

DST THIRD QUARTER PERFORMANCE AND FINANCIAL REPORT (OCTOBER TO DECEMBER 2017)



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Date: 14 March 2018
Portfolio Committee on
Science and Technology



**science
& technology**

Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA



Presentation outline

- ❑ **Purpose**
- ❑ **Background**
- ❑ **Performance Per DST's Strategic Goals**
- ❑ **Performance Per DST's Programmes**
- ❑ **Financial Performance**



Purpose

□ To present the DST's Third Quarter Performance and Financial Report for the 2017-18 financial year.



DST's Policy mandate (I)

The Department of Science and Technology (DST) derives its mandate from the 1996 White Paper on Science and Technology, which introduced the concept of a National System of Innovation.



The NSI remains an ideal for which South Africa continues to strive. It is an enabling framework for science, technology and innovation (STI).



NSI can be understood as a set of functioning institutions, organisations and policies that interact constructively in the pursuit of a common set of social and economic goals and objectives, seeking to promote change through the introduction of innovations.



DST's Policy Mandate (2)

The DST, as the custodial coordinator for the development of the NSI, influences this system through key strategies such as the National Research and Development Strategy (NRDS) and the Ten-Year Innovation Plan (TYIP).



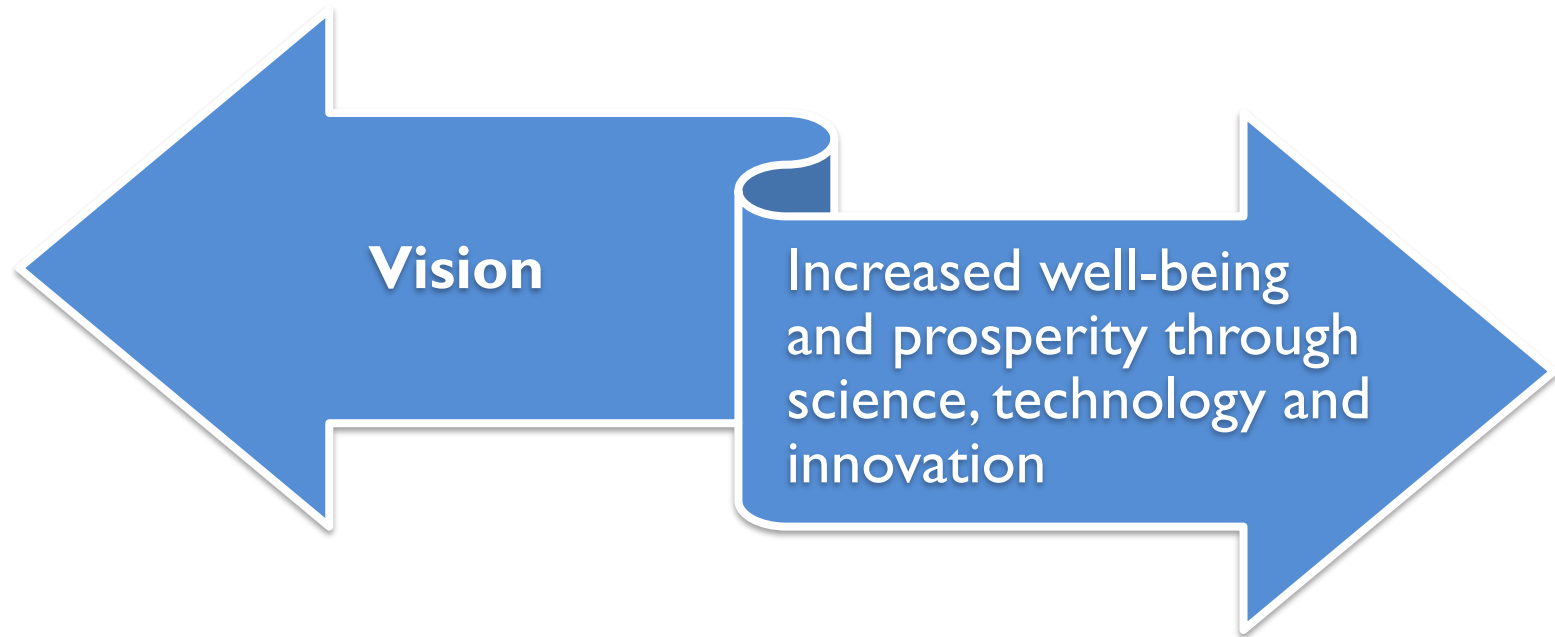
The latter, particularly, seeks to contribute to the transformation of the South African economy from a resource-based into a knowledge-based economy, in which the production and dissemination of knowledge will lead to economic benefits and enrich all fields of human endeavor.



In this regard, the measure of success will be the level to which science, technology and innovation (STI) play a driving role in enhancing productivity, economic growth and socio-economic development.



DST's Vision (3)





DST's Mission Statement (4)



Mission



To provide leadership, and enabling environment, and resources for science, technology and innovation in support of South Africa's development

The DST's contributions to Government Outcomes

The Department contributes to and reports on the following government outcomes:



Outcome 2: A long and healthy life for all South Africans.



Outcome 4: Decent employment through inclusive economic growth.



Outcome 5: A skilled and capable workforce to support an inclusive growth path.



Outcome 6: An efficient, competitive and responsive economic infrastructure network.



Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all.



Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced.

DST's Strategic outcome-oriented goals



A responsive, coordinated and efficient NSI.



Increased knowledge generation.



Human capital development.



Using knowledge for economic development.



Knowledge utilisation for inclusive development.

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DST'S CONTRIBUTION TO THE STRATEGIC OUTCOME-ORIENTED GOALS





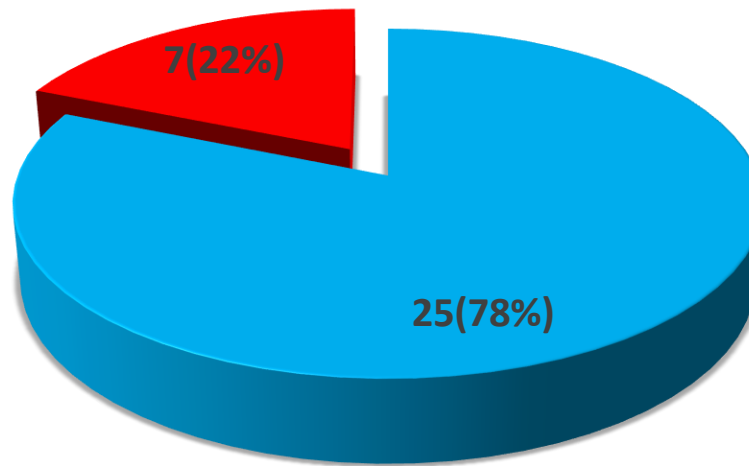
Overall DST's Performance (I)

Figure I below illustrates the performance of the Department of Science and Technology (DST) from October to December 2017.

- ❑ During the period under review, the total number of planned output targets was 32 (**$n=32$**).
- ❑ The Department achieved 78% of the planned output targets and 22% of the planned output targets were not achieved.

Overall DST's Performance (2)

Figure 1: DST's overall final third quarter performance overview: (Total number of planned output targets, $n=32$)



■ Achieved ■ Not Achieved



A Responsive, Coordinated and Efficient NSI (I)

In an effort to build a responsive, coordinated and efficient NSI the following can be reported for the period under review:

❑ White Paper on Science, Technology and Innovation

- ✓ The Department developed an updated Draft White Paper on Science, Technology and Innovation and submitted it for review to a second panel of South African critical readers.
- ✓ It is a requirement of government departments' planned key policy and legislative interventions to undergo the Social and Economic Impact Assessment System (SEIAS), under the auspices of the Department of Planning, Monitoring and Evaluation (DPME).

❑ Science, Technology and Innovation Institutional Landscape (STIIL)

- ✓ Panel appointed by the Minister of Science and Technology has handed over the report on the STIIL review.
- ✓ The DST will develop a Roadmap to finalise the STIIL review.



A Responsive, Coordinated and Efficient NSI (2)

❑ Indigenous Knowledge Bill

- ✓ The National Assembly approved transmission of the Indigenous Knowledge Systems (IKS) Bill to the National Council of Provinces (NCOP) for concurrence, and the National Research Foundation Act Amendment Bill was introduced to Parliament, as a last step towards approval by the President and promulgation.
- ✓ The IKS Bill puts in place mechanisms to facilitate economic growth through the Bio-economy Strategy in the form of economic spin-offs from the protection of intellectual property related to indigenous cultural heritage.
- ✓ It is envisaged that the application of such knowledge can alleviate poverty in communities, ensuring the fair and equitable sharing of economic benefits arising from the use of indigenous knowledge.
- ✓ Various indigenous knowledge projects would create business opportunities and uplift communities, especially marginalised communities.



A Responsive, Coordinated and Efficient NSI (3)

❑ National Research Foundation Bill

- ✓ The National Research Foundation Bill amends the current NRF Act in respect of the Minister's powers to determine national research and funding policy, and declare national research facilities and research institutions.
- ✓ The role of the NRF in science engagement; and the alignment of the NRF Act with other Acts.
- ✓ During the fourth quarter the Bill will be subjected to the Parliamentary approval processes, to be led by the Portfolio Committee on Science and Technology.



A Responsive, Coordinated and Efficient NSI (4)

❑ Final Regulations for the Karoo Central Astronomy Advantage

- ✓ The Minister published the final Regulations for the Karoo Central Astronomy Advantage Areas on 15 December 2017.
- ✓ This is after extensive consultations with the stakeholders and having obtained the concurrence of the Independent Communications Authority of South Africa and the Minister of Finance.
- ✓ These Regulations will become operational on a date to be determined by the Minister by notice in the Gazette within a year of the date of their publication.



Increased Knowledge Generation (I)

- The DST acknowledges that without research grants support, knowledge generation is not possible.
- Grants are provided through a number of instruments designed to strengthen research capacity at universities, including the South African Research Chairs Initiative and the Centres of Excellence Programme.
- During the reporting period the following can be commended:
 - ✓ 4 382 researchers were awarded research grants; and
 - ✓ The five DHET-DST/NRF Research Chairs in Post School Education and Training (PSET) were awarded Research Chairs.



Increased Knowledge Generation(2)

❑ Infrastructure

- **Enhance broadband capacity to projects of national interest**
- ✓ SANReN and Tertiary Education and Research Network of South Africa (TENET) completed the implementation of the first 10Gbps link on the West African Cable System (WACS) cable from South Africa to Europe.
- ✓ This investment provides a crucial Africa-to-Europe leg of the broadband cable ring in the Atlantic Ocean.
- ✓ Another advantage is that it will become the channel through which MeerKAT/SKA related data will be carried nearly cost-free between Europe and South Africa.
- The South African Radio Astronomy Observatory and the South African Environmental Observation Network signed a three-year Memorandum of Agreement to finalise Integrated Environmental Management Plan (IEMP) for the SKA project in South Africa.



Increased Knowledge Generation(3)

Infrastructure (*continued*)

Key developments in the Square Kilometer Array project

- ✓ 64 dishes of the MeerKAT telescope, a precursor of the SKA project have been installed.
- ✓ 58 dishes have been handed over to SKA South Africa by the contractor.
- ✓ The project is progressing well towards commissioning of the telescope for science by the end of the current financial year.



Human Capital Development (I)

- ❑ Human capital development is a proxy indicator of human development in the DST Strategic Plan. NDP has set a target of 100 000 PhD's per million in this regard.
- ❑ Skills acquisition is the greatest equaliser, reducing inequality, poverty and unemployment. The Department has continued to invest in the development of skills needed for economic growth and development through the NRF.
- To this end, the Department supported:
 - ✓ 3 431 PhD students, and
 - ✓ 9 828 pipeline postgraduate students (honours and masters students).

Interns

- ✓ 764 graduates and students (622-NRF, 142-National Youth Service) placed in SETI DST-funded institutions.



Using Knowledge and Innovation for Economic Development (I)

❑ Bioeconomy

- The Minister of Science and Technology together with the Western Cape Agriculture and the National Department of Agriculture, Forestry and Fisheries (DAFF) representatives, launched the Wheat Breeding Platform on 31 October 2017 at the University of Stellenbosch.
- This multimillion-rand, multi-consortium wheat breeding programme is set to help improve wheat yields in South Africa. The DST and its partners are investing in research to ensure the development of new seed varieties that can withstand South Africa's harsh environmental conditions.
- ✓ For example, the DST has invested R15 million into the programme to improve resistance to abiotic stresses, such as drought and extreme temperatures; and
- ✓ The programme has received co-funding of approximately R20 million per annum from the Winter Cereal Trust in the last three years. The programme is expected to ultimately move South Africa from being a net importer of wheat to producing adequate volumes to meet the demand, and ultimately export the surpluses.



Using Knowledge and Innovation for Economic Development (2)

❏ Bioeconomy (continued)

- ✓ The DST, the Industrial Development Corporation (IDC) and the Technology Innovation Agency (TIA) launched the Chemical Process Technologies Pharma Pilot plant facility on 10 November 2017 in Pretoria.
- ✓ In terms of the agreement, the construction of a Current Good Manufacturing Practice (cGMP) compliant pilot plant in Waltloo, Pretoria has been completed to scale-up the in-house developed synthesis technology, and manufacture stability batches that are required for regulatory registration of active pharmaceutical ingredients (API's).
- ✓ The Chemical Process Technologies (CPT) Pharma is the first government supported API Pilot facility plant, and will play a crucial role in the development of the capacity to locally manufacture APIs.
- ✓ It is envisaged that CPT Pharma is the first of a number of API facilities and collaboration is being established with the Black Manufacturers Association.



Using Knowledge and Innovation for Economic Development (3)

Technology localisation, beneficiation and advanced manufacturing

❑ *Titanium pilot plant and Project Aeroswift*

- ✓ The titanium powder acceleration team has successfully met and in some instances exceeded the targets for the stage-gate on 31 December 2017.
- ✓ The production target of 50 kg titanium powder was exceeded when a total of 68 kg of titanium powder was produced in the CSIR-Ti pilot plant. Furthermore, the production target of 20 kg of a higher quality titanium powder via a batch process was achieved in two separate campaigns.
- ✓ All five metallurgical processes were shown to be economically viable, provided that the American Section of the International Association for Testing Materials (ASTM) standards can be met in terms of powder quality.



Knowledge Utilisation for Inclusive Development (I)

Innovation for Inclusive Development

❑ *Innovation for LED policy dialogue*

- ✓ The DST hosted a policy dialogue, on 9 November 2017 to advance the discourse on the role of science, technology and innovation in Local Economic Development (LED).
- ✓ The DST policy dialogue formed a critical part of the National LED conference hosted by the Ministers of Cooperative Governance and Traditional Affairs and Small Business Development.
- ✓ For the first time since the first National LED Framework of 2006, the new Framework recognises the importance of building innovation capacities and capabilities in local spaces as well as strengthening collaboration between local government, the scientific community and agents of innovation to foreground innovation in LED.



International Cooperation and Resources (I)

❑ Overseas Bilateral Cooperation

- ✓ The DST hosted the 6th Joint Committee Meeting (JCM) with the Ministry of Science, ICT and Future Planning from South Korea. On the side of the JCM, a joint workshop was conducted focusing on exchanges in ICT.
- ✓ A DST delegation visited China to meet government and agencies interested in investing in the SA-China Science Park initiative. South Africa and India celebrated the 20th anniversary of the STI cooperation, during which both Ministers committed to continue to strengthen the bilateral cooperation.
- ✓ Malaysia was engaged through its Board of Technologies, which visited South Africa. In addition, the DST received a technical delegation from Jamaica led by the Minister of Science and Technology who oversaw the 4th South Africa- Jamaica Joint Committee Meeting that deliberated on further cooperative STI opportunities.



International Cooperation and Resources (2)

International Resources

- ✓ Opportunities in the area of radio astronomy were facilitated by the visit of two prominent European Astronomy Project Coordinators. Through ESASTAP 2020 the call for proposals for twinning opportunities in the Marine thematic area was launched.
- ✓ The ESASTAP 2020 partners convened a project meeting during the Science Forum South Africa 2017, which was followed by roadshows to Limpopo, Free State, North West and Western Cape to promote the new work programmes for H2020 for the remainder of the programme 2018-2020.
- ✓ The annual SA-EU Joint Science and Technology Cooperation Committee (JSTCC), co-chaired by the two Directors-General of the EU took place in December 2017. Events hosted in parallel to showcase the excellent cooperation between SA and the EU included an engagement in Nanotechnology.
- ✓ The first Supervisory Board meeting of the Southern African Innovation System Programme (SAIS) was held in December 2017 and clear roles and modalities were set out for the focal points of the participating countries (Botswana, Namibia, South Africa, Tanzania, Zambia and Finland).



International Cooperation and Resources (3)

❑ **Multilateral Cooperation and Africa (*Continued*)**

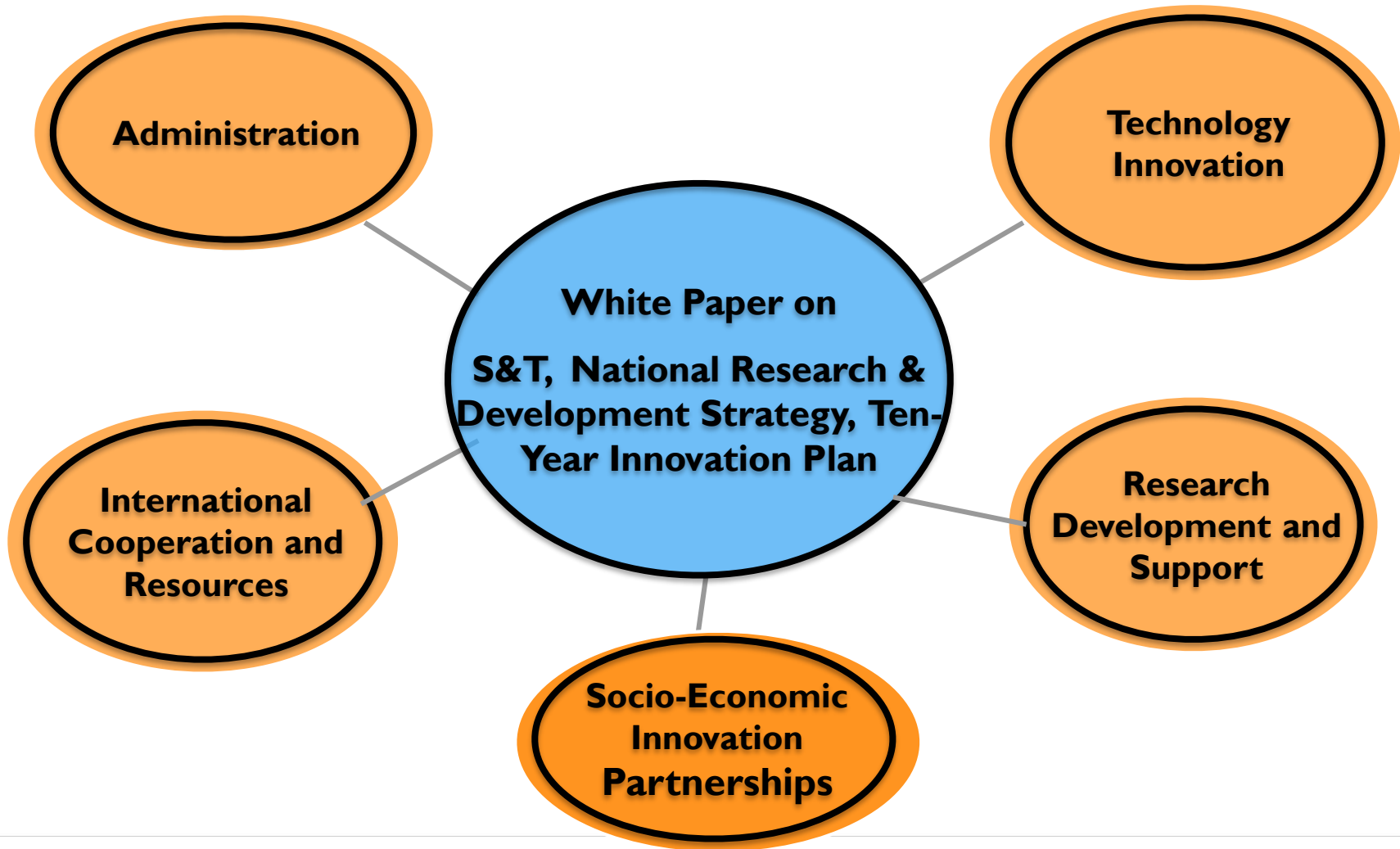
- ✓ The DST in partnership with the African Union and NEPAD Business Foundation hosted the 9th Private Sector Forum with vibrant discussions between telecoms, technology companies, local actors of Africa's industrialisation and the public sector on forging Private-Public-Partnerships to digitize the African economy and prepare it for the 4th and 5th Industrial Revolutions.
- The fourth Bi-National Commission (BNC) between South Africa and Botswana took place during the third quarter and the following areas of collaboration were agreed on:
 - ✓ One project on Indigenous Knowledge Systems (IKS) involving technology transfer and value chain additions for a Nutri-Drink formulation project.
 - ✓ The funding of joint technology development. Progress was made when two suitable sites where an SKA/AVN observatory can be hosted in the Kgalagadi and Ghanzi districts.

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PERFORMANCE INFORMATION OVERVIEW



DST's Programmes





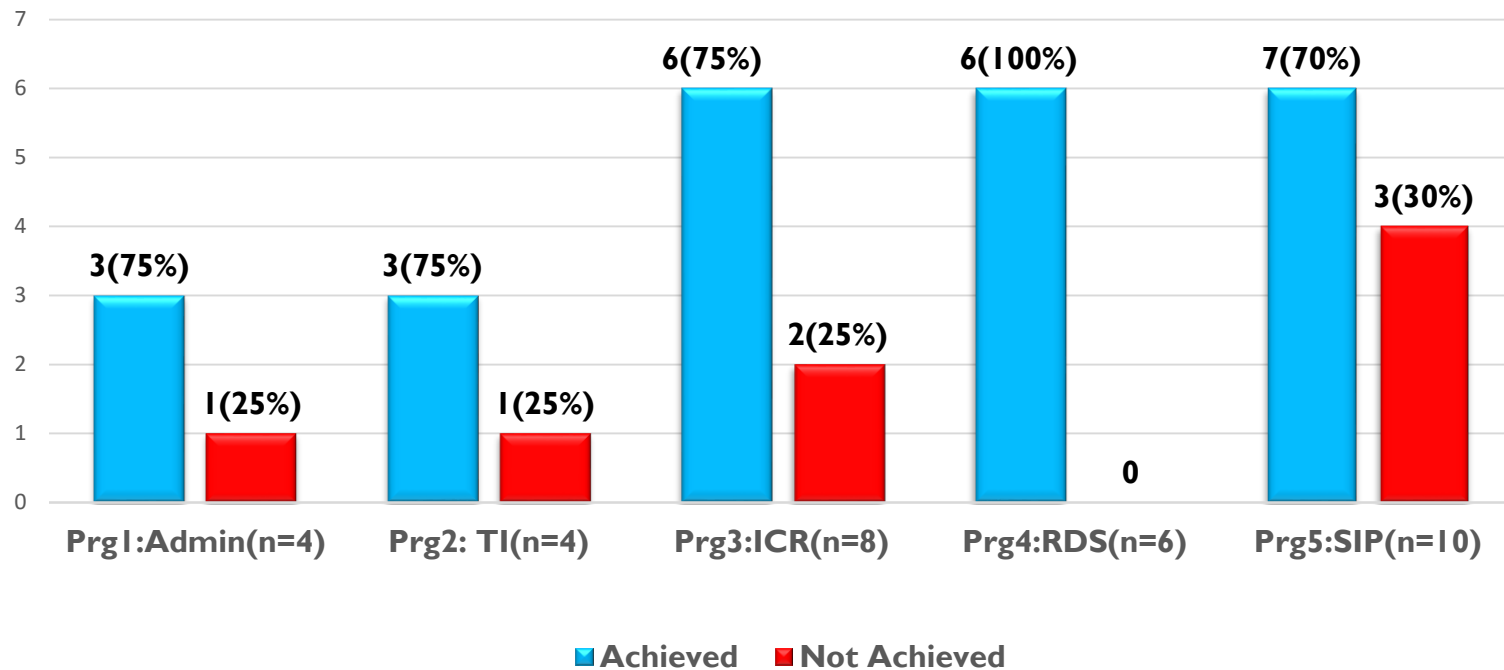
Overall DST's Performance per Programme (I)

Figure 2 below illustrates the performance of the Department per Programme in the third quarter.

- ❑ Programme 1 achieved 75% of its targets and 25% of the targets were not achieved.
- ❑ Programme 2 achieved 75% of its targets so far, and 25% of its targets were not achieved.
- ❑ Programme 3 achieved 75% of its targets and 25% of its targets were not achieved.
- ❑ Programme 4 achieved 100% of its targets.
- ❑ Programme 5 achieved 70% of its targets and 30% of the planned targets were not achieved.

Overall DST's Performance per Programme (2)

Figure 2: The DST performance per Programme



Programme I

Purpose of the Programme (I)

❑ Programme I: Administration

To conduct the overall management and administration of the Department.



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Sampled Programme | Performance

Quarter 3 achievements - Administration

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
DST public entities' 2018/19 annual performance plans and CSIR shareholder compacts signed by the Minister and the Chairperson of the board and annual reports approved by the Minister by 31 March 2018	Second draft APPs for DST public entities submitted to National Treasury and DPME by 30 November 2017	Second draft APPs for DST public entities were submitted to National Treasury and DPME by 30 November 2017	Achieved
24 media articles written to raise the DST's public profile by 31 March 2018	Eight media articles written to raise the DST's public profile	48 media articles written to raise the DST's public profile	Achieved
Ten public participation programmes held by 31 March 2018	Three public participation programmes held by 31 December 2017	Four public participation programmes held by 31 December 2017	Achieved

Programme 2

Purpose of the Programme (2)

❑ Programme 2: Technology Innovation

To enable research and development in strategic and emerging focus areas to promote the realisation of commercial products, processes and services from R&D outputs; through the implementation of enabling policy instruments.





Sampled Programme 2 Performance

Quarter 3 achievements - Programme 2: Technology Innovation

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
Six knowledge application products funded in designated areas by 31 March 2018	Three knowledge application products funded in designated areas	Three knowledge application products funded in designated areas	Achieved
27 regulatory recommendations for decision support by government by 31 March 2018	Nine regulatory recommendations for decision support by government	Nine recommendations were submitted to the Executive Council	Achieved
240 trainees attending training initiatives in designated areas by 31 March 2018	160 trainees attending training initiatives in designated areas	232 trainees attended training initiatives in designated areas	Achieved

Programme 3

Purpose of the Programme (3)

□ Programme 3: International Cooperation and Resources

This Programme aims to strategically develop, promote and manage international relationships, opportunities and S&T agreements that strengthen the NSI and enable an exchange of knowledge, capacity and resources between South Africa and its regional and international partners.





Sampled Programme 3 Performance

Quarter 3 achievements - Programme 3: International Cooperation and Resources

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
R250m invested by international partners in their own organisations and initiatives but targeted at cooperation in research, innovation and STI HCD with South African partners as part of cooperation initiatives implemented by the DST by 31 March 2018	R60m invested by international partners in their own organisations and initiatives but targeted at cooperation in research, innovation and STI HCD with South African partners as part of cooperation initiatives implemented by the DST by 31 March 2018	R477m invested by international partners in their own organisations and initiatives but targeted at cooperation in research, innovation and STI HCD with South African partners as part of cooperation initiatives implemented by the DST	Achieved

Sampled Programme 3 Performance

Quarter 3 achievements - Programme 3: International Cooperation and Resources

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
350 South African students participating in international training programmes offering a postgraduate qualification as part of cooperation initiatives facilitated by the DST by 31 March 2018	20 South African students participating in international training programmes offering a postgraduate qualification as part of cooperation initiatives facilitated by the DST	35 South African students participating in international training programmes offering a postgraduate qualification as part of cooperation initiatives facilitated by the DST	Achieved
500 international partner organisations (i.e. legal entities) collaborating with South African partners within the formalised framework of collaborative research, innovation or STI HCD projects counted as part of cooperation initiatives facilitated by the DST by 31 March 2018	100 international partner organisations (i.e. legal entities) collaborating with South African partners within the formalised framework of collaborative research, innovation or STI HCD projects counted as part of cooperation initiatives facilitated by the DST by 31 March 2018	160 international partner organisations (i.e. legal entities) collaborating with South African partners within the formalised framework of collaborative research, innovation or STI HCD projects counted as part of cooperation initiatives facilitated by the DST	Achieved



Sampled Programme 3 Performance

Quarter 3 achievements - Programme 3: International Cooperation and Resources

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
20 dedicated international technical exchanges to build or reinforce South Africa's capacities in key STI domains specifically referenced in the DST Strategic Plan, undertaken with the support of international partners and facilitated by the DST by 31 March 2018	Five dedicated international technical exchanges to build or reinforce South Africa's capacities in key STI domains specifically referenced in the DST Strategic Plan, undertaken with the support of international partners and facilitated by the DST	11 dedicated international technical exchanges to build or reinforce South Africa's capacities in key STI domains specifically referenced in the DST Strategic Plan, undertaken with the support of international partners and facilitated by the DST	Achieved
R80m in international funds directly invested in African regional and continental research, innovation, STI HCD or research infrastructure programmes as a result of DST facilitation by 31 March 2018	R15m in international funds directly invested in African regional and continental research, innovation, STI HCD or research infrastructure programmes as a result of DST facilitation	R 84,2m in international funds directly invested in African regional and continental research, innovation, STI HCD or research infrastructure programmes as a result of DST facilitation	Achieved



Sampled Programme 3 Performance

Quarter 3 achievements - Programme 3: International Cooperation and Resources

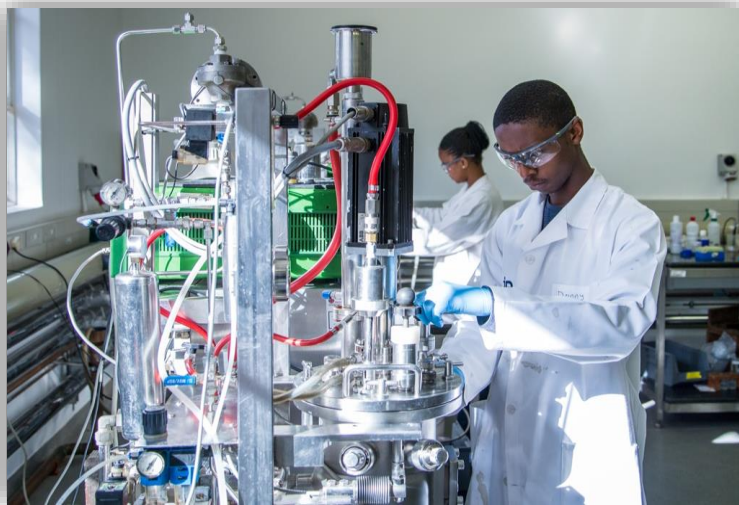
Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
16 AU or SADC STI initiatives, including programmes, projects or governance frameworks, endorsed at AU or SADC ministerial level supported (financially or in kind) by the DST by 31 March 2018	Three AU or SADC STI initiatives, including programmes, projects or governance frameworks, endorsed at AU or SADC ministerial level supported (financially or in kind) by the DST	Four AU or SADC STI initiatives, including programmes, projects or governance frameworks, endorsed at AU or SADC ministerial level supported (financially or in kind) by the DST	Achieved

Programmes 4

Purpose of the Programme (4)

□ Programme 4: Research Development and Support

Provide an enabling environment for research and knowledge production that promotes strategic development of basic sciences and priority science areas, through science promotion, human capital development, the provision of research infrastructure and relevant research support in pursuit of South Africa's transition to a knowledge economy.





Sampled Programme 4 Performance

Quarter 3 achievements - Programme 4: Research Development and Support

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
No fewer than 3 100 PhD students awarded bursaries through Programme 4 funds as reflected in the reports from the NRF and relevant entities by 31 March 2018	No fewer than 2 880 PhD students awarded bursaries through Programme 4 funds	3 431 PhD students awarded bursaries through Programme 4 funds	Achieved
No fewer than 10 800 pipeline postgraduate students awarded bursaries through Programme 4 funds as reflected in the reports from the NRF and relevant entities by 31 March 2018	No fewer than 9 720 pipeline postgraduate students (Btech and honours, and master's students) awarded bursaries from Programme 4 funds	9 828 pipeline students (4527 honours and 5301 master's) were awarded bursaries from Programme 4 funds	Achieved
800 graduates and students placed in DST-funded work preparation programmes in SETI institutions by 31 March 2018	720 graduates and students placed in DST-funded work preparation programmes in SETI institutions	764 graduates and students placed in DST-funded work preparation programmes in SETI institutions	Achieved



Sampled Programme 4 Performance

Quarter 3 achievements - Programme 4: Research Development and Support

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
No fewer than 4 500 researchers awarded research grants through NRF-managed programmes as reflected by the NRF project reports by 31 March 2018	No fewer than 4 085 researchers awarded research grants through NRF-managed programmes	4 382 researchers awarded research grants through NRF-managed programmes by 31 December 2017	Achieved
64-antenna commissioned for a single polarization array by 31 March 2018	SKA SA Project approved progress report with reference to baseline plan provided by 31 December 2017	SKA SA progress report with reference to baseline plan was approved by 30 December 2017.	Achieved
Approx. 2 million participants (learners and members of the public) in science awareness and engagement programmes annually as reflected in the project reports of the NRF and other service providers by 31 March 2018	Three science festivals and six science, technology, engineering, mathematics and innovation Olympiads and competitions held by 31 December 2017	10 science festivals and 19 STEMI Olympiads and Competitions have taken place by 31 December 2017	Achieved

Programme 5

Purpose of the Programme (5)

□ Programme 5: Socio-Economic Innovation Partnerships

This Programme enhances the growth and development priorities of government through targeted S&T-based innovation interventions and the development of strategic partnerships with other government departments, industry, research institutions and communities.





Sampled Programme 5 Performance

Quarter 3 achievements - Programme 5: Socio-Economic Innovation Partnership

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
Eight decision-support systems introduced, maintained and improved by 31 March 2018	Monitor the implementation of the work plans for the seven existing decision-support systems and contract finalised for one additional decision-support system by 31 December 2017	Monitor the implementation of the work plans for the seven existing decision support systems and contract finalised for two additional decision support system by 31 December 2017	Achieved
Nine learning interventions (seminars) generated by 31 March 2018	Three additional learning interventions bringing the total to five for the year	Two additional learning interventions bringing the total to Seven for the year as the five learning interventions were done in the previous quarter	Achieved

Sampled Programme 5 Performance

Quarter 3 achievements - Programme 5: Socio-Economic Innovation Partnership

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
90 honours, master's and doctoral students fully funded or co-funded in designated niche areas that support the green economy and sustainable development by 31 March 2018	Ongoing monitoring of the initiatives by 31 December 2017 Engage implementing agencies to ensure that the required new batch of students will be supported in the following academic year by 31 December 2017	Ongoing monitoring of the initiatives was done by 31 December 2017 Engagement with the implementing agencies took place	Achieved
Four knowledge and innovation products (patents, prototypes, technology demonstrators and technology transfer packages) added to the IP portfolio through fully funded or co-funded research by 31 March 2018	Monitoring of progress against two new innovation products by 31 December 2017	Monitoring of progress against two new innovation products was done in the first quarter. The target was achieved in first quarter	Achieved



Sampled Programme 5 Performance

Quarter 3 achievements - Programme 5: Socio-Economic Innovation Partnership

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
17 knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the innovation product portfolio by 31 March 2018	Five knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the innovation product portfolio through fully funded or co-funded research initiatives	Five knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the innovation product portfolio through fully funded or co-funded research initiatives	Achieved



Sampled Programme 5 Performance

Quarter 2 achievements - Programme 5: Socio-Economic Innovation Partnership

Annual Target	Quarter 3 Target	Quarter 3 Progress	Status
Six instruments funded in support of increased localisation, competitiveness and R&D-led industry development by 31 March 2018	Six instruments funded in support of increased localisation, competitiveness and R&D-led industry development in aerospace, advanced manufacturing, chemicals, mining, advanced metals and ICTs	Six instruments funded in support of increased localisation, competitiveness and R&D-led industry development in aerospace, advanced manufacturing, chemicals, mining, advanced metals and ICTs. The other two Instruments were achieved in quarter one. The target was achieved in quarter one.	Achieved




Underperformance



**TARGETS WHICH WERE NOT
ACHIEVED**





Classification of reasons for variances due to non / under achievement

- ❑ Target formulation deficiencies – refers to targets which were not achieved because of variables which were not foreseen during the target formulation phase.
- ❑ Process delays – refers to factors which are outside the control of the DST and therefore achievement of such targets is mainly dependent on outside circumstances.
- ❑ Administrative delays - refers to delays due to internal process of the DST.
- ❑ Ineffectiveness of implementers - refers to non-achievement due to deficiencies during the implementation phase.



DST's Sampled Underperformance Overview

Quarter 3 targets which were not achieved

Quarter 3 Target	Quarter 3 Progress	Reasons for non-achievement	Status	Variance Classification
Vacancy rate capped at 10% by March 2018.	Vacancy rate capped at 10.3%	Moratorium on the filling of positions	Not Achieved	Process delays
R110m in international funds directly invested in research, innovation and STI HCD Programmes as well as research infrastructure investments in South Africa as part of cooperation initiatives implemented by the DST	R41m in international funds directly invested in research, innovation and STI HCD programmes as well as research infrastructure investments in South Africa as part of cooperation initiatives implemented by the DST	Awaiting evidence from international partners	Not Achieved	Ineffectiveness of implementers



DST's Sampled Underperformance Overview

Quarter 3 targets which were not achieved

Quarter 3 Target	Quarter 3 Progress	Reasons for non-achievement	Status	Variance Classification
140 new disclosures reported by publicly funded institutions	131 new disclosures were reported by publicly funded institutions by 31 December 2017	The target is at risk of not being achieved. The target has been decreased in the 2018/19 APP, as although it is an important indication of the pipeline, it is out of NIPMO's control	Not Achieved	Ineffectiveness of implementers

DST's Sampled Underperformance Overview

Quarter 3 targets which were not achieved

Quarter 3 Target	Quarter 3 Progress	Reasons for non-achievement	Status	Variance Classification
10 research, innovation and STI HCD cooperation projects co-funded or supported in kind by the DST and at least one other African partner	Five research, innovation and STI HCD cooperation projects, co-funded or supported in kind, by DST and at least one other African government	Await evidence from international partners	Not Achieved	Ineffectiveness of implementers
Preapproval decisions provided within 90 days	Preapproval decisions provided within 133 days	As in Quarter 1 and 2, available capacity was used largely for clearing the pre-2017 applications, which required more time due to the complexity of those applications.	Not Achieved	Ineffectiveness of implementers



DST's Sampled Underperformance Overview

Quarter 3 targets which were not achieved

Quarter 3 Target	Quarter 3 Progress	Reasons for non-achievement	Status	Variance Classification
Table drafts of each policy brief at Exco/MMM for approval	Four drafts of policy briefs tabled at Exco/MMM for approval	Data gathering and analysis work for 4 topics identified for policy briefings still underway: Business Innovation Survey; R&D Budget Coordination process (Performance and Expenditure Review -PER for the Investment Framework); Methodological improvements for the R&D Survey; Terms of Reference finalized and Steering Committee for impact evaluation of the R&D tax incentive established.	Not Achieved	Administrative delays

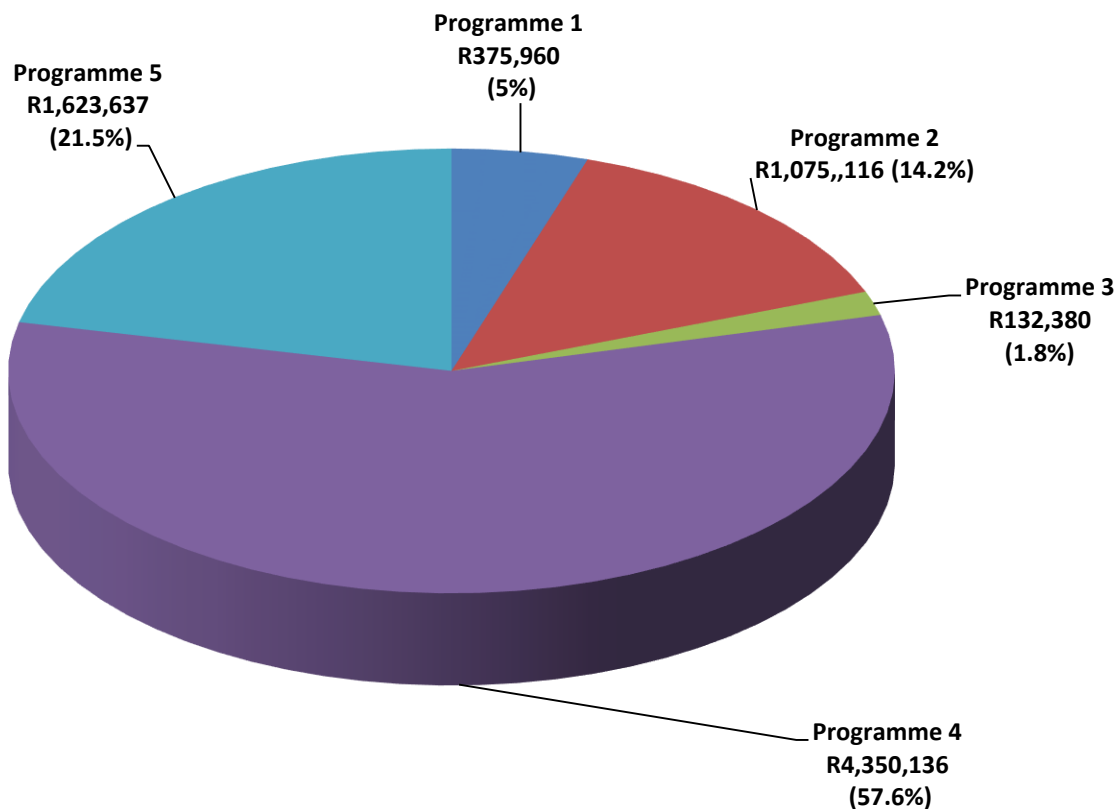
The background of the slide is a collage of financial data. It includes a close-up of a calculator's keypad on the left, a blue pen resting on a line graph, and a magnifying glass focusing on a table of numbers. The line graphs show data points for dates like 2007-08-01, 2007-10-01, and 2007-12-01. The table of numbers contains various financial figures, some of which are highlighted by the magnifying glass. The overall color scheme is blue and white, with a hexagonal pattern in the top left corner.

FINANCIAL PERFORMANCE AND CONCLUSION



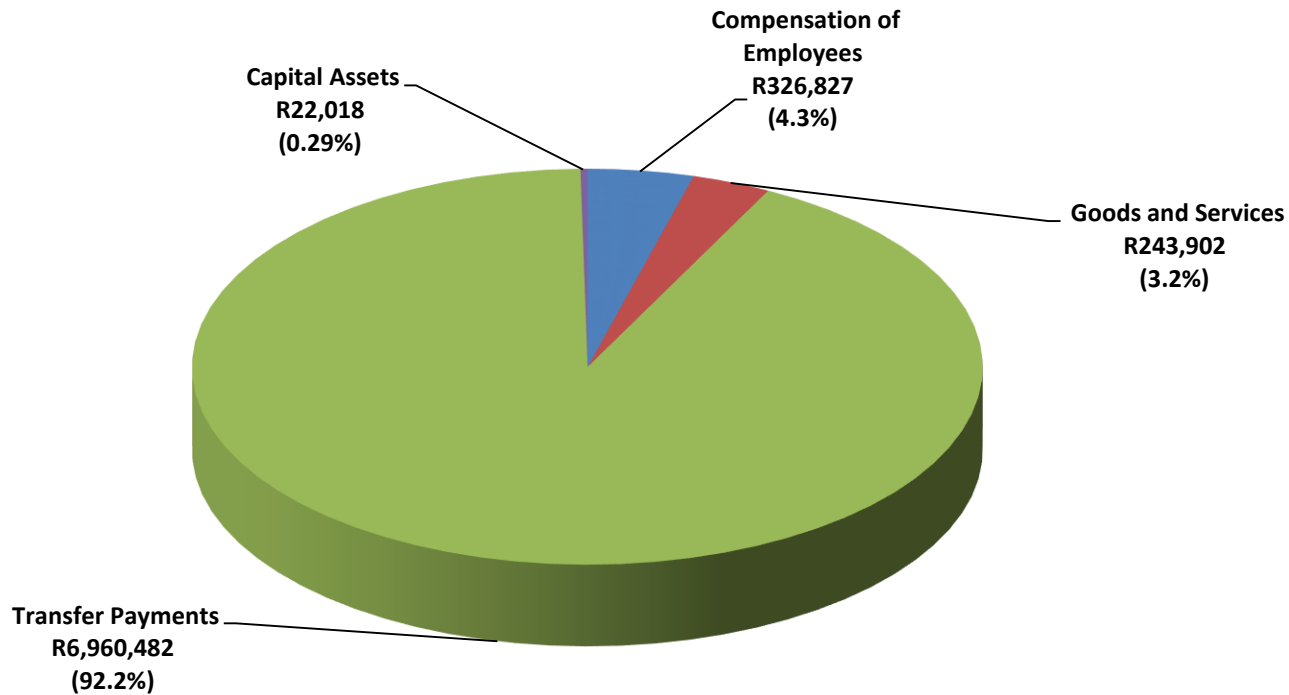
Financial performance report

Budget split– By Programme



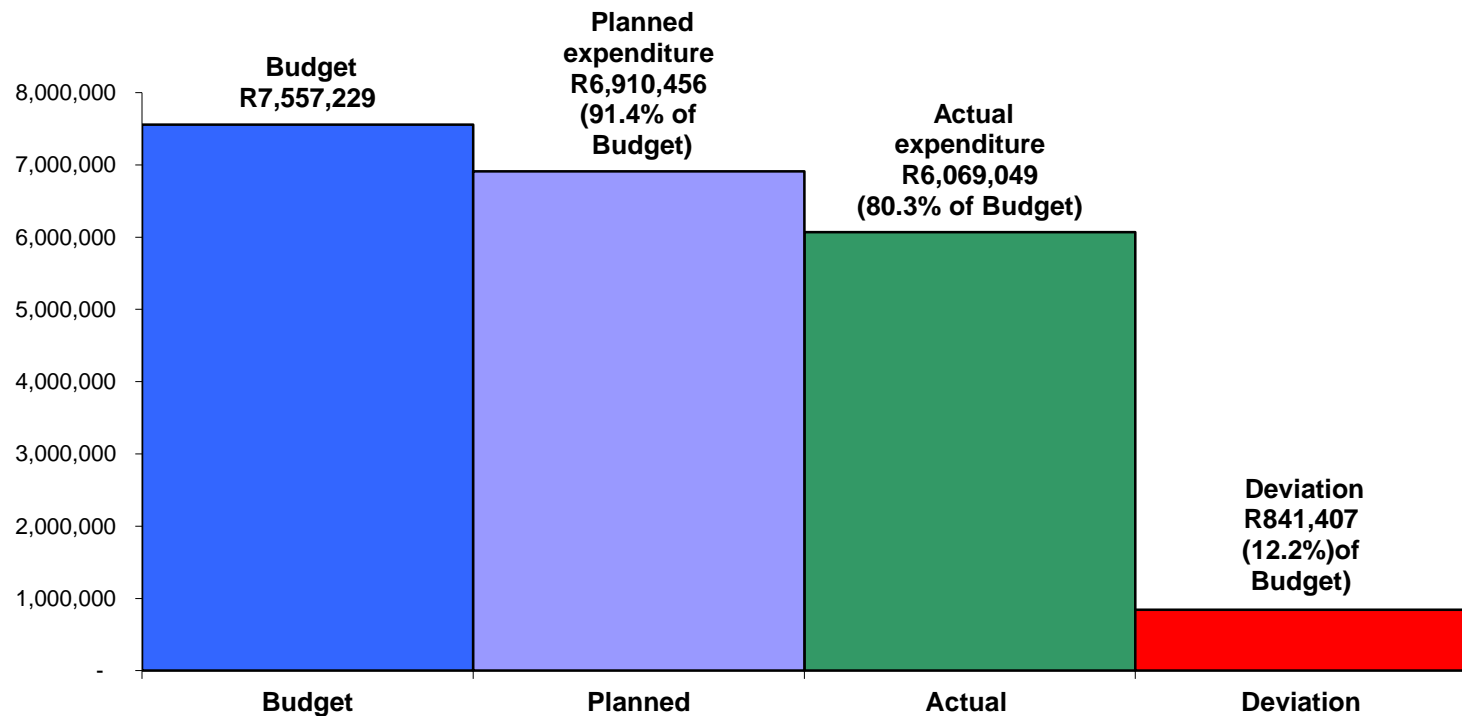
Financial performance report

Budget split – By economic classification



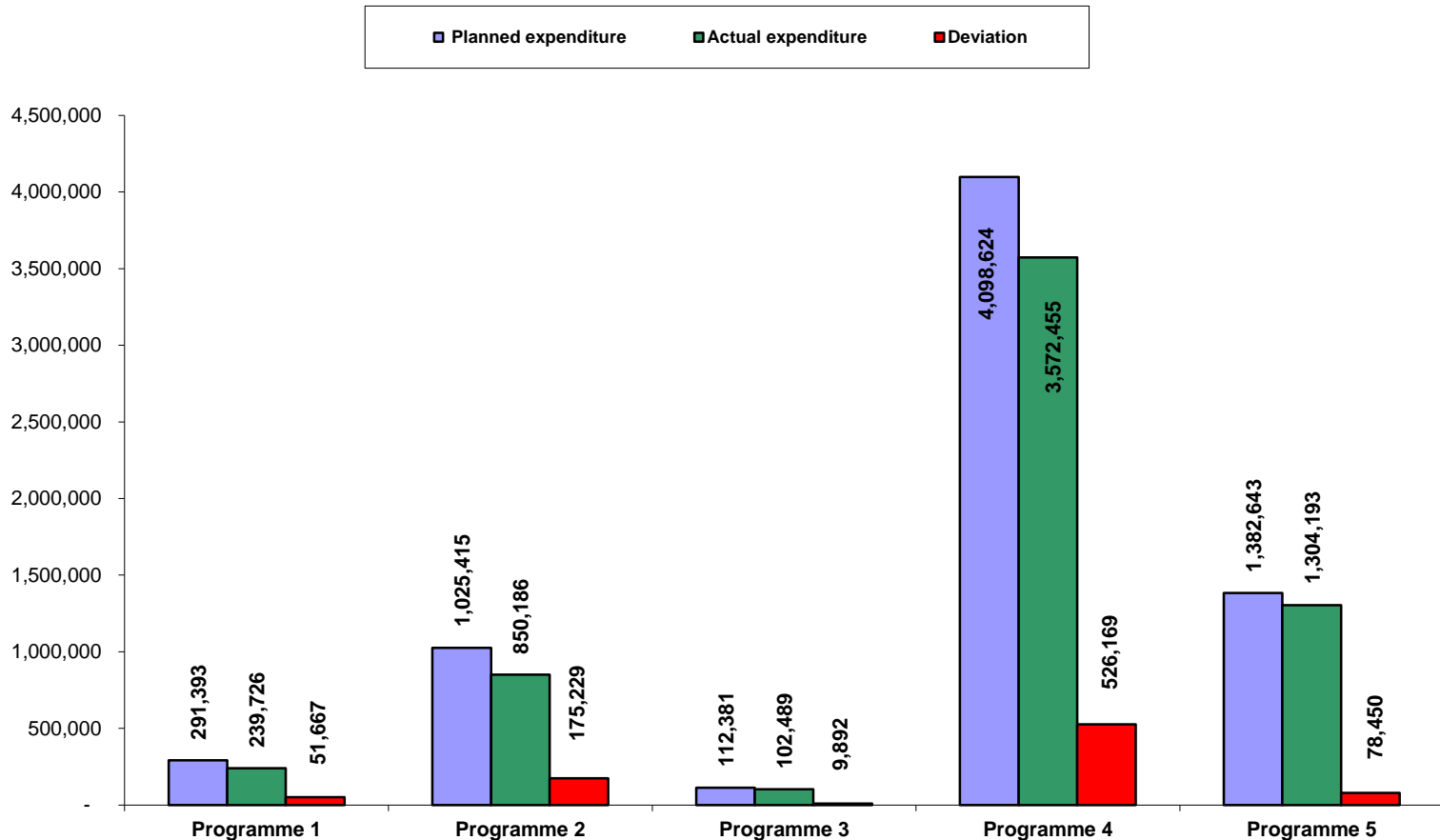
Financial performance report

DST Third Quarter Financial Performance (including parliamentary grants)



Financial performance report

Financial performance per Programme (including parliamentary grants)






Conclusion

- ❑ In ensuring that NDP goals are realized, the DST will continue to play a central role in providing SETi initiatives that enhances service delivery and development. These includes amongst other:
 - ✓ targeted Human Capital Development initiatives;
 - ✓ innovation-support interventions implemented in province or priority district municipalities; and
 - ✓ food security that includes wheat breeding programme research to ensure the development of new seed varieties that can withstand South Africa's harsh environmental conditions.





**Dankie
Enkosi
Ha khensa
Re a leboga
Ro livhuwa
Siyabonga
Siyathokoza
Thank you**