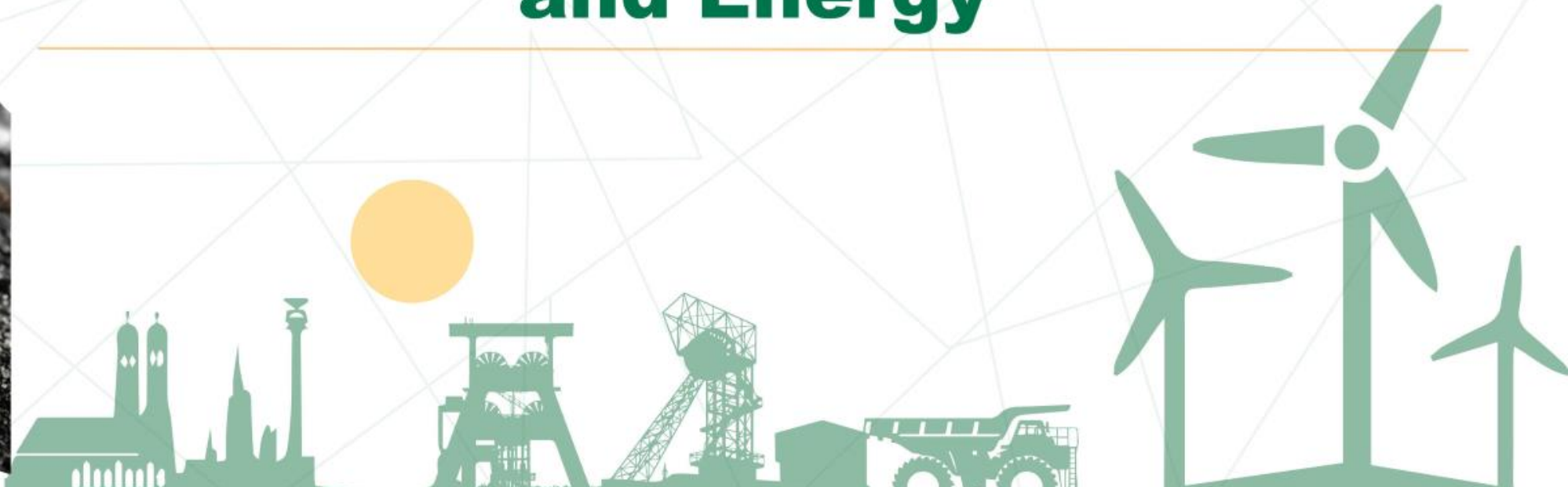


Department of Mineral Resources and Energy





PCMRE BRIEFING BY THE DMRE ON THE 2021/22 ANNUAL REPORT

DATE: 11 OCT 2022



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PRESENTATION OUTLINE

1. Purpose
2. Summary of annual performance
3. Summary of achievements
4. Summary of targets of not achieved
5. Financial Performance
6. Audit Outcomes of Entities Reporting to DMRE
7. Detailed Performance Information



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PURPOSE

To report to the Portfolio Committee the Department's performance against the annual targets set in the Departmental Annual Performance Plan (APP) THE 2021/22 .



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SUMMARY OF ANNUAL PERFORMANCE 2021-22 PERFORMANCE

Branches/Units	Number of targets in APP	Achieved Targets	Not Achieved Targets
Corporate Services	4	4 (100%)	0
Financial Management Services	4	1 (25%)	3
Office of the DG	6	6 (100%)	0
Mine Health and Safety Inspectorate	6	3 (50%)	3
Minerals and Petroleum Regulation	12	10 (83%)	2
Mining, Mineral and Energy Policy Development	29	21 (72%)	8
Nuclear Energy Regulation and Management	7	5 (71%)	2
Mineral Energy Resources and Programmes and Projects	13	8 (61%)	5
Total	81	58 (72%)	23 (28%)



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SUMMARY OF ACHIEVEMENTS

❖ Policy and Regulation

- Clean Fuels 2 Regulations and Biofuels Mandatory Blending Regulations were developed for promulgation;
- The Liquefied Petroleum Gas (LPG) Strategy was approved;
- Community Relocation Guidelines were developed for promulgation;
- Draft Upstream Petroleum Resources Development Bill was tabled in Parliament;
- Economic reports on Bojanala District, models of mining and energy sectors and viability of shale gas exploration in South Africa were produced;
- Two quarterly progress reports on cost update study on high-level waste for Radioactive Waste Management Fund were produced;
- The Gas Master plan is undergoing stakeholder consultation;
- Amended ERA Bill was submitted to Cabinet;
- The Just energy transition plan was approved;
- Greenhouse gas assessment and reporting framework was approved;
- Four carbon offset projects were approved; Monitoring report on energy- related climate change response measures was produced; Two CDM projects approved; and



SUMMARY OF ACHIEVEMENTS

❖ Energy Security

- RFP for the procurement of 2000MW under Risk Mitigation Independent Power Producers Programme issued;
- RFP for 2 600 MW (Bid Window 5) of renewable energy issued;
- 147 013 additional households were connected through Grid electrification and 23 738 through Non- Grid;
- One ingress measure implemented; Three derelict and ownerless mine sites were rehabilitated; Forty shafts were sealed off ;
- 0.6075 TWh savings were realised and verified from EEDSM projects, these projects were implemented through the 12L Energy Efficiency Savings by Industries and 0.0198TWh savings by EEDSM grant participating municipalities;
- Appointment of Service provider to develop the procurement framework for 2 500 MW Nuclear Programme is underway; and
- Four monitoring reports of Koeberg's Plant Life Extension Plan through established Technical Oversight Committee meetings were produced.

❖ International Relations and Investment Promotion

- ❖ 10 progress reports were produced on existing agreements implemented; 10 progress reports produced on multilateral strategic partnerships implemented
- ❖ Mining and Energy Investment Conferences held in Limpopo, North West and Northern Cape



SUMMARY OF ACHIEVEMENTS

❖ Empowerment

- 8451 jobs were enabled through issuing of mining rights
- 128 SLP development projects were completed
- 100% participation in district planning forums were undertaken
- 21 black industrialists were created through mining and Petroleum charters

❖ Compliance Inspections

- 243 Social Labour Projects (SLP) inspections were conducted
- 192 Legal compliance inspections (mineral laws) were conducted
- 464 Mining Economics inspections were conducted; 1374 Environmental inspections were conducted
- 1317 retail site compliance inspections were conducted
- 1197 fuel samples were tested

❖ Licensing

- Out of 1 311 applications received, 1 230 (93.83%) applications were approved with 50% and more HDSA involvement; and
- 206 rights and permits were issued. A target was overachieved by 86.



SUMMARY OF ACHIEVEMENTS

❖ Mine Health and Safety

- There were 68 fatalities from April 2021 to March 2022 compared to 59 fatalities in the same period of the previous FY;
- There were 2127 injuries from April 2021 to March 2022 compared to 1802 injuries in the same period of the previous FY;
- A total of 1403 occupational diseases were reported compared to 1197 cases reported during the same period in 2021/22; and
- 8399 inspections and audits were conducted during the year under review.

❖ Nuclear Regulation

- The Gateway Review of the Pre-Feasibility Study was completed in September 2021 and 1st draft for Feasibility study will be completed by end of 2022/23 FY;
- 70% of authorization applications were processed within the eight-week time period;
- 20 Nuclear Safeguard compliance reports were approved; and
- Fourteen nuclear security compliance reports on inspections conducted.



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SUMMARY OF TARGETS NOT ACHIEVED



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Summary of targets not achieved

Programme 1: Administration					
Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
Functional, efficient and integrated government	Wasteful and fruitless expenditure eliminated	Percentage reduction of wasteful and fruitless expenditure compared to prior year	100% elimination of Wasteful and fruitless expenditure compared to prior year	Not Achieved Wasteful and Fruitless expenditure were recorded during the year under review as a results of unavoidable expenditure incurred	All fruitless & wasteful expenditure will be investigated, and corrective will be applied.
	Reduced irregular expenditure	Percentage reduction of irregular expenditure compared to prior year	100% reduction of irregular expenditure compared to prior year	Not Achieved: Due to new irregular transactions recorded.	Enforce compliance to SCM processes, all cases will be investigated, and consequence management will be applied.
Investing in accelerated inclusive growth	Job creation	Percentage of approved invoices from service providers paid within 30 days of receipt	100% approved invoices from service providers	Not achieved. Out of 1549 invoices received for the year 1448 (94%) were paid within 30 days	Increased number of awareness workshops will be held to enforce compliance.



Summary of targets not achieved

Programme 2: Minerals and Petroleum Regulation (MPR)

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
Increased compliance with licensing conditions Compliant mining and petroleum sectors	Mining economics (MWP/PWP) inspections	Number of mining economics (MWP/PWP) inspections conducted	500	Not Achieved: 464 Mining Economics inspections were conducted due to the fact that branch had two vacant positions in GP and NW.	Expedite and prioritise filling of vacant positions in NW and GP.
	Petroleum Retail Site compliance inspections	Number of Petroleum retail site compliance inspections conducted	1 500	Not Achieved: 1317, retail site compliance inspections conducted	Shortfall was due to Covid 19 pandemic travel restrictions in Q1, Q2 and July unrest. Filling of two inspector vacant positions in KZN and WC



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Summary of targets not achieved

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
	Mine Health and Safety Amendment Bill	Draft Bill presented to Cabinet for approval and tabling in Parliament	Draft Mine Health and Safety Amendment Bill tabled in Parliament	Not Achieved Public consultations conducted in 2013 were required to be redone due to lapse of time and changes in the operating environment.	Public Consultations to be redone.
	National Petroleum Company Bill	Draft National Petroleum Company Bill	Draft National Petroleum Company Bill developed and submitted to Cabinet for approval	Not Achieved Due to delays in finalising the archetype for the merger that would house the National Petroleum Company Bill.	Accelerate the finalisation of the archetype for the merger that would house the National Petroleum Company Bill for approval by Cabinet.
	Beneficiation Master Plan	Beneficiation Master Plan approved	Beneficiation Master Plan approved	Not Achieved Delays in the stakeholder consultation due to lack of consensus regarding pillars of the framework	Obtain consensus from stakeholders regarding pillars of the framework



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Summary of targets not achieved

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
Secure energy supply	National Nuclear Regulator Amendment Bill	National Nuclear Regulator Amendment Bill submitted to Cabinet	Amendment Bill submitted to Cabinet for tabling in Parliament for promulgation	Not Achieved Delays in the stakeholder consultation due to lack of consensus regarding nuclear security matters	Obtain consensus from stakeholders regarding nuclear security matters
	Radioactive Waste Management Fund Bill	Bill submitted to Cabinet	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament for promulgation	Not Achieved Ministerial Cluster recommended the redrafting of the Bill	The Bill has been redrafted, approved for publishing for public comments by Cabinet in March 2022.



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Summary of targets not achieved

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
	Gas Master Plan	Gas Master Plan submitted to Cabinet	Gas Master Plan submitted to Cabinet	Not Achieved Delay due to a request from the stakeholders to be afforded more time to comment on the Draft Gas Master Plan.	Afford stakeholders more time for to comment on Draft Gas Master Plan.
	NERA Bill	Amended NERA Bill	Amended NERA Bill submitted to Cabinet	Not Achieved Process has been withdrawn pending finalisation of ERA.	Discussions for resuscitation of the review of NERA.
Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence-based policy making, investment and growth	Quality mineral publications	Number of quality publications published	8	Not Achieved Due to non-subscription to SAMI, Minerals Economics (ME) Bulletin research articles and other research publications.	Re-register subscription to SAMI, Minerals Economics (ME) Bulletin research articles and other research publications.



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Summary of targets not achieved

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters (fatalities, injuries and diseases)	Percentage reduction in occupational fatalities compared to prior year	10%	Not Achieved: There were 68 fatalities from April 2021 to March 2022 compared to 59 fatalities in the same period of the previous financial year. Calculation: $(68 - 59)/59 \times 100\% = 15\%$	Enforce compliance in areas where there are depletion of ore reserves leading to mining of high risk, ultra-deep and unsafe working places which led to multiple fatalities in one accident
	Improvement in mine health and safety parameters (fatalities, injuries and diseases)	Percentage reduction in occupational injuries compared to prior year	5%	Not Achieved: There were 2127 injuries from April 2021 to March 2022 compared to 1802 injuries in the same period of the previous financial year. Calculation: $(2127 - 1802)/1802 \times 100\% = 18\%$	Enforce compliance in areas where there are depletion of ore reserves leading to mining of high risk, ultra-deep and unsafe working places which led to multiple fatalities in one accident



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Summary of targets not achieved

Programme 4: Mine Health and Safety Inspectorate (MHSI)					
Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
		Percentage reduction in occupational diseases (including tuberculosis) compared to prior year	10%	<p>Not Achieved:</p> <p>During April 2021-March 2022, a total of 1403 occupational diseases were reported compared to 1197 cases reported during the same period in 2021/22. Calculation: $(1403 - 1197) / 1197 \times 100 = 17\%$</p>	Enforce compliance because mining is a high labour-intensive industry with high risk of transmission of TB amongst workers.



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Summary of targets not achieved

Programme 5: Programmes and Projects

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
Additional power generation capacity secured	Procurement of additional generation capacity	Procurement of additional power generation capacity in line with the 11 813 MW section 34 Ministerial determination	Procure 6 800 MW from renewable energy	Not achieved The issuing of RFP for Bid Window 6 was delayed attributed to additional due diligence requirement and approval of bid documents by the designated buyer.	RFP to Procure 6 800 MW from renewable energy to be released to the Market in Q2 2022/23.



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Summary of targets not achieved

Programme 5: Programmes and Projects

Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
			Issue RFP for 3 000 MW from gas	<p>Not achieved</p> <p>Target placed on hold pending the finalisation of the process to develop the gas infrastructure at Coega.</p>	Expedite the finalisation of the development of the gas infrastructure at Coega is finalised.
			Issue RFP for 1 500 MW from coal	<p>Not achieved</p> <p>Given the current trend on investments in fossil fuels the Department opted to undertake a market review on investment appetite to coal fired power generation prior to issuing the RFP.</p>	Market review on investment relating to existence of appetite to support coal fired power generation will be conducted prior to the issuing the RFP.



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Summary of targets not achieved

Programme 5: Programmes and Projects					
Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
			Issue RFP for 513 MW from storage	Not achieved RFP was delayed to allow for the completion of Bid Window 6 processes.	RFP for 513 MW from storage to be issued upon completion of Bid Window 6 processes.
Renewable energy sector industrialisation and localisation	Renewable Energy Master Plan report (industrialisation Master Plan)	Report on key milestones of the Renewable Energy Master Plan	Renewable Energy Sector Master Plan report	Not Achieved Project budget was depleted which led to temporary “suspension” of the services of GreenCape.	The Dept in collaboration with Dtic have agreed to solicit GreenCape services again provided they are able to raise funds to proceed. GreenCape confirmed that they have started raising funds and are ready to support the project.



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Summary of targets not achieved

Programme 6: Nuclear Energy Regulation and Management					
Outcome	Output	Output Indicators from 2021/22 APP	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Interventions
	Policy oversight and direction for the establishment of the CISF Project	Pre-Feasibility report submitted to Cabinet for approval to establish the CISF	Feasibility report for the establishment of the CISF submitted to Cabinet for approval	Not Achieved Due to lack of resources	Utilize rollover funding for the project and expedite on waste management Fund Bill to ensure polluter pays principle applies and seek alternative bridging finance.
	Feasibility study on MPR	Feasibility study on MPR completed	Feasibility study on MPR completed and submitted for gateway review	Not Achieved Delay in the Feasibility Study due to the need to first issue the RFI firm up funding modalities and other aspects.	Appoint engineering services to assist with feasibility study and addressing significant and critical findings.



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Financial Performance

2021/22 Financial Year
(31 March 2022)



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FINANCIAL PERFORMANCE OVERVIEW

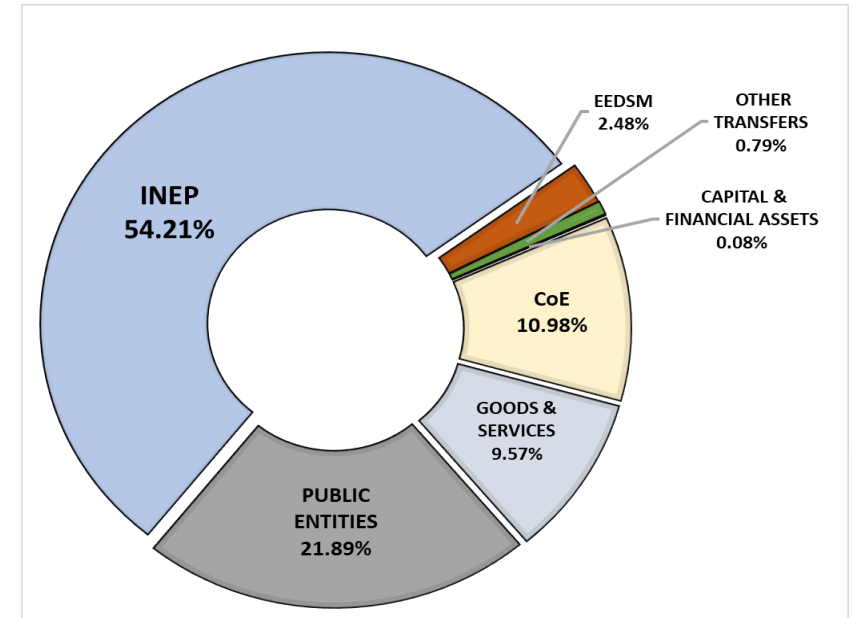
1 April 2021



31 March 2022

Budget	R 9 241 464
Expenditure	R 8 903 537
Spending as % of budget	96.3%
Variance	3.7% or R 337 927

- As per the audited results, **DMRE** spent 96.3% or R8.9 billion of its allocated budget of R9.24 billion.
- Of the R8.9 billion spent, R4.83 billion or 54.21% was disbursed to Eskom and various municipalities for the Integrated National Electrification Programme, with 147 013 grid electricity connections achieved during the 2021/22 FY.



- R1.95 billion or 21.89% of the total spend was transferred to the DMRE public entities.
- Spending on Compensation of employees was R977.96 million or 10.98% while goods and services accounted for R851.82 million or 9.57% of total spending.



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FINANCIAL PERFORMANCE PER ECONOMIC CLASSIFICATION

Programme Expenditure	2021/22		
	FINAL APPROPRIATION	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE
	R'000	R'000	R'000
Compensation of Employees	1 032,457	977 955	54 502
Goods and Services	852 107	851 818	289
Transfer Payments	7 337 142	7 066 681	270 461
Capital Assets	19 464	6 791	12 673
Financial Assets	294	292	2
Total	9 241 464	8 903 537	337 927

Compensation of employees:

The recorded unspent funds were mainly due to longer than anticipated recruitment process for vacant funded positions.

Goods and services:

Although the goods and services classification reflected a net budget underspending of R289 thousand, the item consulting business and advisory services reflected an overspending of R111.33 million due to the re-classification of expenditure, R220.488 million, for Non-Grid electrification projects from transfers and subsidies to goods and services during the 2021/22 financial year audit. The Auditor-General raised a finding in terms of a Treasury Classification circular which required an adjustment of actual spending, however, the accompanying budget could not be adjusted, therefore remained under the transfers and subsidies classification.

Transfer payments:

The underspending was mainly due to the re-classification of transfer payments for Non-Grid electrification projects as goods and services following the 2021/22 financial year audit.

Payments for capital assets:

The underspending was mainly due to the delayed delivery of equipment.



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FINANCIAL PERFORMANCE PER PROGRAMME

Programme Expenditure	2021/22		
	FINAL APPROPRIATION	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE
	R'000	R'000	R'000
Administration	661 812	562 544	99 268
Minerals and Petroleum Regulation	537 462	526 858	10 604
Mining, Minerals and Energy Policy Development	792 832	768 722	24 110
Mine Health and Safety Inspectorate	233 117	205 351	27 766
Programmes and Projects	5 881 640	5 716 621	165 019
Nuclear Energy Regulation and Management	1 134 601	1 123 441	11 160
Total	9 241 464	8 903 537	337 927

- Departmental spending increased from R7.18 billion in 2020/21 to R8.9 billion in 2021/22. This is mainly due to a significant increase in budget allocations and subsequent payments under the Programmes and Projects Branch for the INEP Programme to both Eskom and Municipalities which increased by R841.27 million and R644.41 million respectively.
- Voted funds to be surrendered to the NRF at year-end was R337.93 million or 3.66% for 2021/22 – subsequent to year end a rollover request for R72.86 million was approved.
- A major part of the Departmental expenditure i.e (76.7%) is shared between the branches Programmes and Projects and the Nuclear Energy Regulation & Management with a contribution of 64.02% and 12.68% respectively. This is mainly driven by major transfer payments for INEP (Eskom & Municipal grants), EEDSM, Non-grid electrification and transfer payments to public entities under the Programmes & Projects branch. For Nuclear Energy Regulation Management these were largely due to transfers to NECSA, NNR and NRWDI.

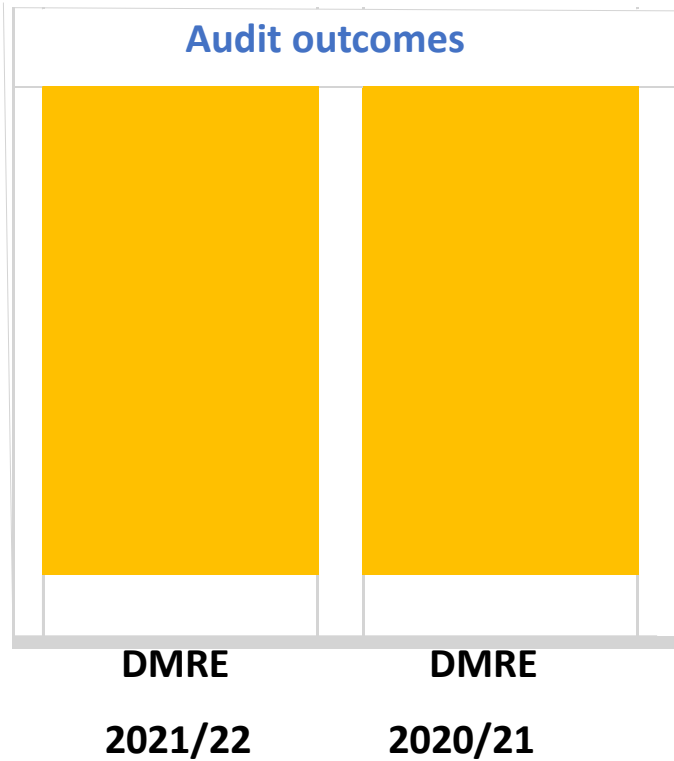


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DMRE Summary of Audit Outcomes



The department obtained an unqualified audit opinion with material findings in 2021/22 financial year.



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DMRE Summary of Audit Findings

- ❑ Material misstatements corrected in the Financial Statements for the following;
 - Accrued departmental revenue impairment,
 - Prior period error note relating to accrued departmental revenue ,
 - Contingent liability
 - Statement of conditional grant
 - Classification of Transfers and subsidies
 - Impairment for prepayments and advances



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Summary of Audit Findings

❑ Irregular expenditure

- Irregular expenditure of R1,998,000 was incurred and recorded during the financial year 2021/22 and an amount of R1,884,000 relate to the irregular expenditure incurred during the 2020/21 financial year. Both these amounts were as a result of the non-compliance to the SCM legislation. These cases are under investigation.

❑ Fruitless & Wasteful expenditure

- Fruitless & Wasteful expenditure of R 3,938, 000.00 was recorded in the financial year 2021/22 for SWH units that were not received from suppliers. The supplier has lodged an application for voluntary liquidation. Litigation is currently underway to recover the loss incurred.



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Summary of Material Irregularities

During the audit, material irregularities were identified, and the Accounting Officer was duly notified as required by PAA & Material Irregularity Regulations

Date of material irregularity notification	Description of material irregularity	Status
30 July 2022	Storage costs incurred in the SWH project due to delays in taking delivery of the SWH units from the manufacturers and the subsequent interruptions in the implementation process.	The department has provided a comprehensive response for the consideration by AGSA.



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Summary of Financial Viability

As at 31 March 2022

EXPENDITURE MANAGMENT

Creditor-payment period	42 days
Amount of total accruals	R 99,751,000
30+ days accruals as a percentage of total accruals	1.6%
Amount of 30+ days accruals	R 1,577,000

The payment period of creditors is managed as per Treasury Regulation 8.2.3 unless there are circumstances beyond the control of Financial Management Services.

Main reasons for late and/or non payments of invoices due to,

- ITC system (BAS, LOGIS and SafetyWeb) availability issues
- Delays in the submission of invoices for processing
- Incorrect banking details supplied by service providers



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DMRE Summary of Audit Findings

- ❑ Material misstatements on Performance Information were as follows:

Number of jobs to be created through the issuing of mining rights and petroleum licenses

- ❑ The planned indicator and target were number of jobs to be created through the issuing of mining rights and petroleum licenses, but the reported achievement referred to number of jobs created through issued mining rights only. The source information, evidence and method of calculation for achieving the planned indicator relating to petroleum licenses was not clearly defined. This was due to a lack of measurement definitions and processes for jobs to be created through the issuing of petroleum licences. AGSA was unable to validate the existence of systems and processes by alternative means.

Number of SLP development projects completed

- ❑ The achievement of 128 SLP development projects completed was reported against a target of 120 SLP development projects completed in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement which materially differed from the reported achievement.



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DMRE Summary of Audit Findings

- ❑ Material misstatements on Performance Information were as follows:

Number of black industrialists created through mining and petroleum charters

- ❑ AGSA was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined related systems and processes established to enable consistent measurement and reliable reporting of the actual achievement for the indicator. This was due to insufficient measurement definitions and processes. AGSA was unable to test whether the indicator was well-defined and verifiable by alternative means. AGSA was unable to audit the reliability of the achievement of 21 reported black industrialists created against the target of 10 black industrialists created in the annual performance report.

Number of rights and permits granted and/or issued to HDSA controlled entities

- ❑ The source information and method of calculation for the achievement of the planned indicator was not clearly defined.



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AUDIT OUTCOMES OF ENTITIES REPORTING TO DMRE



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Audit Outcomes of Entities reporting to DMRE

The Department has eleven public entities reporting to the Minister of Mineral Resources and Energy. Of the eleven (11) entities, ten (10) submitted their audited 2021-22 Annual Financial Statements on the 31st July 2022 whereas the one (1) did not submit their APRs due reasons articulated below:

PFMA Schedule	Entity	Reason for non- submission
Schedule 2	CEF (Soc) Ltd	The annual report will be tabled as soon as the audit process is finalised. The reason cited for the request for extension relates to the CEF Group to avert the impact of the disclaimer audit opinion, additional information was provided to AGSA, thus requires more time to complete the audit is required.



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Audit outcomes of entities reporting to DMRE

Entity	Audit Outcome	Key Issues from Audit	Surplus (Deficit) R'000
CGS	Unqualified (Clean Audit)	<ul style="list-style-type: none"> The financial statements were presented fairly in all material aspects. As disclosed in note 23 to the financial statements, fruitless and wasteful expenditure of R18 496 000 that was incurred in the previous years was still under investigation 	(12,175,000)
MHSC	Unqualified	<ul style="list-style-type: none"> Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R2 693 055 as disclosed in note 24 to the annual financial statements as required by Section 51 (1) (b) (ii) of the PFMA. All of the irregular was caused by non-compliance with procurement processes. Effective and appropriate steps were not taken to collect all revenue due, as required by Section 51 (1) (b) (i) of the PFMA. 	(5,081,614)
Mintek	Unqualified	<ul style="list-style-type: none"> Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1,091,803 as disclosed in note 29 to the annual financial statements, as required by section 51 (1)(b)(ii) of the PFMA. Disciplinary steps were not taken against some of the officials who had incurred irregular expenditure, as required by Section 51 (1) (e) (iii) of the PFMA 	9,137,144



Audit outcomes of entities reporting to DMRE

Entity	Audit Outcome	Key Issues from Audit	Surplus (Deficit) R'000
NERSA	Unqualified (Clean Audit)	<ul style="list-style-type: none"> The financial statements were presented fairly in all material aspects. 	(3,249,938)
SDT	Unqualified (Clean Audit)	<ul style="list-style-type: none"> The financial statements were presented fairly in all material aspects. 	52,677,003
NNR	Unqualified	<ul style="list-style-type: none"> Material losses of R8 407 086 were incurred as a result of impairment of irrecoverable trade debtors as recorded in note 8 of the financial statements. 	811, 215
NRDWI	Unqualified (Clean Audit)	<ul style="list-style-type: none"> The financial statements were presented fairly in all material aspects. 	3,260,234
SANEDI	Unqualified (Clean Audit)	<ul style="list-style-type: none"> The financial statements were presented fairly in all material aspects. 	15,565,000



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Audit outcomes of entities reporting to DMRE

Entity	Audit Outcome	Key Issues from Audit	Surplus (Deficit) R'000
NECSA	Qualified (Disclaimer audit opinion)	<ul style="list-style-type: none"> • During 2021, I was unable to obtain sufficient appropriate audit evidence that the consolidated financial statements and the notes thereto have been properly prepared as required by International Financial Reporting Standards (IFRS) 10, Consolidated Financial Statements. Included in the consolidation is an amount of R73 086 000 (2020: R35 271 000) that could not be substantiated with supporting workings that collaborate the appropriateness of elimination journals entries. The group did not have adequate system of internal control in place for the preparation of the consolidated financial statements. I was unable to audit the consolidated financial statements by alternative means. • Going concern – the consolidate and separate financial statements contain material limitations of scope, as has been reported in the basis for disclaimer of opinion section of auditor's report, which creates an uncertainty about the reliability of the information on which the group's forecasts are based. I was unable to confirm the extent of this material uncertainty by alternative means. • Decommissioning and decontamination (D&D) on stage 1 liability and asset – I was unable to obtain sufficient appropriate audit evidence in respect of the D&D stage 1 liability due to the lack of appropriate audit evidence to support the group's estimated timing and quantum of estimated cash flows to determining the liability. I was unable to determine whether any adjustments were necessary to the D&D stage 1 liability stated at R4 762 140 000 (2021: R4 597 130 000: 2020: R4 236 762) in note 25 to the consolidate and separate financial statements • Effective and appropriate steps were not taken to collect all revenue due, as required by Section 51 (1) (b) (i) of the PFMA. 	(R71,340,000)



Audit outcomes of entities reporting to DMRE

Entity	Audit Outcome	Key Issues from Audit	Surplus (Deficit) R'000
SADPMR	(Unqualified Audit)	<ul style="list-style-type: none"> Financial statements were present fairly, in all material respects, the financial position of the South African Diamonds and Precious Metals Regulator at 31 March 2022 Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R10 206 638 as disclosed in note 25 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure disclosed in the financial statements was caused by the non-existence of a bid specification committee. 	R11,712,399



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ANNEXURE A: DETAILED PERFORMANCE INFORMATION

Achieved Targets

Not Achieved Targets



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Administration (Financial Management Services)

Programme 1: Administration								
Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
Functional, efficient and integrated government	Wasteful and fruitless expenditure eliminated	Percentage reduction of wasteful and fruitless expenditure compared to prior year	N/A	Achieved.	100% elimination of Wasteful and fruitless expenditure compared to prior year	Not Achieved	Recorded Wasteful and fruitless expenditure for the year under review	Due to unavoidable expenditure incurred
	Reduced irregular expenditure	Percentage reduction of irregular expenditure compared to prior year	N/A	Achieved.	100% reduction of irregular expenditure compared to prior year	Not Achieved: due to new irregular transactions recorded.	Recorded irregular expenditure for the year under review	Due to noncompliance to SCM processes.
	Unqualified audit opinion in the Department	Receipt of an unqualified audit opinion for year under review	Partially Achieved	Achieved	Receipt of an unqualified audit opinion for year under review	Achieved Unqualified audit opinion on AFS	None	None



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Administration

Programme 1: Administration

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Improved governance and accountability	Consequences for corruption and misconduct enforced	Percentage resolution of reported incidents of corruption	N/A	Achieved	95% resolution of reported incidents of corruption	Achieved: 100% resolution of reported incidents of corruption	5%	One case of fraud was reported, investigated, and resolved.
	Promote integrity and ethical conduct	Number of reports with detailed implementation of the DMRE Fraud Prevention Plan	N/A	N/A	Four reports with detailed implementation of the DMRE Fraud Prevention Plan	Achieved	None	None



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Administration

Programme 1: Administration

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Functional, efficient and integrated government	Oversee the development of departmental Strategic and Annual Performance Plans and monitor their implementation thereof	Approval of Annual Performance Plans	N/A	Achieved Annual Performance Plans approved by the Minister	Approved Annual Performance Plan	Achieved	None	None
		Number of quarterly Performance Reports produced	N/A	Achieved	Four quarterly reports produced	Achieved	None	None
		Annual Report tabled in Parliament	N/A	Achieved	Annual Report produced and approved	Achieved	None	None



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Administration ('DG's Office)

Programme 1: Administration								
Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
	Enter into Shareholder Compact with schedule 2A SOEs	Approved Shareholder Compacts	Shareholder Compacts with the exception of CEF were received and approved	Achieved NECSA Group shareholder compact was received and signed off by the Minister. CEF Group Corporate plan reviewed, and Minister granted non-approval of the Corporate Plan	Approved shareholder compacts	Achieved	None	None



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Administration ('DG's Office)

Programme 1: Administration

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
	Approval of Schedule 3A SOEs Annual Performance Plans	Approved Annual Performance Plan	N/A	Approved Annual Performance Plan tabled in Parliament	Approved Annual Performance Plan tabled in Parliament	Achieved	None	None
	Progress updates on implementation of corporate plan / Annual Performance Plans	SOEs' quarterly performance reports produced	N/A	N/A	SOEs Quarterly Performance Reports produced	Achieved	None	None
	Annual Progress updates on implementation of corporate plan/ Annual Performance Plans	SOEs' Annual reports tabled in Parliament	N/A	N/A	SOEs' Annual reports tabled in Parliament	Achieved	None	None



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Administration ('DG's Office)

Programme 1: Administration

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
Functional, efficient and integrated Department	Integrated programme performance report on the implementation of the 2019–2024 MTSF priorities	Number of quarterly reports that detail the implementation of the 2019–2024 MTSF priorities	N/A	Achieved	Four quarterly reports that details the implementation of the 2019–2024 MTSF priorities	Achieved	None	None
Investing in accelerated inclusive growth	Job creation	Percentage of approved invoices from service providers paid within 30 days of receipt	Partially Achieved 98.98% approved invoices were paid within 30 days of receipt	Partially achieved 99% approved invoices were paid within 30 days of receipt	100% approved invoices from service providers	Not achieved. Out of 1549 invoices received for the year 1448 (94%) were paid within 30 days	-6%	Branches did not comply with the set timelines for the return of invoices for payment procedures.



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Minerals and Petroleum Regulation

Programme 2: Minerals and Petroleum Regulation (MPR)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Investing in Accelerated Inclusive Growth Increased employment in the mining and petroleum sectors	Jobs created	Number of jobs to be created through the issuing of mining rights and petroleum licences	295	Achieved 3800 jobs created through issued mining rights.	4 000	Achieved: 8451 Petroleum licences not reported	4451	The Branch prioritized finalisation of mining rights applications after easing of COVID regulations
Improved livelihoods in mining communities	SLP development Projects	Number of SLP development projects completed	99	Partially Achieved 70 SLP projects were completed.	120	Achieved: 128 8 SLP development projects were completed	8	The Branch was able to conduct SLP verification inspections after the easing of COVID 19 regulations
	Participation in district planning forums	Percentage of participation in District Planning Forums	N/A	Not Achieved There was no participation (0%) in District Planning Forums	100% participation in district planning forums	Achieved: (4 out 4) 100% the branch has attended all four meetings that it was invited to.	None	None



Minerals and Petroleum Regulation

Programme 2: Minerals and Petroleum Regulation (MPR)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Transformed mining and petroleum sectors (industrialization)	Black owned mining and petroleum companies	Number of black industrialists created through mining and Petroleum charters	10	Partially Achieved 9 black industrialists were created through procurement.	10	Achieved: 21 black industrialists created through mining and Petroleum charters	11	Branch prioritized black industrialists after easing of COVID regulations
Increased compliance with licensing conditions Compliant mining and petroleum sectors	SLP project inspections	Number of SLP inspections conducted	228	Partially Achieved 204 SLP inspections were conducted	212	Achieved: 243 SLP Projects inspections were conducted in the financial year	31	The Branch was able to conduct SLP inspections after the easing of COVID regulations
	Legal compliance inspections	Number of legal compliance inspections (mineral laws-MLA) conducted	148	Partially Achieved 134 legal compliance inspections (MLA) were conducted.	150	Achieved: 192 Legal compliance inspections (mineral laws conducted)	42	Branch was able to conduct more Legal compliance inspections after the easing of COVID regulations



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Minerals and Petroleum Regulation

Programme 2: Minerals and Petroleum Regulation (MPR)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Increased compliance with licensing conditions Compliant mining and petroleum sectors	Mining economics (MWP/PWP) inspections	Number of mining economics (MWP/PWP) inspections conducted	N/A	Achieved A cumulative 289 mining economics (MWP/PWP) inspections were conducted	500	Not Achieved: 464 Mining Economics inspections were conducted	-36	The Branch had two vacant positions in GP and NW. Both positions have since been filled.
	Environmental Inspections	Number of environmental inspections conducted	1 381	Not Achieved 968 environmental inspections were conducted.	1 275	Achieved: 1374 Environmental inspection were conducted	99	The Branch was able to conduct more Environmental inspections after the easing of COVID regulations
	Petroleum Retail Site compliance inspections	Number of Petroleum retail site compliance inspections conducted	Achieved 1367 Retail site inspections were conducted	Not Achieved 300 petroleum retail site compliance inspections were conducted. A cumulative figure of 448 was achieved	1 500	Not Achieved: 1317, retail site compliance inspections conducted in Quarter 4	-183	Shortfall was due to Covid 19 pandemic travel restrictions in Q1, Q2 and July unrest. KZN and WC inspector vacant positions.

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Minerals and Petroleum Regulation

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Increased compliance with fuel specification regulation Fuel specifications regulation compliant petroleum sector	Fuel testing and sampling	Number of fuel samples tested	Achieved 1080 Fuel samples were collected and tested.	Partially Achieved 965 fuel samples were tested.	1 080	Achieved: 1197 fuel samples tested	117	The Branch was able to conduct more fuel sampling after the easing of COVID 19 regulations
Economic participation in the petroleum and mining sectors. Transformed petroleum and mining sectors (HDSA participation)	Increased participation of HDSA owned and controlled companies	Percentage of petroleum licence applications approved with a minimum of 50% HDSA ownership	Achieved 91.85% compliance - 733 applications with 50% and more HDSA involvement out of 798 applications approved	Achieved 95.24% of petroleum licence applications were approved with a minimum of 50% HDSA ownership.	50%	Achieved 93.82% compliance – 1 230 applications with 50% and more HDSA involvement out of 1 311 applications approved	43.82%	Participation of HDSA owned and controlled companies increased
	Increased Participation of HDSA in the mining sector	Number of rights and permits granted and/or issued to HDSA controlled entities	N/A	Achieved 125 rights and permits were granted and/or issued to HDSA controlled entities.	120	Achieved: 206 yearly target was overachieved by 86	86	A target was exceeded due to most applications lodged by HDSA being compliant

Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
Investing in accelerated inclusive growth Transformed, competitive, and Sustainable minerals and energy sectors	Clean Fuels 2 Regulations	Clean Fuels2 Regulations amended	N/A	N/A	Clean Fuels 2 Regulations developed for promulgation	Achieved	None	None
	Biofuels Mandatory Blending Regulations	Biofuels Mandatory Blending Regulations amended	N/A	N/A	Biofuels Mandatory Blending Regulations developed for promulgation	Achieved	None	None
	LPG Roll-out Strategy	LPG Rollout Strategy developed	N/A	N/A	LPG Strategy approved	Achieved	None	None
	Community Relocation Guidelines	Community Relocation Guidelines developed	N/A	N/A	Community Relocation Guidelines developed for promulgation	Achieved	None	None

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Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
	Upstream Petroleum Resources Development Bill	Draft Bill presented to Cabinet for approval and tabling in Parliament	N/A	N/A	Draft Upstream Petroleum Resources Development Bill tabled in Parliament	Achieved	None	None
	Mine Health and Safety Amendment Bill	Draft Bill presented to Cabinet for approval and tabling in Parliament	N/A	N/A	Draft Mine Health and Safety Amendment Bill tabled in Parliament	Not Achieved	The Bill will be submitted to Cabinet during Q1 of 2022/23 for approval to table in Parliament.	Public consultations conducted in 2013 were required to be redone due to lapse of time and changes in the operating environment.
	National Petroleum Company Bill	Draft National Petroleum Company Bill	N/A	N/A	Draft National Petroleum Company Bill developed and submitted to Cabinet for approval	Not Achieved	Draft Bill is in place.	There was a delay in finalising the proposed archetype for the merger that would house the National Petroleum Company Bill which has to be approved by Cabinet first.



Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
Investing in accelerated inclusive growth Increased investment and job creation in the mining and petroleum sectors	Economic reports on Bojanala District	Number of economic reports on analysis and support for Bojanala District Model	18	Partially Achieved	4	Achieved	None	None
		Number of economic models of the mining and energy sectors	N/A	N/A	4	Achieved	None	None
	Report on economic viability of shale gas exploration in South Africa	Report on economic viability of shale gas exploration in South Africa produced	N/A	N/A	Report on economic viability of shale gas exploration in South Africa submitted to Cabinet for approval	Achieved	None	None



Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
	Beneficiation Master Plan	Beneficiation Master Plan approved	N/A	Achieved Strategy approved by Cabinet in September 2020	Beneficiation Master Plan approved	Not Achieved	The Beneficiation Master plan will be submitted to Cabinet during Q1 of 2022/23	Delays in the stakeholder consultation due to lack of consensus regarding pillars of the framework
	Investment promotion initiatives implemented	Number of investment promotion initiatives implemented and reported on	11	Achieved	3	Achieved	None	None
		Number of investment promotion conferences and exhibitions participated in	11	Achieved	9	Achieved	None	None



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Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
Secure energy supply	National Nuclear Regulator Amendment Bill	National Nuclear Regulator Amendment Bill submitted to Cabinet	Partially Achieved The Draft Bill, Sign Off on SEAIS report by DPME and Memorandum of Objects submitted to the State Law Advisor.	Partially Achieved Extended stakeholder consultation between DMRE, SAHRPA, DoH and NNR on co-regulation of Group III and IV radioactive sources.	Amendment Bill submitted to Cabinet for tabling in Parliament for promulgation	Not Achieved	The Bill is ready for submission to Cabinet during Q1 of 2022/23.	Delays in the stakeholder consultation due to lack of consensus regarding nuclear security matters
	Radioactive Waste Management Fund Bill	Bill submitted to Cabinet	Partially Achieved	Partially Achieved	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament for promulgation	Not Achieved	The redrafted Bill was approved for publishing for public comments by Cabinet in March 2022	Ministerial Cluster recommended that the bill should be redrafted.



Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
	Gas Master Plan	Gas Master Plan submitted to Cabinet	Partially Achieved Draft produced	It was deferred to 2021/22 plan	Gas Master Plan submitted to Cabinet	Not Achieved	The Master plan is undergoing stakeholder consultation	There was a delay due to a request from the stakeholders to afford more time to comment on Draft Gas Master Plan.
	NERA Bill	Amended NERA Bill	N/A	Partially Achieved	Amended NERA Bill submitted to Cabinet	Not Achieved	Draft NERA	Allocated resources were reprioritised to focus on the Electricity Pricing Policy
	ERA Bill	Amended ERA Bill	N/A	N/A	Amended ERA Bill submitted to Cabinet	Achieved	None	None
	Just energy transition plan	Just energy transition plan	N/A	Achieved	Just energy transition plan approved	Achieved	None	None



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Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
	Just energy transition plan	Just energy transition plan	N/A	Achieved Consultations were held with DEFF and Mpumalanga province to discuss collaboration on the Just Transition.	Just energy transition plan approved	Achieved	None	None
Greenhouse gas emission reduction	Greenhouse gas assessment and reporting framework for the mining and energy sector	Greenhouse gas assessment and reporting framework for mining and energy sector developed	N/A	Not Achieved Service provider has been appointed through the World Bank and this will accelerate the implementation of this deliverable.	Greenhouse gas assessment and reporting framework approved	Achieved	None	None



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Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
	Carbon offset projects contributing to greenhouse gas emission reduction	Number of carbon offset projects approved	N/A	Achieved	Four carbon offset projects approved	Achieved	None	None
		Report on energy- related climate change response measures monitored, quantified and reported	N/A	Achieved	Report on monitored and quantified initiatives	Achieved	None	None
		Number of approved Clean Development Mechanism (CDM) projects	N/A	Achieved	Two CDM projects approved	Achieved	None	None



Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence based policy making, investment and growth	Economic reports on the performance of minerals and energy sectors	Number of monthly minerals and energy performance economic reports (GDP)	N/A	N/A	12	Achieved	None	None
	Quality mineral publications	Number of quality publications published	18	Partially Achieved Publications and economic reports produced	8	Not Achieved	-4	Non-subscriptions for SAMI, ME Bulletin research articles and other research publications.
	Quality energy publications	Number of energy statistics reports published	N/A	N/A	4	Achieved	None	None



Mining, Mineral and Energy Policy Development

Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons on Deviations
Economic diplomacy that promotes regional integration, global cooperation and development	Existing bilateral agreements implemented	Number of progress reports on agreed areas of collaboration and cooperation implemented	N/A	Achieved USA, Germany (Development Cooperation led by National Treasury), Germany (Energy Partnership led by DMRE), Canada, United Kingdom, Saudi Arabia, Denmark, CAR, Russia (ITEC), Ireland	10 progress reports produced on existing agreements implemented	Achieved	None	None
	Existing multilateral agreements implemented	Number of progress reports on multilateral strategic partnerships	10	Achieved BRICS; International Energy Agency; African Union; SADC; International Energy Forum	10 progress reports produced on multilateral strategic partnerships implemented	Achieved	None	None



Mine Health and Safety Inspectorate

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters (fatalities, injuries and diseases)	Percentage reduction in occupational fatalities compared to prior year	17%	Not achieved	10%	Not Achieved: There were 68 fatalities from April 2021 to March 2022 compared to 59 fatalities in the same period of the previous financial year. Calculation: $(68 - 59)/59 \times 100\% = 15\%$	-5%	Depletion of ore reserves leading to mining of high risk, ultra-deep and unsafe working places which led to multiple fatalities in one accident
	Improvement in mine health and safety parameters (fatalities, injuries and diseases)	Percentage reduction in occupational injuries compared to prior year	2%	Achieved	5%	Not Achieved: There were 2127 injuries from April 2021 to March 2022 compared to 1802 injuries in the same period of the previous financial year. Calculation: $(2127 - 1802)/1802 \times 100\% = 18\%$	-13%	Depletion of ore reserves leading to mining of high risk, ultra-deep and unsafe working places which led to multiple injuries in one accident



Mine Health and Safety Inspectorate

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
		Percentage reduction in occupational diseases (including tuberculosis) compared to prior year	4%	Achieved	10%	Not Achieved: During April 2021-March 2022, a total of 1403 occupational diseases were reported compared to 1197 cases reported during the same period in 2021/22. Calculation: $(1403 - 1197) / 1197 \times 100 = 17\%$	-7%	Mining is a high labour-intensive industry with high risk of transmission of TB amongst workers. This has been worsened by challenges of HIV and Covid 19 pandemics. Covid 19 pandemic added extra burden occupational health systems at mines.



Mine Health and Safety Inspectorate

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
		Percentage of investigations completed (initiated vs completed)	100%	Achieved	80%	Achieved: A total of 539 accident-initiated investigations were completed from April 2021 to March 2022. Calculation $(539/539) * 100 = 100\%$	20%	Some of investigations are less complex and do not require big gatherings. This measure was not totally impacted by lockdown regulations/restrictions
		Percentage of inquiries completed (Initiated v/s completed)	80%	Achieved	80%	Achieved: A total of 45 accident-initiated investigations and 51 were completed from April 2021 to March 2022. Calculation $51/45 * 100 = 113\%$	33%	More witnesses and legal representatives were available subsequent to the ease of lockdown regulations.



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Mine Health and Safety Inspectorate

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Comments on Deviations
		Number of qualitative inspections conducted (cumulative, including individual and group audits)	8 250	Partially achieved 6036 inspections & audits conducted from April 2020 to December 2020 compared with 6600 targets for inspections & audits	8396	Achieved: 8399 inspections and audits were conducted in four quarters instead of 8396. Calculation $(8399/8396) * 100 = 100\%$	3	The reason for over achievement is due effort put by the department in conducting more inspections in the 4th quarter after the easing of lockdown regulations/restrictions.



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Programme and Projects Management

Programme 5: Programmes and Projects

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reason for Deviations
Additional power generation capacity secured	Procurement of additional generation capacity	RFP for the procurement of 2000MW under Risk Mitigation Independent Power Producers Programme issued.	N/A	Not Achieved Power purchase agreement not in place	RFP for the procurement of 2000MW under Risk Mitigation Independent Power Producers Programme issued.	Achieved RFP released to the market	N/A	N/A
		Procurement of additional power generation capacity in line with the 11 813 MW section 34 Ministerial determination	N/A	N/A	Procure 6 800 MW from renewable energy	Not achieved RFP for 2 600 MW (Bid Window 5) of renewable energy issued	RFPs for 2 600 MW (Bid Window 6) and 1 600 MW (Bid Window 7) delayed.	Due to additional due diligence requirement and approval of bid documents by the by the designated buyer. RFP for bid window 7 was delayed to allow for completion of Bid Window 6 processes



Programme and Projects Management

Programme 5: Programmes and Projects

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reason for Deviations
			N/A	N/A	Issue RFP for 3 000 MW from gas	Not achieved	N/A	It has been decided that the issuing of the RFP for gas to power will only follow once the process to develop the gas infrastructure at Coega is finalised.
			N/A	N/A	Issue RFP for 1 500 MW from coal	Not achieved	N/A	Given the current trend on investments in fossil fuels the Department opted to undertake market review on investment appetite on coal fired power generation prior to issuing the RFP.



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			N/A	N/A	Issue RFP for 513 MW from storage	Not achieved	N/A	RFP was delayed to allow for completion of Bid Window 6 processes.
Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technologies	Not Achieved Zero additional households electrified with non-grid electrification in this fiscal year	Not Achieved Zero additional households electrified with non-grid electrification in this fiscal year.	15 000 additional households electrified through non-grid technologies	Achieved 23 738 additional household connected to Non- Grid	8738	Additional connections are a result of roll over from 2021/22 Financial year



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Electrification of additional households	Report on the monitoring and verification of the implementation of the grid electrification of additional households by Eskom and contracted municipalities	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of the grid electrification of households towards the national commitment in the MTSF	Achieved 4 Quarterly Reports were produced on achieving 214 517 additional households with grid electricity against the target of 195 000 in the National Electrification Plan.	Achieved 4 Quarterly Reports on the allocation of funding and the monitoring of implementation of grid electrification of additional households by Eskom and municipalities	Four reports on the monitoring and verification of the implementation of the grid electrification of an additional 180 000 households by Eskom and contracted municipalities	Achieved Report produced indicating that Eskom and Municipalities have connected 147 013 additional households through Grid electrification instead of 180 000	None	None



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Acid mine drainage mitigated	Ingress control of potential acid mine drainage water	Number of ingress control measures implemented	N/A	N/A	One ingress measure implemented	Achieved	None	None
State of geological infrastructure improved	Derelict and ownerless mine sites rehabilitated	Number of derelict and ownerless mine sites rehabilitated	N/A	N/A	Three derelict and ownerless mine sites rehabilitated	Achieved	None	None
	Unsafe mine shafts sealed off	Number of shafts sealed off	N/A	N/A	Fourty shafts sealed off	Achieved	None	None



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Renewable energy sector industrialisation and localisation	Renewable Energy Master Plan report (industrialisation Master Plan)	Report on key milestones of the Renewable Energy Master Plan	N/A	Not Achieved Master plan not finalised	Renewable Energy Sector Master Plan report	Not Achieved	Report received but not processed for approval and not signed off	Report was still under review and consideration by the steering committee consisting of the Department and social partners



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Improved energy efficiency across all sectors	Energy savings verified and quantified	Number of energy savings (TWh) realised and verified from Energy Efficiency Demand Side Management (EEDSM) projects	Achieved 6.3 TWh energy savings realised and verified from EEDSM projects	Achieved 1.58 TWh against the annual target of 0.5TWh	0.5 TWh savings realised and verified from EEDSM projects	Achieved Report on achievements of 0.6075 TWh savings provided	Additional 0.1075 accomplished due to more projects	The achievement of 0.6075 TWh savings is as a result of projects implemented through the 12L Energy Efficiency Savings (by Industries) 2021/22 EEDSM grant programme by municipalities.
			N/A	N/A	0.0194 TWh savings by EEDSM grant participating municipalities	Achieved Report on achievements of 0.0198 savings by municipalities provided	Additional 0. 0004 TWh savings	Additional 0. 0004 TWh savings are a result of roll overs from 2021/22 Financial year



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Nuclear Energy

Programme 6: Nuclear Energy Regulation and Management

Outcome	Output	Output Indicators from 2021/22 APP	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Targets from 2021/22 APP	Actual Achievement 2021/22	Deviations from Planned Targets to Actual Achievement 2021/22	Reasons for Deviations
Improve security of supply for nuclear energy	Increased supply of electricity for grid stability	Procurement framework for 2 500 MW Nuclear Programme	N/A	Not Achieved	Procurement framework for 2 500 MW Nuclear Programme developed	Not Achieved	Appointment of Service provider to develop the procurement framework is underway with evaluation of bids having taken place	Section 34 Ministerial Determination was only concurred to by Nersa (with suspensive conditions) on 26 August 2021 as opposed to April 2021 as anticipated and subsequently led to the delays in developing the framework.



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Improve security of supply for nuclear energy	Support for the Koeberg Nuclear Power Plant Life Extension Plan	Number of quarterly monitoring reports on Koeberg's Nuclear Power Plant Life Extension Plan	N/A	Achieved	Four monitoring reports of Koeberg's Plant Life Extension Plan through established Technical Oversight Committee meetings	Achieved	None	None



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	Policy oversight and direction for the establishment of the CISF Project	Pre-Feasibility report submitted to Cabinet for approval to establish the CISF	N/A	Achieved	Feasibility report for the establishment of the CISF submitted to Cabinet for approval	Not Achieved	The Feasibility Report has been endorsed by the NRWDI Board, and has been submitted to the Minister	Challenges experienced during the feasibility phase are due to NRWDI's resource constraints
	Feasibility study on MPR	Feasibility study on MPR completed	N/A	Partially Achieved	Feasibility study on MPR completed and submitted for gateway review	Not Achieved	Gateway Review of the Pre-Feasibility Study was completed in September 2021 and 1 st draft for Feasibility study will be completed by end of 2022/23 FY.	Delays in completion of the Pre-feasibility study.



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Strengthen the control of nuclear material and equipment	Issued authorisations or denial of applications	Percentage of authorisation applications processed within the eight-week time period.	Achieved Authorisation applications were processed within 8 weeks	Achieved	70% of authorisation applications processed within the eight-week time period.	Achieved	None	None
	Nuclear safeguard compliance reports	Number of nuclear safeguard compliance reports approved	N/A	N/A	20 Nuclear Safeguard compliance reports approved	Achieved	None	None
Strengthen physical protective measures for nuclear material and facilities	Nuclear security compliance reports	Number of nuclear security compliance reports	N/A	N/A	Twelve nuclear security compliance reports on inspections conducted	Achieved 14 compliance reports	2	Annual Target was recorded as 12 instead of 20.



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Thank you



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