table shows that the majority of JF projects' cost per job is below R60k
- Cost per job is not the only determination of value, the added benefit is training, internships and short term jobs (these are not included in this calculation)

Jobs Fund Portfolio Cost per Job by Funding Window

	Enterprise Development	Institutional Capacity Building	Infrastructure	Work Seekers	Agriculture
JF Grant	R 21,148	R 30,030	R 91,000	R 15,868	R 14,913
No. Perm. jobs	119,744	5,435	8,922	77,615	44,218
JF Grant + Matched Funding Cost	R 58,021	R 58,408	R 201,355	R 31,981	R 37,338

Jobs Fund Value Proposition - Grant to Matched Funding ratio

- Another Value-for-Money indicator is the Jobs Fund Grant to Matched Funding ratio
- Matched funding ratios are 1: 1 for Private and 1: 0.2 for NGOs and Public
- To date, there is a leverage of 1: 1.25
- Jobs Fund Partners in general contribute more than the JF Grant
- These contributions are not just in matched funding, but also resources and inputs that are not fully quantified

Jobs Fund Value Proposition - Youth beneficiaries

	Youth	% Youth Employment
Permanent jobs (new permanent & placements)	44,125	54.8%
New short term jobs	10,245	72.7%
Completed internships	11,035	96.6%
Trained beneficiaries	73,561	65.4%

- Youth comprise the highest number of beneficiaries from the Jobs Fund interventions

Jobs Fund Value Proposition – Women Beneficiaries

	Female	Male
Permanent jobs (new permanent & placements)	55.7%	44.3%
New short term jobs	43.5%	56.5%
Completed internships	58.0%	42.0%
Trained beneficiaries	62.6%	37.4%

- On the whole, women have benefitted more from the JF intervention than men, with the only exception being short term jobs

Jobs Fund Contribution to Knowledge Sharing

- Comparative reviews, quarterly performance tracking and project level evaluations have contributed to the knowledge base of what works and what does not with regards to job creation models
 - Contribute to evidence-based policy making
 - Determine how projects can achieve scale
 - Reveal what models are worthy of replication

Jobs Fund Contribution to future Policy Development

- Through our research, project evaluations and particularly after the Fund's mid-term evaluation, the JF will provide evidence on the following:
 - Improving the selection of projects and interventions that will increase demand for labour and that will result in sustainable employment
 - Improving the match between supply and demand for labour and identify interventions that ensure that the training interventions provided by projects more directly enhance the beneficiaries' employability and productivity?
 - How to improve the facilitation of market linkages between public, private and NGO sector
 - The role that government could play in scaling employment models that work?

Key Learnings from Business Support and Work Seeker Support Initiatives

Successful Business Support Initiatives (ED)

Key Elements:

- Careful selection of partners and beneficiaries reduces the risk of failure
- Beneficiaries should undergo an initial diagnostic/ assessment – baseline data
- Relevant business training and support for beneficiaries
- Mentoring or coaching support for beneficiaries is fundamental
- Facilitating access to capital and finance
- Clear exit strategies for projects
- Adequate resources
- Pro-active and continuous monitoring
- An independent and diverse board – strong governance
- Management and staff with relevant and sufficient knowledge and experience
- For commodity-based sectors (e.g. agriculture), partners and beneficiaries require explicit market access facilitation
- BSIs targeting unemployed individuals may need to provide pre-defined, pre-packaged business opportunities to promote enterprise sustainability

Successful Support for Work Seeker Projects

Key Elements:

- Strong selection process
- Education and training component
- Work readiness component
- Work-based experience
- Placement into employment
- Providing advice and support
- Demand-driven, to meet the needs of employers
- Good relationships with employers
- Effective matching – considering both employer and work seeker needs
- Need to profile positions prior to embarking on selection and training
- Training to include communication, numeracy & life skills
- Training to be cost effective while maintaining quality
- Consider how each partner can contribute (financial sustainability)
- Strong project management and M&E

THANK YOU



South Africa. Siyasebenza

BACK UP SLIDES

Jobs Fund definitions

- **Permanent jobs**

This is defined as a new job that has been created as a result of the project, for which a permanent employment contract has been signed. The new job is expected to exist beyond the grant funding period and is not directly maintained or paid for using Jobs Fund grant funds.

- **Short term jobs**

A short term job is a position that has been created as a result of the project, which will exist for a finite period of time and does not offer a permanent contract to the beneficiary. The job is not expected to exist beyond the funding period and may be supported by Jobs Fund grant funds.

- **Placements**

This is the number of recipients that have successfully completed training and mentorship programmes and or time bound internships and have been employed in existing vacant jobs.

- **Training**

This is the number of recipients that have successfully completed training and mentorship programmes and received their qualifications/certificates. The training and mentorship programmes are expected to be strongly linked to employment opportunities for successful recipients.

Jobs Fund Actual Expenditure Outcome

EMPLOYMENT CREATION FACILITATION FUND BUDGET SUMMARY								
	2014/15	2014/15	2014/15		2015/16	2016/17	2017/18	2018/19
	Adjusted Appropriation	Actual Outcome	Deviation	Variance Comment	AENE Allocation	MTEF Allocation		
A JOBS FUND OPERATIONS	92 284	58 321	33 963		85 256	100 010	102 374	107 493
Compensation of Employees	41 192	30 485	10 708		35 567	57 497	61 654	64 737
<i>National Treasury</i>	<i>9 735</i>	<i>5 443</i>	<i>4 292</i>	Mainly vacancies inherited from the DBSA and attrition of staff during the transition from DBSA to NT.	<i>35 567</i>	<i>57 497</i>	<i>61 654</i>	<i>64 737</i>
<i>DBSA</i>	<i>31 457</i>	<i>25 041</i>	<i>6 416</i>		-	-	-	-
Operating Expenditure	51 092	27 836	23 256	Operational expenditure was limited due to the migration of operations from the DBSA to NT. This resulted in certain activities that were planned being delayed: such as, project audits on projects that are ending in 2015/16, consequently outsourced services were also interrupted, site visits (and thus travel) in the 3rd quarter were limited, staff training and others.	49 689	42 513	40 720	42 756
<i>National Treasury</i>	<i>33 644</i>	<i>14 531</i>	<i>19 113</i>		<i>49 689</i>	<i>42 513</i>	<i>40 720</i>	<i>42 756</i>
<i>DBSA</i>	<i>17 448</i>	<i>13 305</i>	<i>4 143</i>		-	-	-	-
B ECFF PROGRAMME SUPPORT	54 103	28 300	25 803	Transfer to UCT wasn't made due to outstanding progress reports.	6 200	-	-	-
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ECFF Appropriation: 2015/16 Q1 Outcome

	Outcome	Comments	Main appropriation	Adjustment budget*	Available budget	April to June Expenditure	April to June percentage spent #	Comments
<i>R'000</i>	2014/15		2015/16					
Total	1 213 162		1 318 000	1 003 487	831 717	171 770	20.7%	
Economic Classification								
Current Payments	18 966	Operations were funded by means of a transfer to DBSA	97 144	84 756	71 986	12 770	18%	
Compensation of Employees	5 443	Most staff were contracted by DBSA	53 377	35 567	29 771	5 796	19%	A
Goods and Services	13 523	Operational spending from Q4 through NT	43 767	49 189	42 215	6 974	17%	B
Transfer and Subsidies	1 193 188		1 218 731	918 231	759 231	159 000	21%	
Public Corporations & Priv Ent / Grants	1 164 888	Grant payments to JF partners	1 182 031	912 031	753 031	159 000	21%	C
Departmental Agencies and Accounts	28 300	Supported Projects through GTAC	30 500	-	-	-	0%	D
Universities and Technicons	-	No funds were transferred due to delays in project.	6 200	6 200	6 200	-	0%	E
Payment for Capital Assets	1 008	IT equipment procured for new staff (DBSA and NT)	2 125	500	500	-	0%	F