

NRWDI

NATIONAL RADIOACTIVE WASTE
DISPOSAL INSTITUTE



PRESENTATION TO PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY

NRWDI 2021/22 ANNUAL REPORT BRIEFING

CEO : DR M MKHOSI

www.nrwdi.org.za

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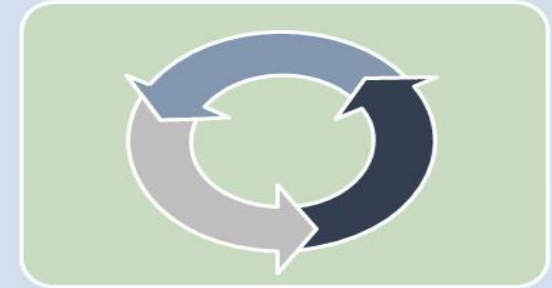
OVERVIEW OF NRWDI

Empowering law

Our Mandate

Governance

Validation



The National Radioactive Waste Disposal Institute Act No. 53 of 2008 (NRWDIA) became effective on the 1 December 2009

Provide for management of radioactive waste disposal on a national basis

Board of Directors appointed in terms of the prescripts of NRWDIA

Minister of Mineral Resources and Energy is the Executive Authority responsible for NRWDI

ANNUAL PERFORMANCE REPORT

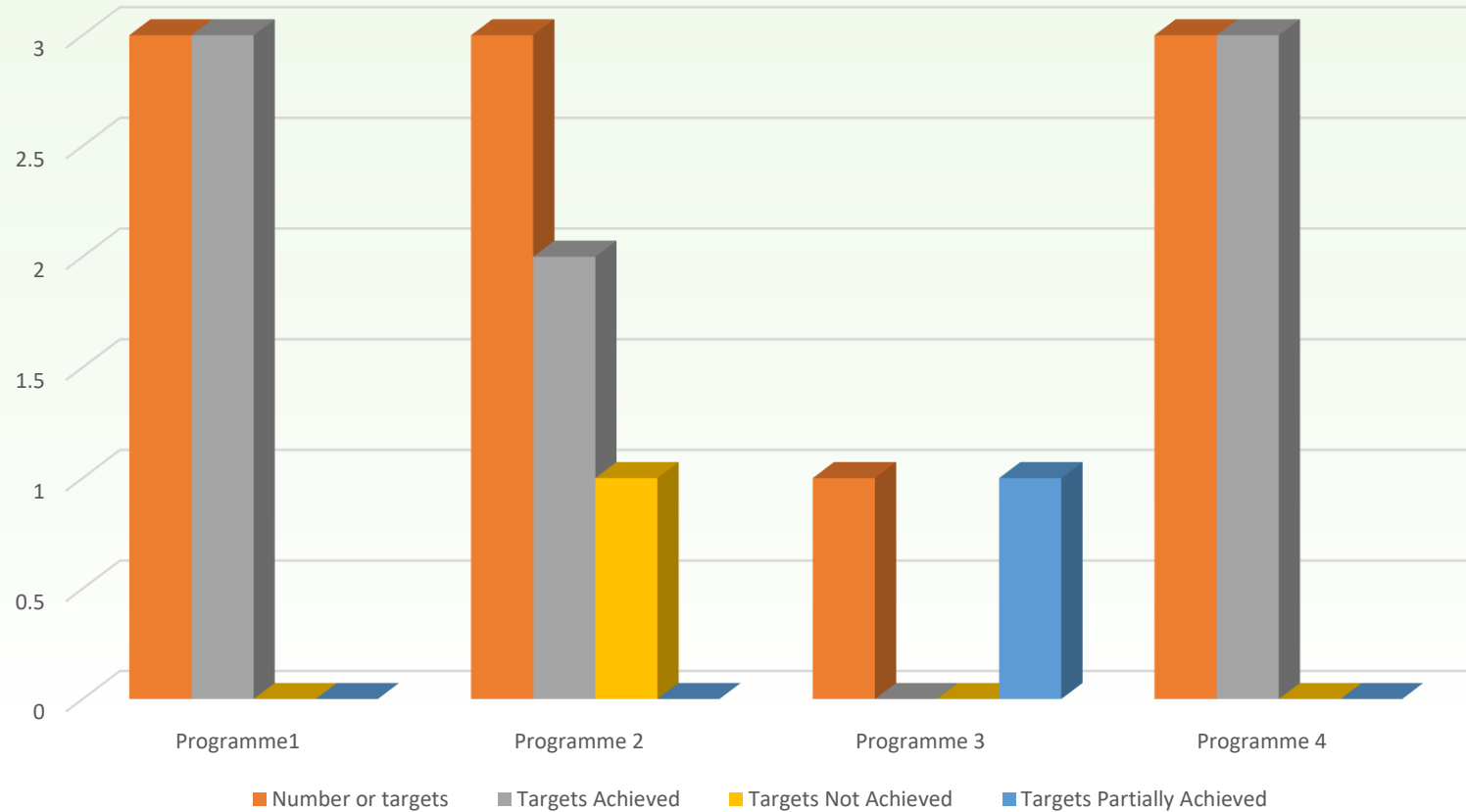


KPI



ANNUAL PERFORMANCE REPORT

90% (9 of 10) of the targets have been achieved for the period under review.



SUMMARY OF PROGRAMME 1: ADMINISTRATION

The purpose of the programme is to ensure that NRWDI operates efficiently, cost effective and complies with good corporate governance principles. The core outcome is achieved through the provision of key corporate functions under the following sub-programmes:

- ✓ **Strategic planning, monitoring and evaluation and reporting** coordinates the translation of policy priorities agreed upon by the Board into actionable strategic plans with clear outcomes, outputs, indicators and resource commitments. It also carried out monitoring and evaluation to ensure that NRWDI delivers on its impact statement and improves and sustains its performance and reporting thereof.
- ✓ **Risk Management** is responsible for coordinating and supporting the overall institutional risk management process ensuring that risks are identified and managed so that it does not impact negatively on the institutional performance.
- ✓ **Board Secretariat** plays an important role in supporting the effectiveness of the Board by monitoring that Board policies and procedures are followed.
- ✓ **Communications and Stakeholder Relations** aims to remove existing constraints by achieving alignment through effective stakeholder engagement and value adding partnerships that are mutually beneficial.
- ✓ **Finance and Supply Chain Management** ensures compliance with relevant financial statutes and regulations especially the PFMA . It ensures that goods and services are procured taking into consideration the procurement legislation and the principles of good corporate governance.

SUMMARY OF PROGRAMME 1: ADMINISTRATION

✓ **Corporate Services (Human Capital Management, Information and Communications Technology Management , Legal Services Management and General Administration and Facilities Management)**

Corporate Services primarily provides integrated strategic and operational business enabling services.

- Legal Services is responsible for providing a comprehensive legal advisory service to enable the entity to execute its mandate effectively within the rule of law.
- Human Resources (HR) Management provides transformational HR support enabling the entity to attract, develop and retain skilled people across the organisation.
- Information and Communications Technology (ICT) provides long term planning and day to day support in respect of ICT needs , services and systems.
- Facilities Management ensures physical and information security. It also oversees the accommodation and maintenance thereof.

ANNUAL PERFORMANCE REPORT (ACTUAL PERFORMANCE AGAINST TARGETS) : PROGRAMME 1

OUTPUT INDICATORS	PLANNED TARGET	ACTUAL TARGET 2021/2022	REASON FOR VARIANCE
Percentage implementation of 5 - year finance strategic plan	100% implementation of year 2 plan of finance strategic plan	100% implementation of year 2 plan of finance strategic plan	None
Percentage implementation of 5-year human capital strategic plan	80% implementation of year 2 plan of human capital strategic plan	86% implementation of year 2 plan of human capital strategic plan	None
Unqualified audit report	Unqualified audit report for 2021/22	Unqualified audit report for 2021/22	None

SUMMARY OF PROGRAMME 2: RADIOACTIVE WASTE OPERATIONS

The purpose of the program is to provide radioactive waste disposal and related services on a national basis that is, safe, technically sound, socially acceptable, environmentally responsible and economically feasible ensuring that no undue burden is placed on future generations due to past, present and future involvement in nuclear programs.

The future of the environment is a global agenda item and management and disposal of radioactive waste material must be carried out in such a manner that human health and the environment are protected.

The following activities are inherently part of the Radioactive Waste Operations Division:

- ✓ Manage, operate and monitor operational radioactive waste disposal facilities including related predisposal management of radioactive waste on disposal sites;
- ✓ Manage ownerless radioactive waste on behalf of the Government, including the development of radioactive waste management plans for such waste;
- ✓ Provide information on all aspects of radioactive waste management to the public living around radioactive waste disposal facilities and to the public in general.

ANNUAL PERFORMANCE REPORT (ACTUAL PERFORMANCE AGAINST TARGETS) : PROGRAMME 2

OUTPUT INDICATORS	PLANNED TARGET	ACTUAL TARGET 2021/2022	REASON FOR VARIANCE
Percentage compliance rate for annual SHEQ audit for disposal facilities on Vaalputs site	80% compliance rate for annual SHEQ audit for disposal facilities on Vaalputs site	Target Not Achieved	The SHEQ audit could not be conducted by accredited provider due to COVID19 pandemic.
Number of Public Safety Information Forum (PSIF) meetings held with communities surrounding Vaalputs	4 Public Safety Information Forum (PSIF) meetings held with communities surrounding Vaalputs	<ul style="list-style-type: none"> Physical meetings were not held due to the COVID-19 pandemic. As an alternative, digital platforms were used to share the information. 	None
Percentage acceptance rate for the disposal of waste packages received from waste generators for disposal	100% acceptance rate for the disposal of waste packages received from waste generators for disposal	100%	None

SUMMARY OF PROGRAMME 3 : SCIENCE, ENGINEERING AND TECHNOLOGY

The purpose of Programme 3 is to develop and implement technologies for all classes of radioactive waste that currently do not have disposal and related infrastructure for the safe storage and disposal of spent nuclear fuel.

The following activities are inherently part of the Science, Engineering and Technology Division:

- ✓ Investigate the need for any new radioactive waste disposal facilities and to site, design and construct new facilities as required;
- ✓ Define and conduct research and development aimed at finding solutions for long term radioactive waste management; and
- ✓ Maintain a national radioactive waste database and publish a report on the inventory and location of all radioactive waste in the Republic as a frequency determined by the Board of Directors.

ANNUAL PERFORMANCE REPORT (ACTUAL PERFORMANCE AGAINST TARGETS) : PROGRAMME 3

OUTPUT INDICATORS	PLANNED TARGET	ACTUAL TARGET 2021/2022	REASON FOR VARIANCE
Percentage of CISF project plan implemented	40% of CISF project implemented	75% of 40% of the CISF project plan implemented	The Gateway Review needs to take place prior to the Feasibility Report being finalised.

SUMMARY OF PROGRAMME 4 : RADIOACTIVE WASTE COMPLIANCE MANAGEMENT

The purpose of Programme 4 is to ensure that NRWDI's core mandate (disposal of radioactive waste on a national basis) is executed in compliance with quality, health, safety, environmental and nuclear licencing regulatory requirements, relevant international standards and best practices. The programme also seeks to provide management systems and resources to discharge the obligations associated with holding a nuclear authorisation. The Radioactive Waste Compliance Management division provides a support function to NRWDI in terms of developing and ensuring compliance with the nuclear installation licence including required safety, health, environment and quality management systems.

The following activities are inherently part of the Radioactive Waste Compliance Management Division:

- ✓ Implementation of institutional control over closed repositories, including radiological monitoring and maintenance as appropriate;
- ✓ Assessing and inspecting the acceptability of radioactive waste disposal certificates; and
- ✓ Developing criteria for accepting and disposing radioactive waste in compliance with applicable regulatory safety requirements and any other technical and operational requirements.

ANNUAL PERFORMANCE REPORT (ACTUAL PERFORMANCE AGAINST TARGETS) : PROGRAMME 4

OUTPUT INDICATORS	PLANNED TARGET	ACTUAL TARGET 2021/2022	REASON FOR VARIANCE
Percentage implementation of the Radiation Protection Program for Vaalputs	80% of the annual project plan for implementation of the Radiation Protection Program executed.	80% of the annual project plan for implementation of the Radiation Protection Program executed.	None
Percentage implementation of a Quality Management System for NRWDI that is ISO 9001 compliant	80% of the annual project plan for implementation of a ISO 9001 compliant Quality Management System executed.	80% of the annual project plan for implementation of a ISO 9001 compliant Quality Management System executed.	None
Percentage implementation of an ISO compliant SHE Management System for NRWDI	80% of the annual project plan for implementation of a ISO SHE Management System executed	80% of the annual project plan for implementation of a ISO SHE Management System executed	None

AUDITOR-GENERAL'S REPORT



AUDITOR-GENERAL'S REPORT

- **AUDIT OUTCOME**

- ✓ NRWDI received a clean audit for the 2021-2022 financial year.

- **ANNUAL FINANCIAL STATEMENTS**

- ✓ The financial statements presented fairly, in all material respects, the financial position, financial performance and cash flows of NRWDI, as at 31 March 2022, and the financial statements were free of any misstatements. There were no findings on the finance and procurement matters.

- **PERFORMANCE INFORMATION**

- ✓ There were no findings on the usefulness and reliability of the reported performance information.

- **COMPLIANCE WITH LEGISLATION**

- ✓ There were no findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the Public Audit Act.

FINANCIAL REPORT

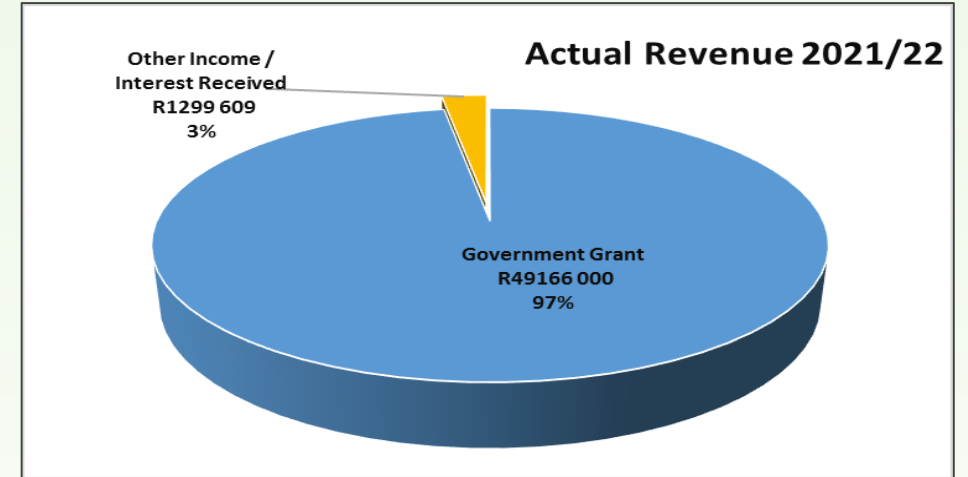


FINANCIAL REPORT

- NRWDI's approved budget was R50 891 000 for the 2021/22 financial year.
- The budget comprised R49 166 000 from voted funds and R1 725 000 for other income (i.e. interest received).

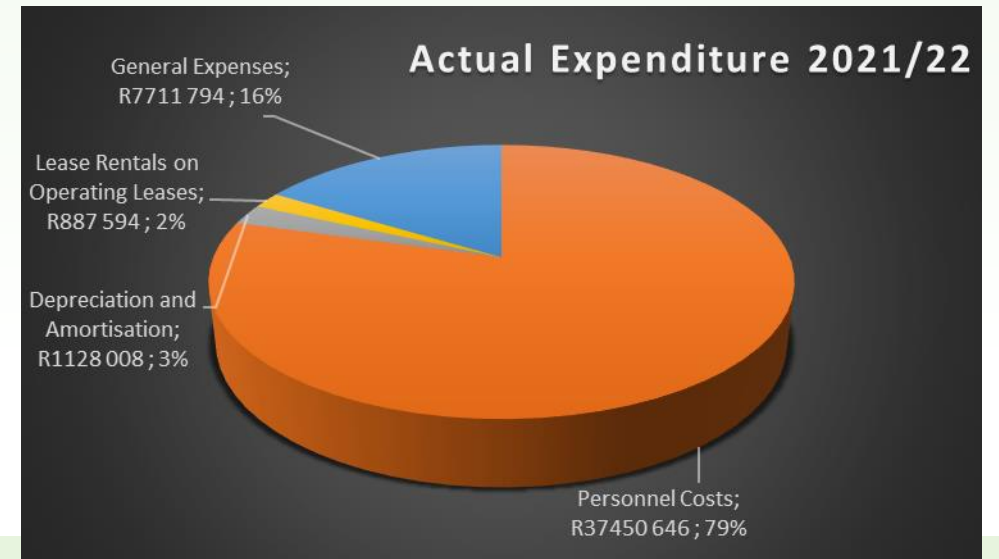
Revenue

- The actual revenue recognised for the 2021/22 financial year was R50 456 609.
- The actual revenue comprises of the government grant of R49 166 000 and other income/interest received of R1 299 609.



Expenditure

- The budget for expenditure was R50 891 000 and the actual expenditure for the year was R47 178 042, made up as follows as depicted graphically:
- The savings on expenditure was largely due to saving in personnel costs due to vacant positions (approx. R3,7 million).



FINANCIAL REPORT

5 YEAR FINANCIAL REVIEW

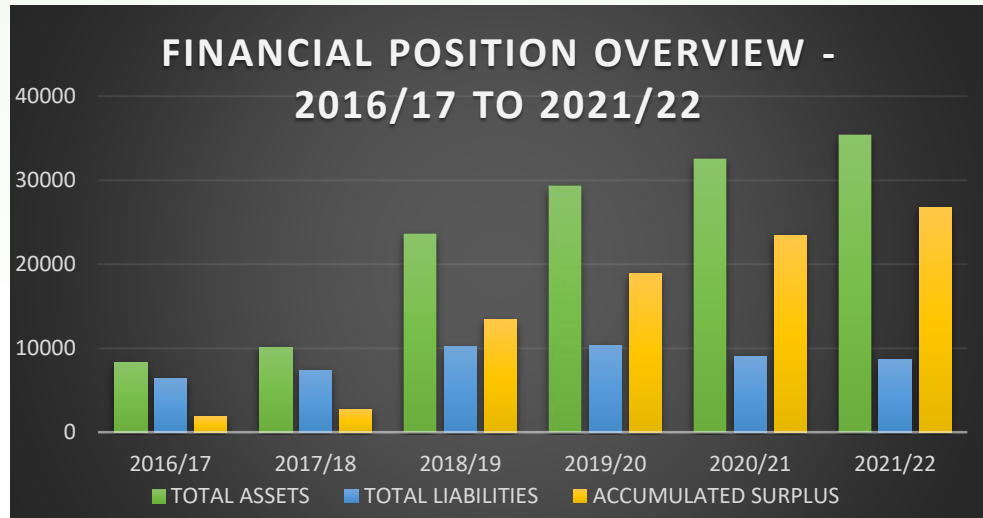
FINANCIAL PERFORMANCE OVERVIEW - 2016/17 TO 2021/22 R000

YEAR	REVENUE	EXPENSES	SURPLUS
2016/17	26789	24925	1864
2017/18	31211	30320	891
2018/19	47440	36800	10640
2019/20	50019	44490	5529
2020/21	50581	46033	4548
2021/22	50466	47205	3261



FINANCIAL POSITION OVERVIEW - 2016/17 TO 2021/22 R000

YEAR	TOTAL ASSETS	TOTAL LIABILITIES	ACCUMULATED SURPLUS
2016/17	8321	6457	1864
2017/18	10171	7416	2755
2018/19	23606	10211	13395
2019/20	29276	10352	18924
2020/21	32532	9060	23472
2021/22	35366	8634	26732



FINANCIAL REPORT

- Statement of Financial Position

Figures in Rand	Notes	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	3	2 705 001	2 642 619
Intangible assets	4	524 769	849 385
		3 229 770	3 492 004
Current Assets			
Receivables from exchange transactions	5	274 335	250 841
Cash and cash equivalents	6	31 762 351	28 789 177
		32 036 686	29 040 018
Total Assets		35 266 456	32 532 022
Liabilities			
Current Liabilities			
Payables from exchange transactions	7	1 193 514	1 515 717
Provisions	8	7 441 022	7 544 620
		8 634 536	9 060 337
Total Liabilities		8 634 536	9 060 337
Net Assets		26 631 920	23 471 685
Accumulated surplus		26 631 920	23 471 685

FINANCIAL REPORT

- Statement of Financial Performance

Figures in Rand	Notes	2022	2021
Revenue			
Revenue from non-exchange transactions			
Transfer revenue			
Government grant and subsidies	9	49 166 000	49 397 000
Revenue from exchange transactions			
Other income	10	1 299 609	1 184 171
		50 465 609	50 581 171
Expenses			
Employee related costs	11	(37 450 646)	(36 690 391)
Depreciation and amortisation		(1 128 008)	(1 003 864)
Lease rentals on operating lease	12	(887 594)	(850 395)
Loss on disposal of assets		(27 333)	(8 963)
General expenses	13	(7 711 794)	(7 479 415)
Total expenditure		(47 205 375)	(46 033 028)
Surplus for the year		3 260 234	4 548 143

FINANCIAL REPORT

- Statement of Cash Flow

Figures in Rand	Notes	2022	2021
Cash flows from operating activities			
Receipts			
Grants		49 166 000	49 397 000
Other receipts		1 299 609	1 137 449
		50 465 609	50 534 449
Payments			
Employee related costs		(37 904 244)	(33 434 138)
Suppliers		(8 695 085)	(12 711 237)
		(46 599 329)	(46 145 375)
Net cash flows from operating activities	15	3 866 280	4 389 074
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(893 107)	(1 326 099)
Purchase of other intangible assets			(235 279)
Net cash flows from investing activities		(893 107)	(1 561 378)
Net increase /(decrease) in cash and cash equivalents		2 973 173	2 827 696
Cash and cash equivalents at the beginning of the year		28 789 177	25 961 483
Cash and cash equivalents at the end of the year	6	31 762 350	28 789 179

FINANCIAL REPORT

- Comparison of budget and actual amounts

	Approved budget	Actual amounts	Difference between budget and actual
Revenue			
Other income	1 725 000	1 299 609	(425 391)
Government grant and subsidies	49 166 000	49 166 000	-
Total revenue	50 891 000	50 465 609	(425 391)
			-
Expenditure			-
Personnel	(41 239 316)	(37 450 646)	3 788 670
Depreciation and amortisation	(1 127 300)	(1 128 008)	(708)
Lease rentals on operating lease	(1 045 000)	(887 594)	157 406
General expenses	(7 479 384)	(7 711 794)	(232 410)
Total expenditure	(50 891 000)	(47 178 042)	3 712 958
Operating surplus		3 287 567	3 287 567
Loss on disposal of assets and liabilities		(27 333)	(27 333)
Surplus for the year		3 260 234	3 260 234

CONCLUDING REMARKS

- NRWDI received clean audits for five consecutive years.
- No wasteful & fruitless expenditure was incurred for the past five years. However in the 2021/22 financial year, irregular expenditure to the amount of R102,250 was incurred due to a variation to an order which was not approved prior to the additional services being rendered.
- An institutionalised culture of accountability, trust, honesty and responsibility prevails in NRWDI, thus demonstrating a resilient commitment towards good governance, prudent financial management, operational excellence and leadership based on the highest ethical and moral standards.
- The long-term sustainability of NRWDI remains a risk for NRWDI. With the competing priorities faced by NRWDI as well as the need for delivery of its mandate, the funding over the MTEF cycle is inadequate to cover both the operational and project related costs.
- NRWDI will never compromise on safety and security, taking full accountability for our social and environmental responsibilities, always seeking value for money and actively engage with stakeholders in an open, transparent and respectful manner.

CONCLUDING REMARKS

- NRWDI remains totally committed to fulfilling the vast expectations of South Africans that radioactive waste can be safely managed in a manner that meets or exceeds all applicable regulatory standards and requirements for protecting the health, safety and security of our people and the environment, both now and in the future.
- Our unwavering commitment is underpinned by the Bill of Rights, Section 24(b) of the sacrosanct Constitution of the Republic of South, which states that:
- “Everyone has the right to an environment that is not harmful to their health or well-being; and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures”.

THANK YOU.



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info@nrwdi.org.za

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ANY QUESTIONS?