

# ANNUAL REPORT 2022-2023



## TABLE OF CONTENTS

PART A: GENERAL INFORMATION .....	5
1. DEPARTMENT GENERAL INFORMATION .....	6
2. LIST OF ABBREVIATIONS/ACRONYMS .....	7
3. FOREWORD BY THE MINISTER .....	11
4. DEPUTY MINISTER’S STATEMENT .....	15
5. REPORT OF THE ACCOUNTING OFFICER .....	19
6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT.....	27
7. STRATEGIC OVERVIEW .....	28
8. LEGISLATIVE AND OTHER MANDATES .....	29
9. ORGANISATIONAL STRUCTURE .....	31
10. ENTITIES REPORTING TO THE MINISTER OF MINERAL RESOURCES AND ENERGY .....	33
PART B: PERFORMANCE INFORMATION .....	37
1. AUDITOR-GENERAL’S REPORT: PREDETERMINED OBJECTIVES .....	38
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE.....	38
2.1 Service delivery environment .....	38
2.2 Service Delivery Improvement Plan.....	39
2.3 Organisational environment .....	43
2.4 Key policy developments and legislative changes .....	44
3. PROGRESS TOWARDS THE ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES ....	45
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION .....	46
4.1 Programme 1: Administration .....	46
4.2 Programme 2: Minerals and Petroleum Regulation .....	51
4.3 Programme 3: Mining, Minerals and Energy Policy Development .....	55
4.4 Programme 4: Mine Health and Safety Inspectorate .....	69
4.5 Programme 5: Programmes and Projects .....	77
4.6 Programme 6: Nuclear Energy Regulation and Management .....	88
4.7 Programme expenditure for the Department of Mineral Resources and Energy .....	93
4.8 Strategy to overcome areas of underperformance .....	93

5.	TRANSFER PAYMENTS.....	94
5.1	Transfers payments to public entities.....	94
5.2	Transfer payments to all organisations other than public entities.....	97
6.	CONDITIONAL GRANTS .....	98
6.1	Conditional grants and earmarked funds paid .....	98
6.2	Conditional grants and earmarked funds received.....	100
7.	DONOR FUNDS.....	100
7.1	Donor funds received.....	100
PART C: GOVERNANCE.....		102
1.	INTRODUCTION.....	103
2.	RISK MANAGEMENT.....	103
3.	FRAUD AND CORRUPTION .....	104
4.	MINIMISING CONFLICT OF INTEREST.....	104
5.	CODE OF CONDUCT.....	105
6.	HEALTH, SAFETY AND ENVIRONMENTAL ISSUES.....	105
7.	PORTFOLIO COMMITTEES.....	106
8.	SCOPA RESOLUTIONS.....	110
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS .....	110
10.	INTERNAL CONTROL UNIT.....	110
11.	INTERNAL AUDIT AND AUDIT COMMITTEES.....	110
12.	AUDIT COMMITTEE REPORT .....	113
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION .....	116
PART D: HUMAN RESOURCE MANAGEMENT .....		117
1.	INTRODUCTION.....	118
2.	OVERVIEW OF HUMAN RESOURCES .....	118
2.1	The status of human resources in the Department.....	118
2.2	Human resource priorities for the year under review and their impact .....	119
2.3	Workforce planning and key strategies to attract and recruit a skilled and capable workforce .....	119
2.4	Employee performance management .....	119
2.5	Employee wellness programmes .....	119
2.6	Training and development.....	120
2.7	Future HR plans.....	120
3.	HUMAN RESOURCES OVERSIGHT STATISTICS.....	120

3.1	Personnel-related expenditure .....	120
3.2	Employment and vacancies .....	124
3.3	Filling of SMS posts .....	127
3.4	Job evaluation .....	130
3.5	Employment changes.....	130
3.6	Employment Equity.....	136
3.7	Signing of performance agreements by SMS members .....	140
3.8	Performance rewards .....	141
3.9	Foreign workers .....	143
3.10	Leave utilisation .....	143
3.11	HIV/AIDS and health promotion programmes.....	146
3.12	Labour relations .....	150
3.13	Skills development .....	151
3.14	Injury on duty.....	153
3.15	Utilisation of consultants .....	153
3.16	Severance packages .....	161
PART E: PFMA COMPLIANCE REPORT .....		162
1.	IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES.....	163
1.1	Irregular expenditure .....	163
1.2	Fruitless and wasteful expenditure.....	165
1.3	Unauthorised expenditure.....	168
1.4	Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and (iii) .....	168
2.	LATE AND/OR NON-PAYMENT OF SUPPLIERS.....	170
3.	SUPPLY CHAIN MANAGEMENT .....	170
3.1	Procurement by other means .....	170
3.2	Contract variations and expansions.....	173
PART F: FINANCIAL INFORMATION .....		176

## PART A: GENERAL INFORMATION

## 1. DEPARTMENT GENERAL INFORMATION

### Department of Mineral Resources and Energy

**Physical address:** **Matimba House**/Trevenna Campus, Building 2C  
**192 Visagie Street**/70 Meintjes Street, Sunnyside  
**Corner Paul Kruger and Visagie Street/**  
Meintjes and Francis Baard Street  
Pretoria  
Pretoria

**Postal address:** **Private Bag X96/59**  
**Pretoria**  
**0001**

**Telephone number/s:** **+27 (0) 12 406 8000/7380/444 3000**

**Fax number:** **+27 (0) 12 323 5646**

**Email address:** [enquiries@dmre.gov.za](mailto:enquiries@dmre.gov.za)

**Website:** [www.dmre.gov.za](http://www.dmre.gov.za)

## 2. LIST OF ABBREVIATIONS/ACRONYMS

4IR	Fourth Industrial Revolution
AEMFC	African Exploration Mining and Finance Corporation
AFRA	African Regional Cooperative Agreement for Research, Development and Training related to Nuclear Science and Technology
AGSA	Auditor-General of South Africa
AMD	Acid Mine Drainage
APP	Annual Performance Plan
B-BBEE	Broad-based Black Economic Empowerment
BRICS	Brazil, Russia, India, China, South Africa
CEF	Central Energy Fund
CGS	Council for Geoscience
CIOM	Chief Inspector of Mines
CISF	Centralised Interim Storage Facility
DANIDA	Danish International Development Agency
DMRE	Department of Mineral Resources and Energy
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EAF	Energy Availability Factor
EEDSM	Energy Efficiency and Demand-side Management
EPC	Energy Performance Certificate
EPP	Electricity Pricing Policy
ERA	Electricity Regulation Act
ERRP	Economic Recovery and Reconstruction Plan
ESEID	Economic Sectors Employment and Infrastructure Development
EWSETA	Energy and Water Sector Education and Training Authority
G2P	Gas-to-power
GCC	Government Certificate of Competency
GDP	Gross Domestic Product
GHG	Greenhouse Gas

GIZ	German Development Cooperation
HDSA	Historically disadvantaged South African
HR	Human Resources
HRD	Human Resources Development
IAA	Internal Audit Activity
IAEA	International Atomic Energy Agency
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IEF	International Energy Forum
INEP	Integrated National Electrification Programme
IPP	Independent Power Producer
IRENA	International Renewable Energy Agency
IRP	Integrated Resource Plan
ISBN	International Standard Book Number
LNG	Liquefied Natural Gas
LTO	Long-term Operation
MACUA	Mining Affected Communities United in Action
MEPS	Minimum Energy Performance Standards
MEWMP	Mine and Environmental Water Management Programme
MHSC	Mine Health and Safety Council
Mintek	Council for Mineral Technology Research
MPR	Multipurpose Reactor
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualification Authority
MTSF	Medium-term Strategic Framework
NATO	North Atlantic Treaty Organisation
NDP	National Development Plan
NECSA	South African Nuclear Energy Corporation
NEDLAC	National Economic Development and Labour Council
NEHAWU	National Education, Health and Allied Workers' Union



NERSA	National Energy Regulator of South Africa
NNR	National Nuclear Regulator
NRCS	National Regulator for Compulsory Specifications
NRWDI	National Radioactive Waste Disposal Institute
OHSA	Occupational Health and Safety Act
PASA	Petroleum Agency South Africa
PFMA	Public Finance Management Act
PGM	Platinum Group Metals
PMDS	Performance Management and Development System
PSA	Public Servants Association of South Africa
PSETA	Public Service Sector Education and Training Authority
PV	Photovoltaics
PWD	People with Disabilities
RFP	Request for Proposal
RMC	Risk Management Committee
RWMF	Radioactive Waste Management Fund
SABS	South African Bureau of Standards
SADPMR	South African Diamond and Precious Metals Regulator
SAHRC	South African Human Rights Commission
SAMI	South African Mining Industry
SANEDI	South African National Energy Development Institute
SANPC	South African National Petroleum Company
SAREM	South African Renewable Energy Master Plan
SDT	State Diamond Trader
SFF	Strategic Fuel Fund
SIP	Strategic Integrated Project
SLA	Service level agreement
SSEG	Small Scale Embedded Generator
SWHP	Solar Water Heating Programme
TIA	Technology Innovation Agency

TRL	Technology Readiness Level
TSO	Transmission Systems Operator
WAMUA	Women Affected by Mining United in Action
WEGE	Women Empowerment and Gender Equality
WSP	Workplace Skills Plan

### **3. FOREWORD BY THE MINISTER**



**Mr SG Mantashe, MP**  
**Minister of Mineral Resources and Energy**

#### **Energy security and access**

Energy security is critically important for South Africa's sovereignty. All democratically elected governments should prioritise the country's sovereignty to protect both its citizens and its natural resources, such as minerals and primary energy.

The current electricity supply-demand crisis is receiving attention across government departments and institutions. A permanent solution has many facets, and thus requires many stakeholders working together to ensure that the electricity supply is stabilised. It is for this reason that the President established a National Energy Crisis Committee (NECOM), comprising various stakeholders from government departments, state-owned entities and research institutions. The immediate solution lies in improving power plant performance to levels above 70%.

In the medium to long term, the Department is working towards the finalisation of the Natural Gas Master Plan (the Gas Master Plan) and the review of the Electricity Master Plan (the Integrated Resource Plan). These plans will provide energy policy direction, while safeguarding our energy security and sovereignty.

The development of our medium- to long-term energy plans is undertaken in the context of energy transition pathways that are geared towards clean forms of energy transformation. Such pathways are determined without compromising our country's energy security, which is unique and based on our national circumstances.

Progress has been made with the implementation of the Integrated Resource Plan (IRP) 2019, which entails increased renewable energy deployment, increased usage of natural gas for power generation, accelerating implementation of hydro generation power importation and ensuring that the life extension of the Koeberg nuclear power plant is completed timeously without compromising energy security.

The Department has developed a Just Energy Transition Framework as a working document to “support the decarbonisation of the minerals and energy sectors (in line with the current IRP 2019 targets until 2030) in a socially acceptable manner, while contributing to the economic development of the country”. This framework has been aligned with and embedded in the Just Energy Transition the country has approved through the Presidential Climate Commission. Working with key stakeholders, we are embarking on a study to develop indicators to assess and monitor the impacts of the policies and measures we have set to achieve the transition. Leveraging on the advanced energy efficiency demand and conservation initiatives as part of the transition, we continue to engage communities through district and social dialogues to incorporate their views in the formulation of the energy transition that leaves no one behind.

We want to reiterate that transition from high- to low-emission power generation should be guided by the Integrated Resource Plan (under review), as this takes into account the fact that our energy needs and developmental agenda are unique, and as such require time. This will be done at its own pace and within our capabilities in balancing energy security with environmental sustainability. Thus, we will continue to explore indigenous resources such as coal, gas, nuclear and renewables, including abatement technologies, among others, to ensure energy security and accelerate industrialisation to achieve sustainable economic development.

### **Mining and Minerals**

The mining sector continues to play a pivotal economic and socioeconomic role in the development of South Africa’s economy. According to the Council, the mining industry is one of the few sectors adding jobs in the prevailing economic climate. During 2022, the sector created 15 500 more jobs, lifting total employment to 475 560. Direct contribution to gross domestic product (GDP) grew by 4% to R494 billion in the same year. The favourable commodity prices contributed to increased levels of employment in the sector, and made a notable contribution to the fiscus. It is estimated that the economy could have recorded even greater gains had it not been constrained by logistics and power challenges.

The potential for exponential growth lies in the country’s vast mineral reserves, which are amongst the most valuable in the world. South Africa has the world’s largest reserves of platinum group metals (PGMs) and manganese, and some of the largest gold, diamond, chromite ore and vanadium deposits, together with other minerals that are considered critical and/or strategic. These reserves of critical minerals present a huge opportunity for the country to accelerate economic growth and boost employment creation, while ensuring that the energy transition is just and inclusive. South Africa has a clear comparative advantage with over 80% of the world’s PGM reserves, and over 70% of the global production. It has proven to be a significant driver of investment and employment creation, and was central to the development of a competitive advantage in the motor industry through the production of autocatalysts. While demand for PGMs for that application is due to decline with the move away from the use of the internal combustion engines, there are opportunities to leverage this endowment for emerging green applications such as in the hydrogen economy.

As we craft South Africa's Critical Minerals Strategy, we need to take cognisance of the strategic role of minerals such as lithium, manganese, copper, Rare Earth elements, PGMs and vanadium in the global energy transition. For the world, and of course South Africa, whether a mineral is identified as critical is a function of resource endowment, current and future industrial applications, and its role in meeting broader economic development goals as anchored in various policy instruments. In our case, these include the National Development Plan (NDP), the Beneficiation Strategy and the National Industrial Policy Framework. The strategy must inform how we define, extract and beneficiate these minerals to ensure maximum benefit for South Africa.

### **Global Partnerships**

The DMRE's position on energy transition and energy security, including mineral beneficiation at source, is the primary objective to collaborations, and drives all our strategic partnerships.

The Department participated at the 2022 G20 Energy Transition Ministerial Meeting under the Indonesian Presidency. South Africa was instrumental in ensuring that the African position on using both its mineral resources, and clean and renewable technologies as part of the energy transitions and energy security is included in the final outcome. In this regard, the Ministerial meeting agreed on critical energy issues that will advance the socioeconomic development of developing countries in general and Africa in particular.

South Africa, as a member of Brazil, Russia, India, China, South Africa (BRICS) alliance, continues to actively and intentionally participate in the activities of the alliance in order to deepen economic and financial cooperation with Brazil, Russia, India and China, with a keen focus on addressing South Africa's domestic economic energy objectives through skills transfer, financing and project partnerships. As a member of the International Energy Agency (IEA), an autonomous organisation that works to ensure reliable, affordable and clean energy for its 30 member countries and beyond, South Africa entered into a Memorandum of Understanding (MoU) with the agency in July 2011.

Under the MoU, the Department and its agencies cooperate with the IEA on areas of mutual interest and benefit, such as ensuring a secure energy supply, maximising the contribution of the energy sector in supporting economic growth, building a cleaner energy mix and improving information sharing. The elements of the MoU are effected through a Joint Programme of Work (JPoW), which is revised biennially and co-signed by the Department and the IEA during the Ministerial meeting. The JPoW is aligned with the Department's key strategic objectives.

### **Conclusion**

The Department remains steadfast in its efforts to improve its performance and lead the transformation of South Africa through economic growth and sustainable development in the mining and energy sectors, and improve governance and financial performance. The work that started in this current Medium-term Strategic Framework (MTSF) has created a solid foundation for years to come.

In our efforts to strengthen management capability in the Department, Cabinet approved the appointment of Mr Jacob Mbele as the Director-General of the Department. I continue to wish him and his management team well as their task is complex: the task of balancing environmental sustainability and socioeconomic growth.

I would like to express my gratitude to the members of the Portfolio Committee on Mineral Resources and Energy, the Deputy Minister of Mineral Resources and Energy, Dr Nkabane, the Director-General of the Department of Mineral Resources and Energy, Mr Mbele, and his executives, Team DMRE, State-Owned Entities reporting to the Department and all other stakeholders for their support in contributing towards the delivery of the Department's mandate for a better South Africa.



**Mr Samson Gwede Mantashe, MP**

**Minister of Mineral Resources and Energy**

**Date: 29 September 2023**

## 4. DEPUTY MINISTER'S STATEMENT



**Dr Nobuhle Pamela Nkabane, MP**  
**Deputy Minister of Mineral Resources and Energy**

### **State Owned Entities**

There is an increasing realisation that State-Owned Entities across South Africa are battling to perform and execute their mandate to support the developmental agenda of the South African economy. Entities within the Department of Mineral Resources and Energy (DMRE) have seen an improvement in good governance practices and financial prudence, which has resulted in most of the entities acquiring clean audit outcomes for the 2022/23 financial year. There is a massive reduction in audit findings recorded during this reporting period compared to the previous financial year. The DMRE entities are continuously improving their financial management and controls, while exploring other revenue streams to reduce dependence on government grants. All entities have passed the cash ratio liquidity tests and are able to cover all their short-term obligations from their available cash resources.

The South African National Energy Development Institute (SANEDI), National Energy Regulator of South Africa (NERSA), National Nuclear Regulator (NNR), National Radioactive Waste Disposal Institute (NRWDI), South African Diamond and Precious Metals Regulator (SADPMR) and Council for GeoScience (CGS) continued to achieve excellent performance, and received an unqualified audit opinion with no findings. The State Diamond Trader (SDT), Council for Mineral Technology Research (Mintek) and Mine Health and Safety Council (MHSC) received unqualified audit opinions with findings.

The South African Nuclear Energy Corporation (NECSA) has seen a massive improvement in its performance compared to the previous financial year. Although the entity received a qualified audit opinion from the Auditor-General of South Africa (AGSA), it has shown an improvement from the disclaimer it received in the previous financial year. The entity is on the path of renewal as the Board and management are focused on resolving all the issues raised by the Auditor-General.

This is reflected in the reduction in the number of issues that the auditors raised during the audit for the 2022/23 financial year.

NECSA secured co-funding from the Technology Innovation Agency (TIA) and NTP towards the full cost required for the Technology Readiness Level (TRL) 9 development of the mining shroud project. Funding agreements have been signed. In addition, the full value of the DMRE virement funding awarded for the prostate-specific membrane antigen (PSMA-II) kit project was successfully claimed for project deliverables that were achieved in the year. NECSA is contracted by Eskom to support the life extension project for the Koeberg nuclear power plant. In this financial year, NECSA assisted in the successful planning, licensing and storage of the original steam generators on the Koeberg site at the end of a multi-year project to replace both original steam generators with new ones.

The South African government announced its bold plan to capture a minimum of 5% of the global exploration budget of approximately US\$10 billion per annum in the next three to five years. The CGS is privileged to be at the leading edge of rejuvenating and reimagining the country's exploration landscape, consistent with the quality of the geology that suggests that the country remains a proverbial exploration frontier. Accordingly, the CGS provides necessary geoscientific and technical support in a number of DMRE-led initiatives, such as South Africa's Economic Recovery and Reconstruction Plan (ERRP), the geo-environmental baseline studies for shale gas development in the Karoo, the Mine and Environmental Water Management Programme (MEWMP) and the Exploration Strategy.

The MHSC continues to review measures to improve the levy model, taking into consideration the performance of the industry and the improvement in health and safety performance. As part of its strategic imperatives, the MHSC is implementing the Revenue Generation Strategy, which seeks to look at other means of funding, which will assist the MHSC to better fund its operational activities and research programmes with the aim of getting ever closer to the goal of Zero Harm.

In collaboration with the DMRE, SANEDI actively contributed to the education and awareness of the mandatory displaying of Energy Performance Certificates (EPCs) in buildings before 7 December 2022. The effort included a guideline and easy-to-implement processes to ensure compliance. In this financial year, 191 EPCs have been issued for commercial buildings, accompanied by training to 201 beneficiaries. Research on residential electricity consumption in South Africa conducted in this financial year shows that 92% of households have one television set, while 36% have two or more. About 60% of households watch television for more than four hours daily.

It is envisaged that the Minimum Energy Performance Standards (MEPS) and labelling for television sets will be enforced through the DMRE-SANEDI partnership with the South African Bureau of Standards (SABS) and the National Regulator for Compulsory Specifications (NRCS) in the 2023/24 fiscal year. The SANEDI Cleaner Mobility (CM) Programme played an important role in investigating and demonstrating alternative ways of public transport that will lead to the improvement of social and economic conditions in densely populated urban areas. This will have a much lower environmental impact.



Mintek exceeded the target for income from the sale of products and services, royalties and licenses by over 21%, earning R149.74 million against a target of R123.7 million, mainly due to the higher than anticipated completion of projects, notwithstanding the additional pressure placed on divisional resources and delivery timeframes.

During the reporting period, the electricity crisis in South Africa posed a serious threat. NERSA endeavoured to support the government in its efforts to deal with the crisis, while regulating the electricity industry's striving for a balance between the needs of consumers and licences.

During November 2023, Cabinet approved the merger of PetroSA, the Strategic Fuel Fund (SFF) and iGas, leading to the establishment of the South African National Petroleum Company (SANPC). The Central Energy Fund (CEF) Group has advanced the process for the reinstatement of the Petrosa Mossel Bay GTL Refinery. The reinstatement is a critical element in the project to merge PetroSA, SFF and iGas as part of the establishment of the SANPC. All logistical requirements and regulatory permissions for the SFF South Sudan Project were secured, and 5% of the data acquisition was obtained during the 2022/23 financial year.

The SFF finalised the acquisition of Avedia Energy, which has been fully rehabilitated from the Business Rescue process. The construction licence for the Liquefied Petroleum Gas (LPG) loading facility and auxiliary pipeline from Berth 104 to Avedia was submitted to NERSA. The preparations for the Klippoortjie Mine Project operationalisation have commenced, with actual mining expected to begin in the first half of the new financial year. The African Exploration Mining and Finance Corporation (AEMFC) continues to increase sales volumes following successful coal insourcing interventions during the period under review.

The 2022/23 financial year proved to be a positive period for most of the state-owned entities overseen by the DMRE. Good governance practices were enhanced across its state-owned entities, a few significant appointments were made to the various boards, and there was an overall reduction in irregular expenditure compared to previous years. The Minister made the following appointments to the various boards in line with the relevant state-owned entities' founding legislations. A new NECSA Board was appointed with effect from 16 January 2023, and four new Part-Time Regulator Members were appointed to NERSA, with effect from 30 August 2022. Appointments were also made to the CEF subsidiaries with four new Board members appointed to the Petroleum Agency South Africa (PASA) and three new Board members appointed to the SFF with effect from January 2023. The Minister also appointed new chief executive officers for NNR and SANEDI during the year under review.

### **Outreach Programmes**

The Department continued to engage with stakeholders and communities to fulfil its legislative mandate and leverage optimal delivery through collaborative relationships that enhance and nurture the development of the mineral and energy resources for the benefit of all South Africans.

Several initiatives to address the historic development challenges of poverty, inequality, inclusivity, gender participation and community development, as well as concerns on matters directly affecting the sector, were implemented in the year under review. These include the following:

- The training of women from Limpopo, North West, Mpumalanga, KwaZulu-Natal, the Free State and the Northern Cape in open-cast small-scale mining under the Mining Qualifications Authority (MQA).
- The training of women as diggers in small-scale mining through the MQA and Mintek. This initiative included women from the North West province who were supported with applications for small-scale mining permits.
- The Department hosted an International Day for Persons with Disabilities in the year under review, targeting learners with different disabilities in collaboration with municipalities in December 2022.
- The Department hosted a Back to School Outreach programme, an Energy and Mining Careers Expo, an Energy and Mining Entrepreneurship Programme, and an Access to Mining and Energy Sector Programme (Take Female Students to Work). The latter programme exposed 50 young female students studying towards qualifications in the mining and energy sectors to the world of work to motivate them and give them practical work experience.

## **Conclusion**

I wish to express my sincere gratitude to Minister Gwede Mantashe, who continues to demonstrate servant leadership and provide clear strategic focus for the Department and its state-owned entities. My appreciation also goes to the stakeholders and communities who have entrusted us with the very important responsibility of bringing development and social cohesion in the communities through the Department's programmes and the stakeholders it partners with. Lastly, to Team DMRE, led by Director-General Mbele: the work that you do is not only important, but transformational. Keep it up.



**Dr Nobuhle Pamela Nkabane, MP**

**Deputy Minister of Mineral Resources and Energy**

**Date: 29 September 2023**

## 5. REPORT OF THE ACCOUNTING OFFICER



**Mr Jacob Mbele**  
**Director-General**

### **Introduction**

The Department's mandate is regulating, transforming and promoting the mining and energy sectors, providing affordable energy for growth and development, and ensuring that all South Africans derive sustainable benefit from the country's mineral wealth. To this end, the key priorities, as outlined in the National Development Plan (NDP), Medium-term Strategic Framework (MTSF) and the Economic Reconstruction and Recovery Plan (ERRP) remain the guiding principles for the execution of the priorities of the Sixth Administration. The Department continues to execute its mandate in line with the MTSF and the ERRP through interventions that are targeted at ensuring that we stimulate equitable and inclusive growth in the mining and energy sectors.

For the year under review, the Department obtained an unqualified audit opinion with findings. The Department is addressing the root causes of the governance and control environment failures that resulted in the findings highlighted by the Auditor-General. A detailed action plan has been developed to resolve the audit findings, as well as ensure that the controls are institutionalised going forward, and is being implemented.

### **Performance Outcomes**

From a total of 85 targets stated in the 2022/23 Annual Performance Plan (APP), 50 (59%) targets were achieved, and 35 (41%) targets were not achieved. Targets that were not achieved were, in the main, as a result of dependencies on external factors such as stakeholder consultation processes. In as far as our focus areas are concerned, the Department was able to achieve the following:

### **Energy Security and Access**

To ensure universal access to electricity for poor and indigent households, the Department connected 145 877 additional households to the national grid, with 16 292 households connected using solar home technology.

With regard to energy security, the Department issued a request for proposals for 4 200 MW under the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP), as well as 513 MW under the Energy Storage Independent Power Producer Programme. The Department also lifted the 100 MW threshold for licensing of embedded generators, which resulted in a notable increase in the number of small-scale embedded generators (SSEGs) registering with the National Energy Regulator of South Africa (NERSA).

The Department completed the procurement framework for the implementation of the 2 500 MW Nuclear Power Programme. The framework provides various options for financing and ownership models that could be considered for the implementation of the Nuclear Build Programme. The Department finalised the report to address NERSA's suspensive conditions on the Ministerial Determination for the procurement of the 2 500 MW Nuclear Power Programme. The process to consider the Department's submission to NERSA will follow in the coming year.

On policy and regulation, the Electricity Regulation Act (ERA) Amendment Bill was submitted to Cabinet for approval for public consultation. The Upstream Petroleum Resources Development Bill was submitted to Parliament for tabling during the financial year.

### **Mining and Minerals**

A concerted effort to deal with the backlog resulted in the Department reducing the backlog by 40%. To ensure sustainability, as well as the integrity of data and licensing information, the Department will embark on a process to implement an automated licensing system which will be deployed in the coming year.

In order to improve livelihoods in the mining communities, efforts to strengthen compliance monitoring in the area of Social Labour Plans (SLPs) were improved. Concerted efforts by the Department to ensure compliance on both environmental and legal obligation instil a culture of compliance by the mining industry. The Department's plans to rehabilitate derelict and ownerless mines are underway. In the period under review, 95 holdings were closed in Gauteng. The collaboration between the South African Police Service (SAPS) and other law enforcement agencies is acknowledged, as this has strengthened our efforts to combat illegal mining operations. We expect this collaboration and our efforts to be intensified in the coming year.

The safeguarding of health and safety in mines through inspections has contributed to a reduction in the number of fatalities in mines. The Department acknowledges the closer collaboration between the mining companies, organised labour and the Department through the tripartite agreement, and is confident that it will continue to ensure a safe environment for workers and communities.

## 5.1 Overview of the Department's financial results

### Departmental receipts

The table below provides a breakdown of the sources of revenue and performance for the 2022/23 financial year.

**Table 1: Sources of revenue**

Departmental receipts	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	16,620	19 206	(2 586)	16 409	16 633	(224)
Transfers received	-	-	-	1 500	-	1 500
Fines, penalties and forfeits	1,423	2 404	(1 423)	1 402	1 716	(314)
Interest, dividends and rent on land	28,105	13 606	14 499	27 690	13 178	14 512
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	2,759	1 526	1 233	2 721	68 491	(65 770)
<b>Total</b>	<b>48 907</b>	<b>36 742</b>	<b>11 772</b>	<b>49 722</b>	<b>100 018</b>	<b>(50 296)</b>

- **Sale of goods and services**

The increase in collections of **R2 586** million is mainly due to increase of applications received for petroleum license fees and environmental authorisation fees.

- **Fines, penalties, and forfeits**

An increased of **R1 423** million is mainly due fine issued as results of none compliance mines.

- **Interest, dividends, rent on land**

The deficit of **R14.499** million relates to under collection than anticipated funds received on prospecting fees. However, the was an increase on collection of prospecting fees of over R400 thousands compare to last year.

- **Financial transactions**

The department manage to collect less revenue received from previous financial year, due to the write-off for long outstanding balances.

## Programme Expenditure

The table below provides a high-level comparison of 2022/23 versus 2021/22 expenditure incurred by the Department against appropriated funds.

Programme Name	2022/2023			2021/22		
	Final	Actual	(Over)/ Under Expenditure	Final	Actual	(Over)/ Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	729 612	651 585	78 027	661 812	562 544	99 268
Minerals and Petroleum Regulation	512 294	504 578	7 716	537 462	526 858	10 604
Mining, Minerals and Energy Policy Development	880 006	853 047	26 959	792 832	768 722	24 110
Mine Health and Safety Inspectorate	236 602	218 097	18 505	233 117	205 351	27 766
Programmes and Projects	6 917 057	6 728 565	188 492	5 881 640	5 716 621	165 019
Nuclear Energy Regulation and Management	1 171 966	1 162 711	9 255	1 134 601	1 123 441	11 160
<b>Total</b>	<b>10 447 537</b>	<b>10 118 584</b>	<b>328 953</b>	<b>9 241 464</b>	<b>8 903 537</b>	<b>337 927</b>

The Department's budget allocation for the 2022/23 financial year activities was R10.45 billion. Actual expenditure as of 31 March 2023 amounted to R10.12 billion, representing 96.85 per cent of the total allocated budget. The main contributors to the underspending of R328.95 million or 3% are as follows:

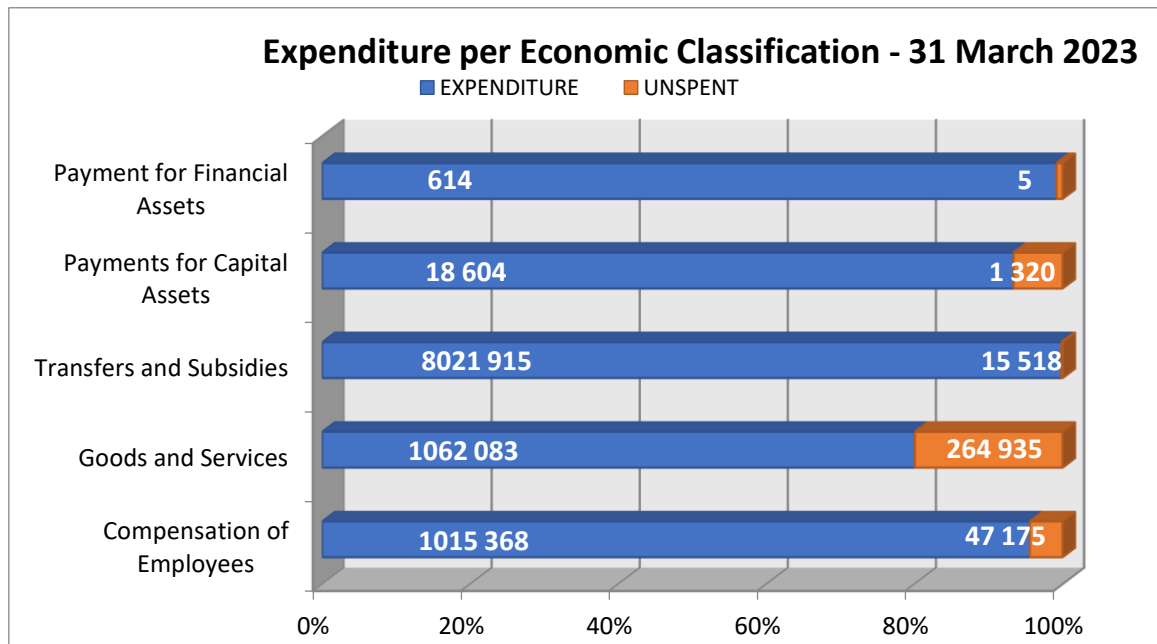


Figure 1: 2022/23 departmental spending per Economic classification

**Compensation of employees:** The underspending of R47.18 million was due to vacancies and level of staff turnover experienced during the reporting period. The payment for notch-related adjustments, following the completion of employees' performance assessments, was lower than anticipated during the period under review.

**Goods and services:** The R264.94 million underspending was mainly due to the following delayed projects:

- Electrification Masterplan
- INEP Non grid electrification Monitoring & Valuation
- EEDSM Monitoring / Oversight & Verification
- Solar Water Heater Programme
- INEP Non-Grid electrification projects
- Mining License system

Savings were also achieved on several non-critical items such as travel and subsistence, venues and facilities, consumable supplies / stationery.

**Transfers and subsidies:** The main contributors to the underspending of R15.52 million were, saving from the IAEA international membership fees which was lower than anticipated, and subsidies to marginal mines for water management solutions which were not disbursed during the reporting period due to non-compliant applicants.

**Payments for capital assets:** The R1.32 million variance was mainly due to procured official vehicle which could not be delivered by year-end.

**Payments for financial assets:** Actual was on par with allocated budget.

## PROGRAMMES

### Programme 1: Administration

The Programme spent R651.58 million or 89.31% of the allocated budget. The underspending of R78.03 million or 10.69% was mainly due to vacant positions, delayed ICT projects mainly the acquisition of the Mining Licensing system.

### Programme 2: Minerals and Petroleum Regulation

The Programme spent R504.58 million which represents 98.49% of the allocated budget. The underspending of R7.72 million or 1.51% was significantly due to vacant positions.

### Programme 3: Mining, Minerals and Energy Policy Development

The Programme spent R853.05 million or 96.94% of total budget. The underspending of R26.96 million or 3.06% was due to vacant positions, savings achieved from cost containment initiatives implemented on non-critical items and delayed finalization of procurement processes for subscription to a research platform, namely, Plexos.

### Programme 4: Mine Health and Safety Inspectorate

The Programme spent R218.09 million which represents 92.2% of the allocated budget. The underspending of R18.50 million or 7.82% was to a large extent due to vacant positions. Savings were also achieved on travel and subsistence costs and capital equipment during the reporting

period, as less than anticipated official trips were taken and no acquisition of specialized equipment required for use at mine accidents / disasters.

**Programme 5: Mineral and Energy Resources Programmes and Projects**

The Programme spent R6.73 billion or 97.3% of the allocated budget resulting in a budget underspending of R188.49 million or 2.7% from mainly due to delayed projects, namely:

- Electrification Masterplan: the development of the INEP Electrification Master Plan was not finalised as anticipated during the period under review due to delayed delivery by service providers.
- EEDSM & INEP Non grid electrification (M&V): funds earmarked for the monitoring and verification of non-grid installations and Energy Efficiency Demand Side Management projects were not utilised as planned due to delays in initiating procurement processes.
- Solar Water Heater Programme: the appointment of Installers took place later than expected delaying the 2022/23 implementation plan. Outstanding invoices from service providers and efforts made by the Department to remove SWH units from storage facilities at producers' sites and relocation to participating municipalities and public entities, resulted in lower than anticipated storage costs.
- INEP Non grid electrification projects: the delayed submission of invoices by service providers for implemented connections delayed the approval/verification process which must be undertaken prior to the release of funds.
- Subsidies intended for marginalised mines to remove/pump extraneous mine water, were not disbursed as planned as none of the applicants met the subsidy criteria.

**Programme 6: Nuclear Energy Regulation and Management**

The Programme recorded a budget underspending of R9.26 million or 0.79% mainly due to payments to the IAEA for membership fees which were lower than anticipated, as determined by the IAEA. Vacancies within the Programme also contributed to the overall underspending.

Comparative to actual expenditure of R8.90 billion incurred in the 2021/22 financial year, expenditure in 2022/23 financial year increased by R1.22 billion or 13.65%. This was mostly attributable to an increase in conditional grants to Eskom and Municipalities under the INEP programme, increased transfer payments to public entities and one-off allocation of R114 million to the IPP Office in 2022/23 financial year.



## **VIREMENTS / ROLLOVERS**

### ➤ **Virement Approvals**

No internal virements were applied with the objective of utilising savings from certain programmes to cover overspending in other programmes. However, applications were made to National Treasury to reclassify funds between economic classifications of programmes as follows:

- Programme 3: Reclassify funds appropriated under the goods and services classification to the transfers and subsidies classification and create a new transfer item to provide for the payment of international membership fees, R4.481 million, to the Association of African Diamond Producing Countries.
- Programme 5: Reclassify funds from transfers and subsidies to goods and services relating to Non-grid Electrification Projects to align with the requirements of the 2018 Classification circular (Classification of Transfers and Subsidies versus Goods and Services or Capital assets 2018).
- Programme 5: Reclassify funds appropriated as goods and services to increase transfer payments to foreign governments and international organisations and provide for the payment of international membership fees to the International Energy Forum (IEF) and the International Renewable Energy Agency (IRENA).
- Programme 1 and 2: Reclassify funds from compensation of employees to transfers and subsidies (households) to fund higher than anticipated expenditure relating to severance pay, death benefits in terms of departmental policy and early retirement pension liabilities.

### ➤ **Roll overs.**

The Department requested an amount of R122 million to be rolled over to the 2022/23 financial year to finalise payments for projects carried over from the 2021/22 year. National Treasury granted approval for R72.87 million comprising of R28.05 million for INEP Non-grid electrification projects, R1 million for an INEP conditional grant to the Dikgatlong Municipality and R43.82 million for Solar Water Heater Programme (SWHP) installations.

## **UNAUTHORISED EXPENDITURE**

No unauthorised expenditure was recorded during the period under review.

The Department is carrying an unauthorised expenditure balance of R50.60 million from the 2010/11 financial year, for which a condonation decision is being awaited from Treasury, and 2016/17 financial year which is currently under investigation.

## **GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES**

During the 2022/23 financial year, the Department received donations in kind from international organisations in the form of air tickets, public transport abroad, accommodation and study fees enabling employees to attend international study tours, conferences, courses, and meetings abroad.

South Africa has been a member of several international organisations, amongst them, the International Atomic Energy Agency (IAEA). As a Member State of the IAEA, permanent member of the Board of Directors and actively participating in nuclear energy, safety, technology, security and disarmament initiatives, South Africa has contributed to efforts of ensuring that nuclear energy is used for peaceful purposes. To this end, the IAEA ensured South Africa's participation at the following events held in Vienna, Austria by aiding in the form of air transport and grants for participants from the DMRE:

- International Conference on Nuclear Law (Global debate) hosted in April 2022,
- Symposium on Safeguards held in November 2022
- Consultancy meeting on further enhancing IAEA Nuclear Energy Management and Nuclear Knowledge Management schools in January 2023.

In addition, assistance was received in the form of study fees, transport costs, accommodation, and allowances for DMRE employees to attend the Energy Transition study tour in May 2022 and a course on energy efficiency and energy management in buildings and industry in August 2022 from the Global Women Network (GWNNet) / GIZ and from the DANIDA Fellowship Centre / Danish Ministry. The Department also made in kind donations to various stakeholders under its outreach programmes and projects mainly to learners, educators, and support staff at various schools as well as to youth and persons with disabilities. These donations included school shoes, mathematical sets, sports bags etc.

### **Conclusion**

The Department will continue to lead and facilitate the enabling policy and regulatory interventions required to ensure that the energy and mining sectors make meaningful contributions to national objectives and the MTSF targets. Our role is critical for the development of sustainable, transformed and diversified energy and mining sectors.



**Mr Jacob Mbele**

**Accounting Officer**

**Department of Mineral Resources and Energy**

**Date: 29 September 2023**

## **6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT**

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions. The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury. The annual financial statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury. The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2023.



**Mr Jacob Mbele**

**Accounting Officer**

**Department of Mineral Resources and Energy**

**Date: 29 September 2023**

## 7. STRATEGIC OVERVIEW

The overarching purpose of the Department of Mineral Resources and Energy is to ensure that diverse resources are available in sustainable quantities and at affordable prices for the growth of the South African economy. In line with the National Development Plan (NDP), the Department contributes to the fight against poverty, unemployment and inequity, while considering environmental concerns and obligations.

### Vision

A leader in the transformation of South Africa through economic growth and sustainable development in the mining and energy sectors.

### Mission

To regulate, transform and promote the minerals and energy sectors, providing sustainable and affordable energy for growth and development, and ensuring that all South Africans derive sustainable benefit from the country's mineral wealth.

### Values

<b>Batho Pele (Sesotho for "people first")</b>	Represents a Department of Mineral Resources and Energy that is service-orientated, strives for excellence in service delivery and commits to continuous service delivery improvement for the achievement of a better life for all and which seeks to include all citizens through services and programmes.
<b>Ethics</b>	Represents our moral principles as reflected by the Code of Conduct for Public Servants, i.e. how and what we understand, know about and mean when we resolve what is right and what is wrong.
<b>Honesty</b>	Represents a facet of moral character and denotes positive, virtuous attributes such as integrity, truthfulness and straightforwardness, along with the absence of lying, cheating or theft.
<b>Integrity</b>	Represents consistency of actions, values, methods, measures, principles, expectations and outcomes and is regarded as the honesty and truthfulness or accuracy of one's actions.
<b>Accountability</b>	Represents the acknowledgment and assumption of responsibility for our actions, decisions, policies, administration and governance.
<b>Professionalism</b>	Represents workers who enjoy considerable work autonomy and are commonly engaged in creative and intellectually challenging work that requires impressive competence in a particular activity.
<b>Ubuntu</b>	Represents our interconnectedness and our approach that is open, available and affirming of others.
<b>My public servant – my future (we belong, we care, we serve)</b>	Represents public servants at the centre of delivering quality services to the country's citizens in line with the dictates of the Constitution of the Republic.

## 8. LEGISLATIVE AND OTHER MANDATES

### Constitutional mandate

The Department of Mineral Resources and Energy (DMRE) derives its mandate from section 24 of the Constitution of South Africa, Act No. 108 of 1996.

### Legislative mandate

The DMRE derives its founding mandate from the Minerals and Mining Policy for South Africa (White Paper, 1998), which ensures the transparent and efficient regulation of the development of South Africa's mineral resources and mineral industry to meet national objectives and bring optimum benefit to the nation.

The mining arm of the DMRE is primarily driven by the Mineral and Petroleum Development Act (Act No. 28 of 2002) and the Mine Health and Safety Act (Act No. 29 of 1996). The two Acts provide the regulatory framework for the promotion and regulation of the mining, minerals and petroleum industry. They also provide a regulatory framework for ensuring equitable access to and the sustainable development of the nation's mineral resources and related matters.

### Policy mandate

The White Paper on Energy Policy (1998), supplemented with the White Paper on Renewable Energy in 2003, sets out government's overarching position on the supply and consumption of energy. Applicable policies include the following:


The principal Acts that drive the work of the DMRE are as follows:

- Mines and Works Act, 1956 (Act No. 27 of 1956)
- Mining Titles Registration Act, 1967 (Act No. 16 of 1967)
- Central Energy Fund Act, 1977 (Act No. 38 of 1977)
- Petroleum Products Act, 1977 (Act No. 120 of 1977)
- Diamonds Act, 1986 (Act No. 56 of 1986)
- Mineral Technology Act, 1989 (Act No. 30 of 1989)
- Abolition of the National Energy Council Act, 1991 (Act No. 95 of 1991)
- Geoscience Act, 1993 (Act No. 100 of 1993)
- Nuclear Energy Act, 1993 (Act No. 131 of 1993)
- Mine Health and Safety Act, 1996 (Act No. 29 of 1996)
- National Environmental Management Act, 1998 (Act No. 107 of 1998)
- Nuclear Energy Act, 1999 (Act No. 46 of 1999)
- National Nuclear Regulator Act, 1999 (Act No. 47 of 1999)
- Abolition of Lebowa Mineral Trust Act, 2000 (Act No. 67 of 2000)
- Gas Act, 2001 (Act No. 48 of 2001)
- Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)
- Gas Regulator Levies Act, 2002 (Act No. 75 of 2002)

- Petroleum Pipelines Act, 2003 (Act No. 60 of 2003)
- Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004)
- National Energy Regulator Act, 2004 (Act No. 40 of 2004)
- Precious Metals Act, 2005 (Act No. 37 of 2005)
- Electricity Regulation Act, 2006 (Act No. 4 of 2006)
- National Energy Act, 2008 (Act No. 34 of 2008)
- National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008)

# 9. ORGANISATIONAL STRUCTURE

**Minister of Resources and Energy**



Entities reporting to the Minister

**Deputy Minister**




**Director – General**



**Ntokozo Ngcwabe- DDG:  
Mining, Mineral and Energy  
Policy Development**



**Tseliso Maqubela- DDG:  
Minerals and Petroleum  
Regulation**




**Zizamele Mbambo- DDG:  
Nuclear Regulation and  
Management**




**Mr Mthokozisi Mpofu -  
ADDG: Energy Programmes  
and Projects**



**Hilda Mhlongo- DDG: Corporate  
Services**



**Yvonne Chetty: Chief Financial  
Officer**



**David Msiza- CI: Mine Health and  
Safety Inspectorate**





## 10. ENTITIES REPORTING TO THE MINISTER OF MINERAL RESOURCES AND ENERGY

*Table 2: Entities that report to the Minister of Mineral Resources and Energy*

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
1.	<b>National Nuclear Regulator (NNR)</b>	The NNR is established in terms of the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999). The Act establishes the Regulator as a competent authority for nuclear regulation in South Africa.	Transfer payments	The purpose of the NNR, as outlined in Section 5 of the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999), is essentially to provide for the protection of persons, property and the environment against nuclear damage through the establishment of safety standards and regulatory practices.
2.	<b>South African Nuclear Energy Corporation (NECSA) GROUP</b>	NECSA is established in terms of Section 3(1) of the Nuclear Energy Act, 1999 (Act No. 46 of 1999).	Transfer payments	Provides for the commercialisation of nuclear and related products and services, and delegates specific responsibilities to the corporation, including the implementation and execution of national safeguards and other international obligations. The Nuclear Energy Policy of 2008 reinforced NECSA's mandate relating to research and development, and nuclear fuel cycle responsibilities.
3.	<b>Central Energy Fund (CEF) GROUP</b>	Derived from the Central Energy Fund Act, 1977 (Act No 38 of 1977) and the ministerial directives issued thereafter. To finance and promote the acquisition of, research into and exploitation of oil, gas and renewable/clean energy-related products and technology.	Transfer payments	The mandate of the CEF is to contribute to the security of the energy supply of South Africa and the region through exploration, acquisition, development, marketing and strategic partnerships.

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
4.	<b>National Radioactive Waste Disposal Institute (NRWDI)</b>	The NRWDI is a Nuclear Waste Disposal Institute established in terms of Section 3 of the National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008).	Transfer payments	The Act provides for the establishment of an NRWDI to manage radioactive waste disposal on a national basis and to provide for its functions and for how it is to be managed.
5.	<b>National Energy Regulator of South Africa (NERSA)</b>	NERSA is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004).	Transfer payments	NERSA's mandate is to regulate the electricity, piped gas and petroleum pipeline industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Gas Act, 2001 (Act No. 48 of 2001) and the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).
6.	<b>South African National Energy Development Institute (SANEDI)</b>	SANEDI is an applied energy research institute established in terms of Section 7(1) of the National Energy Act, 2008 (Act No. 34 of 2008).	Transfer payments	The role of SANEDI is to direct, monitor and conduct energy research and development, promote energy research and technology innovation, as well as undertake measures to promote energy efficiency throughout the economy.
7.	<b>Council for Geoscience (CGS)</b>	The principal fixed mandate and the one under which the CGS was established is the Geoscience Act, 1993 (Act No. 100 of 1993). It is listed as a schedule 3A public entity in terms of the Public Finance Management Act, Act 1 of 1999. The second fixed mandate under which it operates forms part of the National System of Innovation as stated in South Africa's	Transfer payments	The CGS was established to develop and publish world-class geoscience knowledge products and to render geoscience-related services to the South African public and industry. This includes documentation of the geology of the earth's surface and continental crust, including all offshore areas within the territorial boundaries of South Africa, the compilation of all geoscience data and information, basic geoscience research into the nature and origin of rocks, ores, minerals, formations, the history

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
		National Research and Development Strategy of 2002, as defined in the White Paper on Science and Technology of 1996.		and evolution of life and the formation of the earth, the collection and curation of all geoscience data and knowledge on South Africa in the National Geoscience Repository, rendering geoscience knowledge services and advice to the state, and the management of a number of national geoscience facilities on behalf of the country. These include the National Seismograph Network, the National Borehole-Core Repository, the National Geoscience Heritage Collections (Geoscience Museum), and the National Geoscience Library.
8.	<b>State Diamond Trader</b>	The State Diamond Trader is a state-owned entity established in terms of Section 14 of the Diamonds Act, 1986 (Act No. 56 of 1986), as amended.	Transfer payments	The State Diamond Trader operates in the diamond industry with the aim of growing local diamond beneficiation. Its mandate is to buy and sell rough diamonds and promote equitable access to and beneficiation of the country's diamond resources. It aims to grow South Africa's diamond cutting and polishing industry by enabling and increasing the participation of historically disadvantaged South Africans in the diamond beneficiation industry. The entity is empowered by law to purchase up to 10% of the run-of-mine production from all diamond producers in South Africa. It sells to registered customers through an application and approval process.
9.	<b>South African Diamond and Precious Metals</b>	The South African Diamond and Precious Metals Regulator was established in terms of the Diamond Act, 1986 (Act No. 56 of	Transfer payment	The South African Diamond and Precious Metals Regulator is responsible for the regulation of diamonds,

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
	<b>Regulator</b>	1986), as amended, and the Precious Metals Act, 2005 (Act No. 36 of 2005).		gold and platinum group metals.
10.	<b>Mintek</b>	Mintek is established in terms of the Mineral Technology Act, 1989 (Act No. 30 of 1989).	Transfer payment	Mintek's mandate is to serve the national interest through research, development and technology transfer, to promote mineral technology, and to foster the establishment and expansion of industries in the field of minerals and products derived therefrom.
11.	<b>Mine, Health and Safety Council</b>	The Mine Health and Safety Council is a national public entity established in terms of the Mine Health and Safety Act, 1996 (Act No. 29 of 1996), as amended.	Transfer payment	The main task of the Council is to advise the Minister of Mineral Resources and Energy on occupational health and safety legislation and research outcomes focused on improving and promoting occupational health and safety in South African mines. The Council also oversees the activities of its committees, promotes a culture of health and safety in the mining industry, arranges a summit every two years to review the state of occupational health and safety at mines, and liaises with the MQA and any other statutory bodies about mining health and safety.

PART B: PERFORMANCE  
INFORMATION

## **1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES**

The Auditor-General of South Africa performed audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against pre-determined objectives is included in the report to management, with material findings being reported under the pre-determined objectives heading in the report on the other legal and regulatory requirements section of the Auditor's Report. Please refer to the Report of the Auditor-General published in Part F.

## **2. OVERVIEW OF DEPARTMENTAL PERFORMANCE**

The Department of Mineral Resources and Energy has developed this Annual Report against indicators, outcomes and targets stated in the 2022/23 Annual Performance Plan, which was tabled in Parliament in March 2022, in line with the requirement of section 10(c) of the Money Bills Amendment Procedure and Related Matters Act of 2009.

### **2.1 Service delivery environment**

This Service Delivery Improvement Plan outlines some of the main services that have been achieved against targets stated in the Department's Strategic Plan and the 2019–2024 Medium-term Strategic Framework (MTSF) in pursuit of the goals of the National Development Plan (NDP) to reduce unemployment, poverty and inequality.

Progress has been made with the organisational culture intervention, as focus group sessions were held with staff and management at both Head Office and the Department's regional offices. The information and insights gathered from this process will be used to develop the Department's culture interventions. Most of the services provided by the Department, which directly or indirectly affect the citizens of South Africa, are articulated as a list of services below:

## 2.2 Service Delivery Improvement Plan

**Table 3: Main services and standards**

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Compliance with the Petroleum Product Act	South African citizens  Manufacturers, wholesalers and retailers	448 retail site compliance inspections conducted.  965 fuel samples tested.	At least 1 500 retail site compliance inspections conducted.  At least 1 080 fuel samples tested.	Achieved  1 605 petroleum site compliance inspections were conducted.  Achieved  1 083 fuel samples were tested.
Issuing of permits and mining rights	South African citizens  Mining sector	125 rights and permits issued to historically disadvantaged South African (HDSA) controlled entities.	120 rights and permits issued to HDSA controlled entities.	Achieved  249 rights and permits issued to HDSA controlled entities.
Universal access to energy	South African citizens	180 000 households electrified through grid connections.  15 000 households electrified through non-grid connections throughout the country.	An additional 200 000 households electrified through the grid.  15 000 additional households electrified through non-grid technologies	An additional 145 877 households electrified through the grid.  20 950 additional households connected to non-grid technologies.
Number of investigations conducted	Mining operations	100% of planned investigations as per capacity.	80% of planned investigations as per capacity.	96% of planned investigations as per capacity.
A reduction of occupational injuries	Mining operations	18% increase in occupational injuries reported.	5% reduction in occupational injuries.	3% reduction in occupational injuries.
A reduction in occupational diseases	Mining operations	17% increase in occupational diseases.	10% of planned reduction in occupational diseases.	13% increase in occupational diseases.
A reduction in occupational fatalities	Mining operations	32% increase in occupational fatalities.	10% reduction in occupational fatalities.	32% reduction in occupational fatalities.
Number of inquiries	Mining operations	98% of planned inquiries completed as per capacity.	80% of planned inquiries as per capacity.	100% of planned inquiries as per capacity.

**Table 4: Batho Pele arrangements with beneficiaries**

Current/actual arrangements	Desired arrangements	Actual achievements
Managers and other employees of the Department are responding to complaints and concerns received from the public.	Citizens should be informed about the quality of services they will receive. This should be treated with courtesy. Regional offices exist to support beneficiaries with information, the resolution of queries and general electrification assistance. Access to the Head Office is always possible.	All the queries were responded to by the Department, state-owned entities and local government.
<p>Website management is enhanced on a regular basis to optimise the correctness and accuracy of information.</p> <p>Managers and other employees of the Department are responding to complaints and concerns received from the public</p>	Citizens should be given full, accurate information about the services they are entitled to. Information is posted on the website. If the promised standard is not delivered, citizens should be offered apology.	<p>Department's website is updated on a regular basis.</p> <p>Explanation and responses offered to complaints and enquiries received.</p>
Citizens are informed on how the Department is running its business operations, how much they cost and who is in charge. Information with regard to our offerings is posted on the website <a href="mailto:info@dmre.gov.za">info@dmre.gov.za</a> .	People's needs must be responded to. Contact with the Department is currently done via the website address email, telephone and/or face-to-face consultation.	Full and accurate information is posted on the Department's website.
Quality	Compliance with the requirements of the National Library of South Africa for an International Standard Book Number (ISBN), as well as with the Statistics Act.	Compliance with the requirements of the National Library of South Africa for an ISBN, and adequately researched information, using statistical information compliant with the Statistics Act.
Consultation	Any communication with users of the South African Mining Industry (SAMI) publication is communicated through the Department's website. SAMI contains a telephone number that users can call to communicate with the Department regarding SAMI.	A consultation platform is provided by publishing the Department's website address, telephone and fax numbers to allow for feedback and inputs.
Courtesy	The information contained in SAMI provides users with the current and past performance of the minerals and metals sector to inform their investment decision, where applicable. While the greatest care has been taken in the compilation of SAMI, the Directorate: Mineral Economics of the DMRE does not hold itself responsible for any errors and omissions.	The information contained in SAMI is adequately researched, and quality edited by professionals before approval. Other publications produced by the Department are listed for users to subscribe to, using the prescribed form at the back of SAMI. While there is a disclaimer for omissions and errors, there has been no negative feedback.



Current/actual arrangements	Desired arrangements	Actual achievements
Access	SAMI is distributed to the list of users of the publication included in the database. SAMI is also posted on the Department's website after it has been printed and published. It is available in hard copy and electronically on CD for any users of the document.	Achieved through formal and systematised distribution. However, there are more distribution platforms, such as giving the publication to one-on-one clients who meet with managers and sending a few copies to South African embassies abroad, as well as other countries' embassies in South Africa.
Information	The information contained in the publication is collected from different mineral resources companies, mines and other institutions that hold such information. The information is reviewed, edited and approved by qualified staff members, which results in the final information being accurate and reliable. While the greatest care has been taken in the compilation of SAMI, the Directorate: Mineral Economics of the DMRE does not hold itself responsible for any errors or omissions.	Compliance with the requirements of the National Library of South Africa for an ISBN, and adequately researched information, using statistical information compliant with the Statistics Act.
Openness and transparency	The information contained in SAMI is a true reflection of the past performance of the South African mineral industry and the performance of the global mineral industry. Contact details of the Department are included in SAMI for public use if further clarity is required on the information contained in the publication.	Openness and transparency is achieved. The information is for national and international public consumption and use.
Redress	The Minister of Mineral Resources and Energy may withdraw or amend any information contained in SAMI if the amendment or withdrawal is necessary or will result in accurate and reliable information being presented.	The Minister reserves the right to withdraw the publication
Value for money	SAMI contains valuable information regarding the performance of the global minerals and metals industry, including South Africa. It also provides market trends of the minerals and metals sector. The information contained in SAMI gives users insights into the country's mineral sector and trends that can be used to make investment decisions.	The information provides true value for money.

**Table 5: Service delivery information tool**

Current/actual information tools	Desired information tools	Actual achievements
Workshops, Izimbizo/public participation programmes, community engagement	Workshops, Izimbizo/public participation programmes, community engagement	Workshops, Izimbizo and community engagements were conducted
Publishing SAMI as part of investment promotion	SAMI can be used as a critical part of investment attraction and decision making by investors.	SAMI continues to be one of the key tools in investment promotion and remains a key component of investment tools.
Government Competency Certificate	Examination results can be used as a measure of the supply and demand of competent individuals in the mining and minerals sector.	Reduction of accidents and fatalities through the employment of competent individuals. Ensures that mining takes place under healthy and safe conditions.

**Table 6: Complaints mechanism**

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Media, Presidential Anti-Corruption Hotline, telephone enquiries, correspondence, face-to-face meetings, stakeholder engagements during Izimbizo.	Enquiries received through the media, Presidential Anti-Corruption Hotline, telephone enquiries, correspondence, face-to-face meetings, questions raised during stakeholder engagements/ Izimbizo are responded to promptly.	Enquiries and complaints received were responded to
Government Competency Certificate	Complaints that are in writing are directed to the relevant unit for investigation, resolution and response.	Management attended to complaints received in collaboration with the relevant stakeholders.

## 2.3 Organisational environment

In the previous financial year, the organisational structure review process gained momentum with the conclusion of the proposed macro-organisational structure. The plan was to conclude the micro-organisational structure in the 2022/23 financial year. However, due to prolonged consultation processes, the review of the organisational structure will be finalised at the end of the 2023/24 financial year.

Progress is being made with the organisational culture intervention. Focus group sessions were conducted with staff and management at Head Office and at the regional offices. The information and insights gathered from this process will be utilised to develop the Department's culture interventions.

The approved organisational structure comprises 1 642 posts (16 additional posts and 30 posts not funded), with a vacancy rate of 9.3% on active posts. Although employee turnover reached 6.10% (5.8% without contracts), the Department managed to employ more employees than those that left, with 96 appointments/transfers and 52 promotions.

Training and development continued as per the Workplace Skills Plan (WSP), and groundwork was done for the launch of a skills audit project poised to take place during 2023/24, setting the scene for a redesign of training and development for the future. The year 2022/23 concluded the contractual period for 72 internships, paving the way for the new intake in 2023/24.

Thirty-one human resources policies have been adopted. The priority implementation of these policies saw scheduled workshops concluded at regional offices during 2022/23.

The Department established structures for the implementation and monitoring of the approved Employment Equity Plan. The employment of women in senior management posts and the employment of persons with disabilities remain a priority, and measures to improve this are being intensified with the approval of the review of the recruitment and selection guidelines in the fourth quarter of 2022/23.

In general, there are sound labour relations within the Department, with the employer and organised labour (NEHAWU and the PSA) meeting regularly to discuss issues of mutual interest. Workshops on grievances and disciplinary procedures were conducted in regional offices to uphold the same understanding of the processes. Most of the grievances were in relation to the Performance Management and Development System (PMDS), followed by recruitment and selection. However, most of the grievances were found to be unsubstantiated. A small number of misconduct cases were registered and handled. The outcomes were suspension without pay. The reoccurring problem is the misrepresentation of facts and non-adhering to policy.

## 2.4 Key policy developments and legislative changes

### **Electricity Regulation Act Amendment Bill (ERA Bill)**

The Electricity Regulation Act Amendment Bill (ERA Bill) was approved by Cabinet on 29 March 2023 for tabling in Parliament. The Department has submitted the ERA Bill in Parliament as prescribed by the National Assembly Rules and the Joint Rules of Parliament.

### **Electricity Pricing Policy Review (EPP)**

The Electricity Pricing Policy (EPP) is currently undergoing stakeholder consultation, which is at an advanced stage. A cost-benefit analysis is currently being conducted on the policy, and is expected to be completed by the end of May 2023. The Department anticipates that the EPP will be submitted to Cabinet before the end of the second quarter of 2023/24 for approval.

### **National Nuclear Regulator Act**

The National Nuclear Regulator Amendment Bill has been approved by the Economic Sectors, Investment, Employment and Infrastructure Development Cluster, to be presented to Cabinet in May 2023 to seek Cabinet's approval for tabling in Parliament.

### **Radioactive Waste Management Fund Bill**

The Radioactive Waste Management Fund Bill is in the process of being presented to the National Economic Development and Labour Council (NEDLAC) for consultation and will then undergo the necessary processes for tabling in Cabinet. The Bill is expected to be tabled in Cabinet before the end of the second quarter of the 2023/24 financial year.

### **The Gas Amendment Bill**

The Draft Gas Amendment Bill, 2021, which sought to amend the Gas Act, 2001, was introduced in Parliament in March 2021 and subsequently withdrawn to cater for public inputs received by the Portfolio Committee on Mineral Resources and Energy, as well as to align it with developments occurring in the gas industry. Among other things, this Bill aims to unlock investments into the gas sector and facilitate the development of gas infrastructure. The Department has revised and aligned the Bill accordingly, and is engaged in finalising consultation processes. The revised Gas Amendment Bill will be reintroduced to Parliament following the prescribed broad consultation process.

### **South African National Petroleum Company Bill**

The Bill is currently with the State Law Advisors for precertification, and will be tabled in Cabinet by the end of the second quarter of 2023/24 for approval to gazette it for public comment.

### **3. PROGRESS TOWARDS THE ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES**

The Department has finalised the development of the Electrification Master Plan for six provinces, with the remaining three provinces planned for finalisation in the 2023/24 financial year. The Draft Gas Master Plan report was submitted to Economic Sectors Employment and Infrastructure Development Cluster. A draft Renewable Energy Sector Master Plan was presented to EOC in November 2022. a resolution was taken by the EOC to allow the PC to finalise SAREM to approve the final document. A draft report on Jewellery and Battery minerals value chain implementation plan has been developed.

Department-initiated additional power generation procurement, totalling 4 713 MW, brings the total procurement initiative under the Integrated Resource Plan (IRP) 2019 to 9 313 MW. The amendment of the Electricity Regulation Act, enabling an independent transmission company, was approved by Cabinet for tabling in Parliament. The conceptualisation of the gas-to-power (G2P) programme has been completed, and preparatory work for the development of the Gas Request for Proposal is underway, paying specific attention to the alignment of the G2P and gas infrastructure programmes.

A total of 999 Small Scale Embedded Generators (SSEGs) are registered with NERSA, with a generation capacity of 4 091,12 MW. An amount of 1 460.44 MW of Small- Scale Embedded Generators has been registered from November 2022 to February 2023, with solar photovoltaics (PV) is the predominant registered technology. The functional separation of Eskom and the establishment of the National Transmission Company was completed in 2021. Eskom applied for a transmission license in September 2022. NERSA's public hearings on Eskom's transmission license were conducted and a decision is expected by the end of April 2023. The amendment of the Electricity Regulation Act, enabling an independent transmission company, was approved by Cabinet, gazetted and submitted for tabling in Parliament. The share of alternative energy sources is currently at 16.21% comprising independent power producers and registered generators on NERSA's database. NERSA's concurrence with section 34 of the Ministerial Determination for the procurement of 2 500 MW from nuclear energy was granted with a suspensive condition. A report has been completed to address NERSA's suspensive conditions. A procurement framework study has been completed and a report with recommendations has been prepared. The project on the life extension of Koeberg is progressing with delays in major plant modifications, including a steam generator replacement. The procurement process for the Gateway Review for the Centralised Interim Storage Facility feasibility studies has been initiated. The Multi-Purpose Reactor (MPR) prefeasibility report was presented to Cabinet. It was supported that the MPR be registered as a Strategic Integrated Project (SIP). An IAEA integrated research reactor utilisation peer review mission was conducted in November 2022.

NERSA has concurred to second the section 34 Ministerial Determination. Other section 34 determinations for coal, gas, renewable energy and storage are awaiting NERSA's concurrence.

The Request for Proposal for an updated strategy and plan for liquid fuels was issued and the successful bidder announced. The Request for information on the Floating Storage Regasification Unit, Gas Infrastructure and Gas Aggregator and Terminal Operator was issued by CEF, Transnet and Coega Development Corporation.

A Joint Development Agreement (JDA) for the development and construction of a liquefied natural gas (LNG) import infrastructure at the Port of Ngqura has been negotiated between Transnet, Central Energy Fund (CEF) and Coega Development Corporation (CDC) and is awaiting approval by the governance structures.

## **4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION**

### **4.1 Programme 1: Administration**

#### **Purpose**

To provide support services to the DMRE to fulfil its mandate and achieve its strategic objectives.

#### **Sub-programmes:**

- Ministry
- Departmental Management
- Audit Services
- Financial Administration
- Corporate Services
- Office Accommodation

**Table 7: Outcomes, outputs, output indicators, targets and actual achievements**

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Functional, efficient and integrated government	Wasteful and fruitless expenditure eliminated	% Reduction of Wasteful and fruitless expenditure compared to prior year	<b>Achieved</b>	<b>Not Achieved</b>	100% Reduction of Wasteful and fruitless expenditure compared to prior year	<b>Not Achieved</b> 99.95% was achieved owing to historical Wasteful and Fruitless expenditure transactions	0.5%	Fruitless and wasteful expenditure disclosed in the current year relates to historical events that require continued disclosure.
	Reduced irregular expenditure	% Reduction of irregular expenditure compared to prior year	<b>Achieved</b>	<b>Not Achieved</b> due to new irregular transactions recorded	100% Reduction of irregular expenditure compared to prior year	<b>Not Achieved</b> 99,6% was achieved.	0.4%	This relates to the payment of continuous contract that were found to be irregular and are not yet condoned.
	Unqualified audit opinion in the department	Receipt of an unqualified audit opinion for the year under review	<b>Achieved</b>	<b>Achieved</b> unqualified audit opinion on Annual Financial Statements	Receipt of an unqualified audit opinion for the year under review	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved governance and accountability	Consequences for corruption and misconduct enforced	% Resolution of reported incidents of corruption	<b>Achieved</b>	<b>Achieved</b> 100% Resolution of reported incidents of corruption	95 % Resolution of reported incidents of corruption	<b>100% Achieved,</b> No reported incidents of corruption	N/A	N/A
Investing in accelerated inclusive growth	Approved invoices from service providers paid within 30 days of receipt	Percentage of approved invoices from service providers paid within 30 days of receipt	<b>Partially Achieved</b> 99% approved invoices were paid within 30 days of receipt	<b>Not Achieved</b> Out of 1549 invoices received for the year 1448 (94%) were paid within 30 days	100% Approved invoices from service providers paid within 30 days of receipt	<b>Not Achieved</b> 99% of approved invoices were paid within 30 days of receipt by finance	1%	Delays in submitting invoices by process owners within stipulated timeframes.



**Table 8: Outcomes, outputs, output indicators, targets and actual achievements**

Programme 1: Administration								
Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Functional, Efficient and Integrated Government	Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	Number of approved Shareholder compacts and Corporate Plans of 2 SOEs	<b>Achieved</b> 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	<b>Achieved</b>	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	<b>Not Achieved</b>	All 4 Shareholder compacts and Corporate Plans of Schedule 2 SOEs were produced and approved after the end of the financial year.	There were delays in submission of on requested clarification on budget allocation and targets by relevant stakeholders
	Approved SOEs Annual Performance Plans	Number of approved Schedule 3A SOE Annual Performance Plans tabled in Parliament	<b>Achieved</b> Approved Annual Performance Plan tabled in Parliament	<b>Achieved</b>	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	<b>Achieved</b> 7 Approved Schedule 3A SOE's Annual Performance Plans were tabled in Parliament	N/A	N/A
	Progress updates on implementation of Corporate Plan/APPs	Number of SOEs Quarterly performance Reports reviewed, and Ministerial submissions produced	<b>N/A</b>	<b>Achieved</b>	44 SOEs Quarterly performance Reports reviewed, and Ministerial submissions	<b>Not Achieved</b> 43 SOEs Quarterly performance Reports reviewed, and Ministerial	1	1 Quarterly report was not submitted

Programme 1: Administration								
Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
					produced	submissions produced		
	SOEs Annual Reports	Number of SOEs Annual Reports tabled in Parliament	N/A	Achieved	11 SOEs Annual Reports tabled in Parliament	11 SOEs Annual Reports tabled in Parliament	N/A	N/A

#### 4.1.1 Linking performance to budget

**Table 9: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under Expenditure	Final	Actual	(Over)/Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	41 208	37 551	3 657	38 750	28 185	10 565
Departmental Management	35 085	31 886	3 199	40 080	31 288	8 792
Audit Services	22 667	22 164	503	23 386	21 856	1 530
Finance Administration	101 698	98 535	3 163	97 371	85 932	11 439
Corporate Services	369 047	301 782	67 265	317 956	283 822	34 134
Office Accommodation	159 907	159 668	239	144 269	111 461	32 808
<b>Total</b>	<b>729 612</b>	<b>651 585</b>	<b>78 027</b>	<b>661 812</b>	<b>562 544</b>	<b>99 268</b>

## 4.2 Programme 2: Minerals and Petroleum Regulation

### Purpose

To regulate the mining, minerals and petroleum industry.

### Sub-programmes:

- Minerals and Petroleum Management
- Mineral Regulation and Administration
- Environmental Enforcement and Compliance
- Petroleum Compliance Monitoring, Enforcement and Fuel Pricing
- Petroleum Licensing and Fuel Supply

**Table 10: Outcomes, outputs, output indicators, targets and actual achievements**

Programme 2: Minerals and Petroleum Regulation (MPR)								
Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or Deviation
Increased employment in the mining sector	Jobs enabled	Number of jobs to be enabled through the issuing of mining rights	<b>Achieved</b> 3800 jobs created through issued mining rights	<b>Achieved</b> 8451 Petroleum licences not reported	4 000	<b>Achieved:</b> 6977	2977	Several mining companies responded positively to the invitation for execution of their rights
Improved livelihoods in mining communities	SLP development Projects	Number of SLP development projects completed	Partially Achieved 70 SLP projects were completed.	Achieved 128 SLP development projects were completed	120	Achieved: 150	30	One mining company completed 26 projects at once.

Programme 2: Minerals and Petroleum Regulation (MPR)								
Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or Deviation
Compliant mining sector	SLP inspections	Number of SLP inspections conducted	<b>Partially Achieved</b> 204 SLP inspections were conducted	<b>Achieved</b> 243 SLP Projects inspections were conducted in the financial year	212	<b>Achieved: 237</b>	25	Other inspections were in response to complaints by stakeholders and others were prompted by the review of SLP in terms of section 102 and Regulation 44.
Compliant mining sector	Legal compliance inspections	Number of legal compliance inspections (mineral laws-MLA) conducted	<b>Partially Achieved</b> 134 legal compliance inspections (MLA) were conducted	<b>Achieved</b> 192 Legal compliance inspections (mineral laws conducted)	150	<b>Achieved: 179</b>	29	More inspections were conducted due to audit findings and verification of non-operational mines. Some companies inspected held more than one right.
Compliant mining sector	Mining Economics (MWP/PWP) inspections	Number of Mining Economics (MWP/PWP) inspections conducted	<b>Achieved</b> A cumulative 289 mining economics (MWP/PWP) inspections were conducted	<b>Not Achieved</b> 464 Mining Economics inspections were conducted	500	<b>Achieved: 531</b>	31	More inspections were conducted to process ancillary applications (sec 102 renewals and sec 20 application) and complaints

**Programme 2: Minerals and Petroleum Regulation (MPR)**

<b>Outcome</b>	<b>Output</b>	<b>Output Indicators from 2022/23 APP</b>	<b>Audited Actual Performance 2020/21</b>	<b>Audited Actual Performance 2021/22</b>	<b>Planned Targets from 2022/23 APP</b>	<b>Actual Achievement 2022/23</b>	<b>Deviation from Planned Targets to Actual Achievement 2022/23</b>	<b>Reasons for Revision or Deviation</b>
Compliant mining sector	Environmental Inspections	Number of Environmental Inspections conducted	<b>Partially Achieved</b> 968 environmental inspections were conducted	<b>Achieved</b> 1374 Environmental inspection were conducted	1 275	<b>Achieved: 1400</b>	125	More inspections were prompted by amendments of Environmental Authorization, complaints and follow ups on compliance notices issued.
Compliant petroleum sector	Retail Site inspections	Number of petroleum retail site compliance inspections conducted	<b>Partially Achieved</b> 300 petroleum retail site compliance inspections were conducted. A cumulative figure of 448 was achieved	<b>Not Achieved</b> 1317, retail site compliance inspections conducted	1 500	<b>Not Achieved: 1463</b>	37	Wholesale site inspections were wrongly included in the annual target.
Compliant petroleum sector	Fuel samples tested	Number of fuel samples tested	<b>Partially Achieved</b> 965 fuel samples were tested	<b>Achieved</b> 1197 fuel samples tested	1 080	<b>Achieved: 1083</b>	3	The Department conducted more inspections.

Programme 2: Minerals and Petroleum Regulation (MPR)								
Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or Deviation
Transformed mining sector	Rights issued to HDSA controlled entities	Number of rights issued to HDSA controlled entities	<b>Achieved</b> 125 rights and permits were granted and/or issued to HDSA controlled entities.	<b>Achieved</b> 206 yearly target was over-achieved by 86	120	<b>Achieved:</b> 249	129	A target was exceeded due to most applications lodged by HDSA being compliant.

#### 4.2.1 Linking performance to budget

**Table 11: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under Expenditure	Final	Actual	(Over)/Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Minerals and Petroleum Management	13 834	12 709	1 125	13 731	13 586	145
Mineral Regulation and Administration	388 128	386 044	2 084	418 885	418 843	42
Environmental Enforcement and Compliance	22 986	22 048	938	19 903	19 889	14
Petroleum Compliance, Monitoring, Enforcement and Fuel Pricing	22 784	21 776	1 008	25 419	17 165	8 254
Petroleum Licensing and Fuel Supply	64 562	62 001	2 561	59 524	57 374	2 150
<b>Total</b>	<b>512 294</b>	<b>504 578</b>	<b>7 716</b>	<b>537 462</b>	<b>526 858</b>	<b>10 604</b>

### 4.3 Programme 3: Mining, Minerals and Energy Policy Development

#### **Purpose**

To formulate and maintain integrated minerals and energy policies to promote and encourage investments in the mining and energy industry.

#### **Sub-programmes:**

- Mining, Minerals and Energy Policy Development Management
- Minerals and Petroleum Policy
- Nuclear, Electricity and Gas Policy
- Economic Analysis and Statistics
- Economic Growth, Promotion and Global Relations
- Minerals and Energy Planning

**Table 12: Outcomes, outputs, output indicators, targets and actual achievements**

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed, competitive, and sustainable minerals and energy sectors	Petroleum Products Act Amended	Petroleum Products Bill tabled in Parliament  <i>Petroleum Products Bill gazetted for public comments (Revised)</i>	N/A	N/A	Petroleum Products Bill tabled in Parliament  <i>Petroleum Products Bill amended as gazetted for public comments (Revised)</i>	<b>Not Achieved</b>	Draft Bill is with the State Law advisor for pre-certification	Prolonged stakeholder consultations delayed the process .



Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed, competitive, and sustainable minerals and energy sectors	Mine Health and Safety Act Amended	Mine Health and Safety Amendment (MHSA) Bill tabled to Parliament  <i>Mine Health and Safety Amendment (MHSA) Bill submitted to Cabinet (Revised)</i>	N/A	<b>Not Achieved</b>	Mine Health and Safety Amendment Bill submitted to Parliament  <i>Mine Health Safety Amendment Bill amended as submitted to Cabinet (Revised)</i>	<b>Not Achieved</b>	The MHS Bill was tabled at NEDLAC on the 2nd of September 2022, but discussions took longer than envisaged	Social partners requested more time to obtain mandates. The completion date was initially set for 30 December 2022 and was rescheduled for 11 and 24 April 2023.
	National Petroleum Company Act	National Petroleum Company (NPC) Bill tabled in Parliament  <i>National Petroleum Company (NPC) Bill</i>	N/A	<b>Not Achieved</b>	National Petroleum Company (NPC) Bill gazette for public comments	<b>Not Achieved</b>	The Bill has been submitted to the State Law Advisors for pre-certification.	Cabinet approved the merger actype on the 30 <sup>th</sup> November 2022, which affected the processes for gazetting of the Bill for public

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed, competitive, and sustainable minerals and energy sectors		<i>gazetted for public comments (Revised)</i>						comments on time.
	Diamonds Act Amended	Diamonds Amendment Bill tabled in Parliament  <i>Diamonds Amendment Bill Gazetted for public comments (Revised)</i>	N/A	N/A	Diamonds Amendment Bill tabled in Parliament for public comments	<b>Not Achieved</b>	A draft Bill is in place, but it is still to be submitted to State Law Advisors for precertification	The consultation process to identify gaps to inform the review of the Act were delayed due to approval processes to be followed by relevant SOEs on submission of their inputs.

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed, competitive, and sustainable minerals and energy sectors	Amendments to Section 75,76 and 77 of MPRDA regulation	Amended Section 75,76 and 77 of MPRDA Regulation	N/A	N/A	Amended Section 75,76 and 77 of MPRDA Regulations gazetted for implementation	<b>Not Achieved</b>	The MPRDA regulations were finalised, however concurrence must be obtained with the Minister of Finance in terms of section 107(1)(d) and (2) of the MPRDA before the regulations are implemented.	There was delay in requesting formal concurrence from the Minister of Finance in terms of section 107(1)(d) (2) of the MPRDA. A formal letter is enroute to the Minister of Finance requesting for concurrence.
Transformed, competitive, and sustainable minerals and energy sectors	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	<b>Achieved</b>	Report on economic viability of shale gas exploration in South Africa produced	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed, competitive, and sustainable minerals and energy sectors	Beneficiation master plan	Beneficiation master plan implementation plans developed	<b>Achieved</b> Strategy approved by Cabinet in September 2020	<b>Not Achieved</b>	Jewellery and Battery Minerals Value Chain implementation plans approved by the Minister	<b>Not Achieved</b>	The draft reports are ready for submission for approval.	There was a delay in receiving the final report from partner department (DTI). The finalised document will be submitted for approval in Q1 of the 2023/24 FY.
Increased investment and job creation in the mining and petroleum sectors	Investment promotion events held to attract investment in the sector	Number of investment promotion events held to attract investment in the sector	<b>Achieved</b>	<b>Achieved</b>	3 Investment promotions hosted	<b>Not Achieved</b>	2 investment events were hosted	The Northern Cape Conference did not take place due to unavailability of key stakeholders
			<b>Achieved</b>	<b>Achieved</b>	6 Investment promotion events participated in	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Secure Energy Supply	National Nuclear Regulator Bill	National Nuclear Regulator Amendment Bill tabled in Parliament	<b>Partially Achieved</b> Extended stakeholder consultation between DMRE, SAHRPA, DoH and NNR on co-regulation of Group III and IV radioactive sources.	<b>Not Achieved</b>	National Nuclear Regulator Amendment Bill submitted to Cabinet for tabling in Parliament	<b>Achieved</b>	N/A	N/A
	Radioactive Waste Management Fund Bill	Radioactive Waste Management Fund (RWMF) Bill tabled in Parliament	<b>Partially Achieved</b>	<b>Not Achieved</b>	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament	<b>Not Achieved</b>	A draft bill has been finalised.	There was a delay in redrafting the Bill due to additionally identified gaps noted in the Bill.
	Gas Act Amended Regulations	Gas Act Amended Regulations gazetted for public	N/A	N/A	Gas Act Amended Regulations gazetted for public	<b>Not Achieved</b>	The amendment of the Piped-gas Regulations is dependent on the	The amendment is dependent on the promulgation of the Gas

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
		comments			comments		promulgation of the Gas Amendment Bill.	Amendment Bill. The Gas Amendment Bill has been withdrawn from Parliament for review.
Secure Energy Supply	Electricity Pricing Policy	Electricity Pricing Policy submitted to Cabinet	<b>N/A</b>	<b>N/A</b>	Electricity Pricing Policy review submitted to Cabinet for final approval	<b>Not Achieved</b>	A Revised Electricity Pricing Policy is in place.	The revised policy is currently being consulted at NEDLAC.
	Electricity Regulation Act (ERA)	Electricity Regulation Act Bill tabled in Parliament	<b>N/A</b>	<b>Achieved</b>	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
	Gas Master Plan	Gas Master Plan submitted to Cabinet for approval	It was deferred to 2021/22 plan	<b>Not Achieved</b>	Gas Master Plan submitted to Cabinet for approval	<b>Not Achieved</b>	The Draft GMP report has been submitted to ESEID Cluster and Cabinet submission will be finalised upon receipt of inputs from the Cluster.	There were delays in finalising the data modelling exercise.
Greenhouse Gas Emission Reduction	Framework for a just transition to a low carbon economy finalized	Framework for a just transition to a low carbon economy developed	<b>Achieved</b> Consultations were held with DEFF and Mpumalanga province to discuss collaboration on the Just Transition	<b>Achieved</b>	Socio-Economic Baseline Report approved by the Minister	<b>Not Achieved</b>	Report was approved outside the reporting period in April 2023.	Prolonged value chain dependencies

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence based policy making investment and growth	GHG assessment and reporting framework for mining and energy sector	GHG reporting and assessment framework implementation monitored	<b>Not Achieved</b> Service provider has been appointed through the World Bank and this will accelerate the implementation of this deliverable	<b>Achieved</b>	Report on the implementation of the GHG Framework	<b>Achieved</b>	N/A	N/A
	Projects contributing to GHG emission reduction	Number of approved and registered carbon offsets projects	<b>Achieved</b>	<b>Achieved</b>	4 Approved and registered carbon offsets projects	<b>Achieved: 6</b> carbon offsets projects approved and registered	2	This target is dependent on the number of applications received from of project developers. There were more applications received against the set target.



Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
	Quality publications	Number of quality mineral publications published	<b>Partially Achieved</b> Publications and economic reports produced	<b>Not Achieved</b>	8	<b>Not Achieved</b>	3 Publications finalised -5 Issues of ME Bulletins, D1 and B1	There were delays in the procurement processes of the subscriptions and other resources. The department is in the process of fast-tracking procurement processes.
		Number of Annual Energy statistics reports published	<b>N/A</b>	<b>Achieved</b>	4 Annual energy statistics reports published (Energy Price, balance, Trade and Statistics booklet)	<b>Not Achieved</b>	Draft reports have been produced and are in place	Engagement with approval authority for quality assurance prior to approval.
Economic Diplomacy that promotes regional	Number existing bilateral agreements	Number of progress reports on agreed	<b>Achieved</b> USA, Germany (Development Cooperation led	<b>Achieved</b>	10	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
integration, global cooperation and development	implemented and new agreements concluded	areas of collaboration and cooperation implemented	by National Treasury), Germany (Energy Partnership led by DMRE), Canada, United Kingdom, Saudi Arabia, Denmark, CAR, Russia (ITEC), Ireland					
		New Agreements Concluded	<b>N/A</b>	<b>N/A</b>	1	<b>Not Achieved</b>	No new agreements have been signed for the year.	There was a delay in receiving inputs from the Department of Justice for legal advice and process.

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
	Number of existing bilateral agreements implemented and new agreements concluded.	Number of progress reports on multilateral strategic partnerships	<b>Achieved</b> BRICS; International Energy Agency; African Union; SADC; International Energy Forum	<b>Achieved</b>	10	<b>Achieved</b>	N/A	N/A

#### 4.3.1 Linking performance to budget

**Table 13: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under Expenditure	Final	Actual	(Over)/Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Mining Minerals and Energy Policy Development Management	63 596	58 373	5 223	23 312	19 071	4 241
Minerals and Petroleum Policy	23 894	19 603	4 291	22 984	21 275	1 709
Nuclear, Electricity and Gas Policy	18 105	14 507	3 598	19 630	14 913	4 717
Economic Analysis and Statistics	44 899	39 016	5 883	44 289	40 631	3 658
Economic Growth, Promotion and Global Relations	711 785	707 263	4 522	666 058	664 007	2 051
Mineral and Energy Planning	17 727	14 285	3 442	16 559	8 824	7 735
<b>Total</b>	<b>880 006</b>	<b>853 047</b>	<b>26 959</b>	<b>792 832</b>	<b>768 722</b>	<b>24 110</b>

#### 4.4 Programme 4: Mine Health and Safety Inspectorate

##### Purpose

To ensure the health and safety of employees in the mine.

##### Sub-programmes:

- Mine, Health and Safety Management
- Mine, Health and Safety Regions
- Governance, Policy and Oversight (Head Office)

**Table 14: Outcomes, outputs, output indicators, targets, and actual achievements**

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% Reduction in occupational fatalities compared to prior year	<b>Not Achieved</b>	<b>Not Achieved:</b> There were 68 fatalities from April 2021 to March 2022 compared to 59 fatalities in the same period of the previous financial year. Calculation: $(68 - 59) / 59 \times 100\% =$	10%	<b>Achieved.</b> There were 47 fatalities from April 2022 to March 2023 compared to 69 fatalities in the same period of the previous financial year.	22%	The reason for over achievement is due to increase number of inspections and audits conducted in the third quarter of

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
				15%		Calc: $(47 - 69) / 69 \times 100\% = -32\%$		2022/23 financial year.
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% Reduction in occupational injuries compared to prior year	<b>Achieved</b>	<b>Not Achieved:</b> There were 2127 injuries from April 2021 to March 2022 compared to 1802 injuries in the same period of the previous financial year. Calculation: $(2127 - 1802) / 1802 \times 100\% = 18\%$	5%	<b>Not Achieved.</b> There were 2073 injuries from April 2022 to March 2023 compared to 2130 injuries in the same period of the previous financial year. Calc: $(2073 - 2130) / 2130 \times 100\% = -3\%$	2%	There were more collisions and accidents under transport and mining due to non-compliance. Department have gazetted trackless and mobile machinery regulations to minimise collision avoidance which falls under transport and mining.
		% Reduction in	<b>Achieved</b>	<b>Not Achieved:</b> From April 2021-	10%	<b>Not Achieved.</b> During April -	-23%	The mines are required to

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
		occupational diseases (Including TB) compared to prior year		March 2022, a total of 1403 occupational diseases were reported compared to 1197 cases reported during the same period in 2021/22. Calculation: $(1403 - 1197) / 1197 \times 100 = 17\%$		March 2022/23, a total of 1592 occupational diseases were reported compared to 1403 cases reported during the same period in 2021/22. Calculation: $(1592 - 1403) / 1403 \times 100 = 13\%$		continually comply with the legislative requirements pertaining to medical surveillance and reporting of occupational diseases.
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% of investigations completed (Initiated vs Completed)	<b>Achieved</b>	<b>Achieved:</b> A total of 539 accident-initiated investigations were completed from April 2021 to March 2022. Calculation $(539/539) * 100 = 100\%$	80%	<b>Achieved.</b> A total of 516 accident-initiated investigations and 531 were completed from April 2022 to March 2023. Calculation	23%	The reason for over achievement was due to strictly monitoring of accidents files allocated to inspectors and ensure investigations

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
						$(531/516) * 100 = 103\%$		are completed timely.
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% of inquiries completed (Initiated v/s completed)	<b>Achieved</b>	<b>Achieved:</b> A total of 45 accident-initiated investigations and 51 were completed from April 2021 to March 2022. Calculation $51/45 * 100 = 113\%$	80%	<b>Achieved.</b> A total of 47 accident-initiated inquiries and 49 were completed from April 2022 to March 2023. Calculation $(49/47) * 100 = 100\%$	20%	More witnesses and legal representatives were available for inquiries to be completed timely. Some inquiries were carried over from previous cycle backlog
		Number of qualitative inspections conducted (cumulative, including individual and group audits)	<b>Partially achieved</b> 6036 inspections & audits conducted from April 2020 to December 2020	<b>Achieved:</b> 8399 inspections and audits were conducted in four quarters instead of 8396. Calculation $(8399/8396) * 100 = 100\%$	8000	<b>Achieved.</b> The cumulative inspections and audits conducted up to the end of fourth quarter for FY 2022/23 were <b>9115</b>	1115	The reason for over achievement is due to more inspections and audits conducted to improve the state of health and safety at



Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
			compared with 6600 targets for inspections & audits			versus of an overall target of <b>8000</b> .		mines
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	Number of MHS Annual Report submitted to Parliament	<b>N/A</b>	<b>N/A</b>	1	<b>Achieved.</b> One MHSI annual report was submitted to Parliament as required Calculation	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Service Level Agreements (SLAs) implemented	% of identified necessary SLAs entered into to improve health and safety in mining	N/A	N/A	100%	<b>Achieved.</b> A Service Level Agreement (SLA) with Mine Rescue entered and honoured. Calculation: $(1/1)*100=100\%$	N/A	N/A
Efficient, effective and development orientated department (internal processes)	Turnaround times improved	% Adherence to prescribed timeframes for Chief Inspector of Mines appeals	N/A	N/A	100%	<b>Achieved.</b> There were 8 CIOM's appeals received and completed within the prescribed timeframe during FY 2022/23. Calculation: $(8/8)*100=100\%$	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Efficient, effective and development orientated department (internal processes)	Turnaround times improved	% Adherence to prescribed timeframes for medical appeals	N/A	N/A	80%	<b>Achieved.</b> 58 appeals received and 54 were completed during FY 2022/23. Calculation: $(54/58*100=93\%)$ .	13%	The reason for over achievement is that more appeal investigations were done. OMPs submitted medical reports within acceptable time frames.
		% Adherence to prescribed timeframes for MPRDA applications	N/A	N/A	80%	<b>Achieved.</b> There were 1923 applications received and 1888 were completed during the FY 2022/23. Calculation: $(1888/1923)*100=98\%$ .	18%	The reason for over achievement is due to more applications processed as the department is operating with 100% employees.

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Sufficient and relevant skills in the mining sector	Skills development and transformation	% of administration of Government Certificate of Competency (GCC) exams policy.	N/A	N/A	100%	<b>Achieved.</b> Government Certificate of Competency Examination during FY 2022/23 were successfully conducted for all categories	N/A	N/A

#### 4.4.1 Linking performance to budget

**Table 15: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Mine Health and Safety Management	9 499	8 272	1 227	10 903	9 710	1 193
Mine Health and Safety Regions	209 712	193 880	15 832	207 539	181 676	25 863
Occupational Health	17 391	15 946	1 445	14 675	13 964	711
<b>Total</b>	<b>236 602</b>	<b>218 097</b>	<b>18 505</b>	<b>233 117</b>	<b>205 351</b>	<b>27 766</b>

## 4.5 Programme 5: Programmes and Projects

### Purpose

To manage, coordinate and monitor energy and minerals programmes and projects.

### Sub-programmes:

- Programmes and Projects Management
- Integrated National Electrification Programme
- Programmes and Projects Management Office
- Regional Programmes and Projects Management Office
- Electricity Infrastructure and Industry Transformation
- Energy Efficiency Projects
- Renewable Energy Projects
- Environmental Management Projects

**Table 16: Outcomes, outputs, output indicators, targets, and actual achievements**

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Additional Power Generation Capacity Secured	Procurement of Additional Generation Capacity	Request for Proposals (RFP) to Procure additional capacity from renewable	<b>Not Achieved</b> Power purchase agreement not in place	<b>Achieved</b> RFP released to the market	Request for Proposals (RFP) for 513 MW from Storage issued	<b>Achieved</b> RFP released in March 2023	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
		energy issued	N/A	<b>Not Achieved</b> RFP for 2 600 MW (Bid Window 5) of renewable energy issued	Request for Proposals (RFP) 2 600 MW (BW 6) from renewable energy issued	<b>Achieved</b> RFP released in April 2022	N/A	N/A
			N/A	N/A	Request for Proposals (RFP) 1 600 MW from renewable energy (BW 7) developed	<b>Achieved</b> Due to the need to accelerate the procurement of additional power generation capacity, the 1 600MW that was previously allocated for BW7 have been moved forward to increase the Bid Window 6 allocation from 2 600 MW to 4 200 MW	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Additional Power Generation Capacity Secured	Procurement of Additional Generation Capacity	Request for Proposals (RFP) to Procure additional capacity from renewable energy issued	N/A	<b>Not Achieved</b>	Request for Proposals (RFP) for 1500 MW from coal issued	<b>Not Achieved</b>	The pre-feasibility study report is in place and undergoing internal review.	Due to the diminishing financial market appetite for funding Coal projects, a pre-feasibility study had to be conducted to assess the viability of undertaking a successful Coal Procurement Programme.
			N/A	<b>Not Achieved</b>	Request for Proposals (RFP) for 3 000 MW from gas issued	<b>Not Achieved</b>	Preparatory work for the development of the gas RFP is underway	Conceptualisation of the gas-to-power (G2P) programme has been completed
			N/A	N/A	Issue concurrence to NERSA for Section 34 determination in line with Integrated Resource Plan (IRP) 2019	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Renewable Energy Sector Industrialisation & localisation	Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	<b>Not Achieved</b> Master plan not finalised	<b>Not Achieved</b>	Approved Renewable Energy Sector Master Plan	<b>Not Achieved.</b>	Draft Master plan is in place. A resolution was taken by the EOC to allow the PC to finalise the SAREM and approve the final document which is due to be submitted on 31 <sup>st</sup> of July 2023.	There were delays in finalising the implementation elements. TIPS was appointed to facilitate the process towards finalisation of SAREM on the 31 <sup>st</sup> of July 2023.
Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technology	<b>Not Achieved</b> Zero additional households electrified with non-grid electrification in this fiscal year	<b>Achieved</b> 23 738 additional household connected to non-Grid	15 000 Additional households electrified with non-grid electrification to achieve the 2022/23 target	<b>Achieved</b> <b>20 950</b>	5 950	Over-achieved connections due to additional budget allocations and rollover from the previous FY.
Electrification of additional households	Report on the monitoring and verification of the implementation of grid	Number of quarterly reports on the planning, funding, implementation, monitoring and	<b>Achieved</b> 4 Quarterly Reports on the allocation of funding and the monitoring	<b>Achieved</b> Report produced indicating that Eskom and Municipalities	4 Quarterly reports on the monitoring and verification of the implementation of the grid	<b>Achieved</b> 4 Quarterly Reports from Eskom and 4 quarterly reports from	N/A	N/A



Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
	electrification of additional households by Eskom and contracted municipalities	verification of grid electrification of households towards the national commitment in the MTSF	of implementation of grid electrification of additional households by Eskom and municipalities	have connected 147 013 additional households through Grid electrification instead of 180 000	electrification of additional 200 000 households by Eskom and contracted municipalities	Municipalities were produced indicating that we have connected 145 877 additional households through Grid electrification against 200 000 targets		
Electrification of additional households	Master plan for electrification of additional households	Number of Electrification Master plans developed	N/A	N/A	6 Electrification Masterplans developed (KwaZulu-Natal, Eastern Cape, Gauteng, Limpopo, Mpumalanga and North West provinces)	<b>Achieved</b>	N/A	N/A
Acid Mine Drainage (AMD) mitigated	Ingress Control of potential AMD water	Number of ingress control measures implemented	N/A	<b>Achieved</b>	1 Ingress control measure implemented	<b>Achieved:</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
State of geological infrastructure improved	Derelict and ownerless mine sites rehabilitated	Number of derelict and ownerless mine sites rehabilitated	N/A	<b>Achieved</b>	3 Derelict and ownerless mine sites rehabilitated	<b>Not Achieved: 2</b>	1 Derelict and ownerless mine sites could not be rehabilitated	1 Derelict and ownerless mine sites could not be rehabilitated due to community unrest.
State of geological infrastructure improved	Unsafe mine shafts sealed off	Number of unsafe mine shafts sealed off	N/A	<b>Achieved</b>	40 Unsafe shafts sealed off	<b>Achieved: 95</b>	55	In sealing or closing shafts we encountered situations wherein illegal miners made several holdings to access the shafts. The Rehabilitation Oversight Committee decided that as shafts are closed, the holdings should also be sealed and closed. This resulted in an increase in the shafts/holdings sealed and closed in the quarter and over the entire financial year.

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved energy efficiency across all sectors	Reports on the planning, monitoring and verification of the implementation of EEDSM projects in industry, buildings, municipalities or residential sector to achieve 0.5 TWh savings	Number of energy savings (TWh) realised and verified from Energy Efficiency Demand Side Management (EEDSM) projects	<b>Achieved</b> 1.58 TWh against the annual target of 0.5TWh	<b>Achieved</b> Report on achievements of 0.6075 TWh savings provided	Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieved 0.5 TWh savings	<b>Achieved:</b> Report on the achieved energy savings of 1.072 TWh prepared.	0.572 TWh savings.	The over-achievement is due to several companies preparing and submitting EE projects.
			N/A	<b>Achieved</b> Report on achievements of 0.0198 savings by municipalities provided	4 Quarterly reports on the planning, implementation, monitoring, and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities	<b>Not Achieved.</b> Report compiled with energy savings of 0.0093 TWh.	Less by 0.0103 TWh savings	Delays in procurement by municipalities have affected the implementation of the EEDSM grant projects.

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Gender Transformed Mining Sector	Mining Sector Women Empowerment and Gender	Draft Mining Sector Women Empowerment and Gender Equality Strategy (WEGE) and implementation plan	N/A	N/A	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan drafted	<b>Not Achieved:</b>	The strategy is still at early stage of development. Internal review of the discussion document took longer than anticipated.	The consultation process will commence in the new financial year.
Gender Transformed Mining Sector	Implementation of the Energy Sector WEGE Strategy and Gender Policies and Frameworks	Number of Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality (WEGE) Strategy and Gender policies and Frameworks	N/A	N/A	4 Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks quarterly	<b>Achieved</b>	N/A	N/A
Transformed Energy and Mining Sector	Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities on from INEP, Energy Efficiency,	Percentage of Preferential procurement to qualifying Women, Youth and People with Disabilities (PWDs) owned	N/A	N/A	20% of preferential procurement to qualifying Women, Youth and PWDs owned business/	<b>Not Achieved</b>	20%  Report was received from Eskom.	At the time of performance reporting for 2022/23 financial year, a constitutional court judgement was

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
	Derelict and Ownerless Mines and small-scale Mining Programmes	businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes			entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes			issued in February 2022 and came into force on 16 January 2023, repealing the 2017 prequalification criteria. Based on the Constitutional Court Judgement, there will be no further remedial action and that this target will be removed from the 2023/24 APP.
Transformed Energy and Mining Sector	Transformed Mining Sector	Number of small-scale miners supported	N/A	N/A	30 Small-scale miners supported	<b>Not Achieved</b>	30	No financial support has been provided during the financial year to the small-scale mining

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Transformed Energy and Mining Sector	Transformed Mining Sector	Number of women small-scale miners supported financially	N/A	N/A	10 Women owned small-scale miners supported	<b>Not Achieved:</b>	10	MoA between the IDC and DMRE to allow the disbursement of funds in order to provide financial support to small-scale miners was approved during March 2023. As a result, the financial support could not be provided.
Transformed Energy and Mining Sector	Mainstream Youth in the energy and mining sector programmes and projects	Draft Mining Sector Youth Empowerment Strategy and implementation plan	N/A	N/A	Draft Mining Sector Youth Strategy and implementation Plan approved	<b>Not Achieved:</b>	Consultation with stakeholders on the discussion document prolonged	Consultation with stakeholders on the discussion document will commence in the new financial year.
		Draft Youth Energy Sector Strategy and implementation plan	N/A	N/A	Draft Youth Energy Sector Strategy and Implementation plan approved	<b>Achieved:</b>	N/A	N/A

#### 4.5.1 Linking performance to budget

**Table 17: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under Expenditure	Final	Actual	(Over)/Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Programme and Projects Management	4 923	2 678	2 245	3 371	3 321	50
Integrated National Electrification Programme	6 072 455	5 982 202	90 253	5 184 340	5 091 242	93 098
Programme and Projects Management Office	70 099	63 740	6 359	63 045	63 077	- 32
Electricity Infrastructure and Industry Transformation	120 612	119 857	755	5 755	5 596	159
Energy Efficiency Projects	250 464	234 872	15 592	248 093	231 818	16 275
Renewable Energy Projects	198 180	137 120	61 060	182 948	129 318	53 630
Environmental Management Projects	200 324	188 096	12 228	194 088	192 248	1 840
<b>Total</b>	<b>6 917 057</b>	<b>6 728 565</b>	<b>188 492</b>	<b>5 881 640</b>	<b>5 716 621</b>	<b>165 019</b>

## 4.6 Programme 6: Nuclear Energy Regulation and Management

### Purpose

To manage the South African nuclear energy industry and control nuclear material in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

### Sub-programmes:

- Nuclear Energy Management
- Nuclear Safety and Technology
- Nuclear Non-Proliferation and Radiation Security

**Table 18: Outcomes, outputs, output indicators, targets and actual achievements**

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved security of supply for nuclear energy	Increased supply of electricity for grid stability	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	<b>Not Achieved</b>	<b>Achieved</b>	Request for Proposal for procurement of 2500 MW Nuclear Programme issued	<b>Not Achieved.</b>	The release of RFP for procurement of 2500MW Nuclear Programme is dependent on NERSA unconditional concurrence with Ministerial Section 34 Determination as prerequisite.	The department is awaiting NERSA unconditional concurrence with Ministerial Section 34 Determination as prerequisite.



Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Improved security of supply for nuclear energy	Oversight on implementation of the Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	<b>Achieved</b>	<b>Achieved</b>	4 Quarterly Monitoring Report of Koeberg Nuclear Power Plant Long Term Operation Program through established Technical Oversight Committee meetings	<b>Achieved</b>	N/A	N/A
Improved security of supply for nuclear energy	Policy oversight and direction for the establishment of the Central Interim Storage Facility (CISF) Project	Feasibility study for Central Interim Storage Facility (CISF) completed	<b>Achieved</b>	<b>Not Achieved</b>	Feasibility study for Central Interim Storage Facility (CISF) completed and submitted to Cabinet for approval	<b>Not Achieved</b>	The gateway review is being conducted and will be completed in August 2023.	Gateway Review project delayed due to protracted procurement process.
Improved security of supply for nuclear energy	Feasibility study on Multi-Purpose Reactor (MPR)	Draft Feasibility Report for MPR completed	<b>Partially Achieved</b>	<b>Not Achieved</b>	Draft Feasibility study on MPR completed and submitted for Gateway Review	<b>Not Achieved</b>	The draft report is not ready for submission to the independent service provider for gateway review.	A draft feasibility report is currently being reviewed by the ministerial task team. In parallel, the process to procure the service provider for the gateway

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
								review is being expedited by NECSA.
Strengthen the Control of Nuclear Material and equipment	Issued authorisations or denials of applications	% of authorisation applications processed within the 8-week time period.	<b>Achieved</b>	<b>Achieved</b>	70% of authorisation applications processed within the 8-week time period	<b>Achieved</b>	N/A	N/A
	Nuclear Safeguards inspections reports	Number of nuclear Safeguards compliance inspections reports approved	<b>N/A</b>	<b>Achieved</b>	40 Nuclear Safeguards compliance inspections reports approved	<b>Achieved</b>	N/A	N/A
Strengthen physical protective measures for nuclear material and facilities	Nuclear Security inspections reports	Number of Nuclear Security compliance inspections Reports	<b>N/A</b>	<b>Achieved</b> 14 compliance reports	20 Nuclear Security compliance inspections reports approved	<b>Achieved</b>	N/A	N/A

Outcome	Output	Output Indicators from 2022/23 APP	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Targets from 2022/23 APP	Actual Achievement 2022/23	Deviation from Planned Targets to Actual Achievement 2022/23	Reasons for Revision or deviation
Strengthen and promote the utilization of nuclear technology	Improved Coordination of IAEA Technical Cooperation (TC) Programme	IAEA 2024-2029 Country Programme Framework	N/A	N/A	IAEA 2024-2029 Draft Country Programme Framework developed	Achieved	N/A	N/A
		IAEA Monitoring report on Technical Cooperation Programme	N/A	N/A	IAEA Annual report on the Technical Cooperation Programme produced	Achieved	N/A	N/A
	Coordination of the AFRA Programme	Monitoring report on AFRA Programme	N/A	N/A	Monitoring report on AFRA Programme produced	Achieved	N/A	N/A

#### 4.6.1 Linking performance to budget

**Table 19: Subprogramme expenditure**

Sub- Programme Name	2022/2023			2021/2022		
	Final	Actual	(Over)/Under Expenditure	Final	Actual	(Over)/Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Nuclear Energy Management	7 162	7 182	-20	4 926	4 761	165
Nuclear Safety and Technology	1 151 569	1 143 278	8 291	1 118 066	1 107 417	10 649
Nuclear Non-Proliferation and Radiation Security	13 235	12 251	984	11 609	11 264	345
<b>Total</b>	<b>1 171 966</b>	<b>1 162 711</b>	<b>9 255</b>	<b>1 134 601</b>	<b>1 123 441</b>	<b>11 160</b>

## 4.7 Programme expenditure for the Department of Mineral Resources and Energy

**Table 20: Programme expenditure**

Programme Name	2022/2023			2021/22		
	Final	Actual	(Over)/ Under Expenditure	Final	Actual	(Over)/ Under Expenditure
	Appropriation	Expenditure		Appropriation	Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	729 612	651 585	78 027	661 812	562 544	99 268
Minerals and Petroleum Regulation	512 294	504 578	7 716	537 462	526 858	10 604
Mining, Minerals and Energy Policy Development	880 006	853 047	26 959	792 832	768 722	24 110
Mine Health and Safety Inspectorate	236 602	218 097	18 505	233 117	205 351	27 766
Programmes and Projects	6 917 057	6 728 565	188 492	5 881 640	5 716 621	165 019
Nuclear Energy Regulation and Management	1 171 966	1 162 711	9 255	1 134 601	1 123 441	11 160
<b>Total</b>	<b>10 447 537</b>	<b>10 118 584</b>	<b>328 953</b>	<b>9 241 464</b>	<b>8 903 537</b>	<b>337 927</b>

## 4.8 Strategy to overcome areas of underperformance

The following mitigation measures will be applied to overcome areas of under performance:

- Filling of vacancies due to natural attrition
- Modernise the ICT infrastructure, integrate application and digitalisation to mitigate obsolete application and ICT infrastructure –
- Enforce implementation of ICT and corporate governance
- Modernisation and automation of integrated productivity support solutions
- Conduct organisation structure review to align the structure to the mandate of the department,
- Conduct skill audit and define desired organisational culture for the department and change management due to the merger of the two department
- Improve communication and engagement with stakeholders in the value chain
- Reprioritisation of funds for high priority projects and identify critical element of the projects which can be initiated whilst funds are being secured.

The Department will develop an intervention strategy that seeks to address threats and areas of weaknesses to improve performance towards the achievement of targets not achieved in the control environment.

## 5. TRANSFER PAYMENTS

The transfer of payments to municipalities has been made in accordance with the approved annual Division of Revenue Act of South Africa's transfer requirements (Refer to Note 7 to the annual financial statements).

### 5.1 Transfers payments to public entities

**Table 21: Transfer payments made for the period 1 April 2022 to March 2023**

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
South African Nuclear Energy Corporation	<ul style="list-style-type: none"> <li>Undertaking and promoting research and development in the field of nuclear science</li> <li>Processing source material, including uranium</li> <li>Cooperating with other institutions on nuclear-related matters.</li> </ul>	1 008 192	1 008 192	<ul style="list-style-type: none"> <li>Improved performance evidenced by a significant reduction in material findings.</li> <li>Positive financial trajectory for 2022/23 where the NECSA Group will reflect a profit for the first time in five years.</li> <li>Improved governance in which there were currently no new supply chain issues (i.e.irregular expenditure or fruitless and wasteful expenditure) for 2022/23.</li> <li>Rationalisation is yielding positive results in terms of instilling a high-performance culture.</li> </ul>
National Nuclear Regulator	<ul style="list-style-type: none"> <li>Providing for the protection of persons, property and the environment against nuclear damage</li> <li>Exercising regulatory control related to the siting, design, construction, operation, manufacture of component parts, and decontamination, decommissioning and closure of nuclear installations</li> <li>Exercising regulatory control over the actions, to which the Act applies, through the granting of nuclear authorisations</li> </ul>	47 308	47 308	<ul style="list-style-type: none"> <li>The NNR achieved an overall performance level of 97% (unaudited) for all planned activities during the 2022/23 financial year.</li> </ul>

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	<ul style="list-style-type: none"> <li>• Providing assurance of compliance with the conditions of nuclear authorisations through the implementation of a system of compliance inspections</li> <li>• Fulfilling national obligations in respect of international legal instruments concerning nuclear safety</li> <li>• Ensuring that provisions for nuclear emergency planning are in place</li> </ul>			
National Radio-Active Waste Disposal Institute	<ul style="list-style-type: none"> <li>• Plan, design, construct, operate, manage and monitor radioactive waste disposal facilities</li> <li>• Design and implement disposal solutions for all classes of radioactive waste</li> <li>• Maintain a national radioactive waste database and publish reports on the inventory and location of radioactive waste in South Africa</li> </ul>	50 304	50 304	<ul style="list-style-type: none"> <li>• Refer to general information of public entities reporting to the Minister.</li> </ul>
South African National Energy Development Institute	<ul style="list-style-type: none"> <li>• Direct, monitor and conduct energy research and development</li> <li>• Undertake measures to promote energy efficiency throughout the economy</li> </ul>	81 072	81 072	<ul style="list-style-type: none"> <li>• Refer to general information of public entities reporting to the Minister.</li> </ul>
Council for Geoscience	<ul style="list-style-type: none"> <li>• Gather, compile, develop and publish world-class geoscience data, knowledge and products</li> <li>• Render geoscience-related services to the South African public and industry.</li> </ul>	355 761	355 761	<ul style="list-style-type: none"> <li>• Refer to general information of public entities reporting to the Minister.</li> </ul>

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Council for Mineral Technology Research (Mintek)	<ul style="list-style-type: none"> <li>Fundamental research and development in efficient mineral processing technologies and value-added products and services</li> </ul>	324 955	324 955	<ul style="list-style-type: none"> <li>Refer to general information of public entities reporting to the Minister.</li> </ul>
South African Diamond and Precious Metals Regulator (SADPMR)	<ul style="list-style-type: none"> <li>Ensure competitiveness, sustainable development and job creation in the diamond and precious metals industry</li> <li>Ensure effective transformation of the diamond and precious metals sectors</li> <li>Ensure equitable access to resources for local beneficiation.</li> </ul>	62 894	R 62 894	<ul style="list-style-type: none"> <li>100% of diamonds were verified for fair market value during imports and exports.</li> <li>A total of 1 232 diamond and precious metals inspections were conducted on licenses' premises.</li> <li>Thirty precious metals and 17 diamond disruptive inspections were conducted with law enforcement agencies.</li> <li>A total of 49 export approval applications were received and evaluated if they cater for local demand.</li> <li>Eight new entrants to the diamond industries were trained in diamond planning, marking, sorting, valuation and pricing.</li> <li>Six new and seven monitored projects were recorded for the year. As a result, 48 enterprise candidates were assisted through these initiatives, including HDSA women and youth.</li> <li>A total of 65 HDSA, including women, youth and people with disabilities, were issued with licenses.</li> <li>100% of all diamond and precious metals application received were issued within 60 working days.</li> <li>Eight new diamond beneficiators and dealers accessed the Diamond Exchange and Export Centre for first time.</li> <li>The SADPMR participated in 10 multilateral engagements and three bilateral engagements.</li> <li>Five reports were submitted (quarterly imports, exports statistics and an annual report).</li> </ul>
Petroleum Agency South Africa (PASA)	<ul style="list-style-type: none"> <li>Promote onshore and offshore exploration for and the production of petroleum.</li> <li>Receive, evaluate and make recommendations to the Minister on applications for reconnaissance permits, technical cooperation permits and exploration and production rights for petroleum.</li> <li>Monitor and report on compliance with such permits or rights.</li> <li>Receive, maintain, store, interpret, evaluate, add value to and disseminate or deal in all geological or geophysical information relating to petroleum.</li> </ul>	94 284	94 284	<ul style="list-style-type: none"> <li>Refer to general information of public entities reporting to the Minister.</li> </ul>
Mine Health and Safety Council (MHSC)	<ul style="list-style-type: none"> <li>Advise on occupational health and safety in mines</li> </ul>	4 717	4 717	<ul style="list-style-type: none"> <li>Refer to general information of public entities reporting to the Minister.</li> </ul>



## 5.2 Transfer payments to all organisations other than public entities

**Table 22: Transfer payments made for the period 1 April 2022 to 31 March 2023**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Department comply with section 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
African Diamond Producers Association	International organisation	International membership fees	N/A	4 505	4 505	Not applicable
African Petroleum Producers Organisation	International organisation	International membership fees	N/A	3 280	3 280	Not applicable
Generation IV International Forum	International organisation	International membership fees	N/A	683	683	Not applicable
International Atomic Energy Agency	International organisation	International membership fees	N/A	14 040	14 040	Not applicable
International Energy Forum	International organisation	International membership fees	N/A	825	825	Not applicable
International Renewable Energy Agency	International organisation	International membership fees	N/A	1 724	1 724	Not applicable
Industrial Development Corporation (small-scale mining)	Public corporation	Implementation of small-scale mining projects		27 293		
Mining companies (marginal mines)	Private companies	Provide subsidies to marginal mines for the management of the ingress of water		165	165	R6.79 million was budgeted for transfer to successful marginal mines to assist with water management. R6.63 million was not transferred due to applicants not meeting the subsidy criteria
Former employees	Households	Leave gratuities and retirement benefits, pension liabilities for early retirement benefits, claims against government (loss of office)	N/A	6 671	6 671	Not applicable
Mining Qualification Authority	Departmental agency – SETA	Annual contributions to SETAs in accordance with the Department of Public Service and Administration Circular HRD 1 of 2013.		2 209		

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Department comply with section 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
EWSETA	Departmental agency – SETA	Annual contributions to SETAs in accordance with the Department of Public Service and Administration Circular HRD 1 of 2013.		-	-	An allocation earmarked for transfer to EWSETA of R911 000 was not transferred due to the delayed finalisation of a service level agreement with the SETA.

## 6. CONDITIONAL GRANTS

### 6.1 Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the Department.

**Table 23: Conditional Grant 1: National Electrification Programme Municipalities (equitable share)**

Department/municipality to whom the grant has been transferred	Several municipalities
Purpose of the grant	Electricity connections
Expected outputs of the grant	70 853
Actual outputs achieved	43 287 including roll-over connections
Amount per amended DoRA (R'000)	2 119 668
Amount transferred (R'000)	2 119 668
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the Department/municipality (R'000)	881 731 spent at the end of March 2023 in line with the departmental financial year. It should be noted that municipalities are to spend their transferred funds up to June 2023 in line with their financial year.
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	Late appointment of service providers by municipalities, business forums' demands and outstanding invoices for completed work, but not paid at the end of the financial year. It should be noted that municipalities are to spend their transferred funds up to June 2023 in line with their financial year.

**Table 24: Conditional Grant 2: National Electrification Programme (Eskom)**

Department/municipality to whom the grant has been transferred	Eskom
Purpose of the grant	Electricity connections
Expected outputs of the grant	102 264
Actual outputs achieved	102 590, including roll-over connections
Amount per amended DoRA (R'000)	3 588 162
Amount transferred (R'000)	3 588 162
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the Department/public corporation (R'000)	2 014 597
Reasons for the funds unspent by the entity	Programme delivery was impacted by material availability and loadshedding, community unrests and unpaid invoices for completed work at the end of the financial year.
Monitoring mechanism by the transferring department	Quarterly reports submitted by Eskom, verification reports.

**Table 25: Conditional Grant 3: Energy Efficiency and Demand-side Management Programme (equitable share)**

Department/municipality to whom the grant has been transferred	Several municipalities
Purpose of the grant	Implementation of energy-efficiency technologies
Expected outputs of the grant	21 365 MWh/annum
Actual outputs achieved	10 440 MWh/annum
Amount per amended DoRA (R'000)	223 204
Amount transferred (R'000)	223 204
Reasons if amount as per DoRA not transferred	All funds were transferred as per DoRA.
Amount spent by the Department/municipality (R'000)	136 725 spent by the municipality
Reasons for the funds unspent by the entity	The Department has transferred all the grant funds to municipalities. However, municipalities experienced delays in the implementation of the projects due to late procurement.
Monitoring mechanism by the transferring department	Project Steering Committee meetings were held, and random site Inspections conducted.

## 6.2 Conditional grants and earmarked funds received

No conditional grants and earmarked funds were received.

## 7. DONOR FUNDS

### 7.1 Donor funds received

**Table 26: Donor Fund: P0022582: Improving energy performance in government buildings**

Name of donor	General Budget Support Programme of the European Union
Full amount of the funding	R60 million
Period of the commitment	2019/20 to 2022/23
Purpose of the funding	To improve the energy performance of government buildings
Expected outputs	Improve energy consumption of a targeted 20 buildings by 20% from 2019 energy consumption baselines.
Actual outputs achieved	A total energy consumption baseline of 26 359 727 kWh was determined from the targeted three buildings that completed the installation of energy-efficient technologies, and a savings of 4 309 963 kWh was achieved. This results in under-achievement of the target due to some technologies not being completed by the end of March 2023.
Amount received in current period (R'000)	12 229
Amount spent by the Department (R'000)	12 449
Reasons for the funds unspent	The overspend was a result of an amount of R3 350 000 paid for invoices that were for the net-zero energy of the Waste Water Treatment Plants project, while the actual spend of this buildings project was R9 099 000.
Monitoring mechanism by the donor	Project Management Committee meetings, biannual reports and site inspections

**Table 27: Donor Fund: P002581: Net-zero energy of Wastewater Treatment Plants**

<b>Name of donor</b>	General Budget Support Programme of the European Union
<b>Full amount of the funding</b>	R60 million
<b>Period of the commitment</b>	2019/20 to 2022/23
<b>Purpose of the funding</b>	Achieve net-zero energy of wastewater treatment plants in South Africa.
<b>Expected outputs</b>	Achieved 30% reduction in energy consumption of three wastewater treatment plants through energy management systems and the optimisation and installation of high energy-efficient motors.
<b>Actual outputs achieved</b>	The measures installed in the three wastewater treatment plants achieved an energy savings of 233 079 kWh.
<b>Amount received in current period (R'000)</b>	19 661
<b>Amount spent by the Department (R'000)</b>	15 157
<b>Reasons for the funds unspent</b>	The underspend in the wastewater treatment plants project was due to an error of paying some invoices of a total of R3 350 000 from the government buildings. This resulted in an underspend of the total allocated budget, while the actual amount spent was R18 507 000.
<b>Monitoring mechanism by the donor</b>	Project Management Committee meetings, biannual reports and site inspections

No donor funds were withdrawn or received from the RDP Fund during the period under review.

## PART C: GOVERNANCE

## **1. INTRODUCTION**

The Department is committed to maintaining the highest standards of governance on the management of public finances and compliance with laws, rules and regulations. The public expects the Department to have good governance and to act in the best interests of the citizens of South Africa, improve the performance of the organisation and be more productive.

## **2. RISK MANAGEMENT**

The Department has a Risk Management Committee (RMC), which comprises both management and external members with the necessary blend of skills, competencies and attributes. The RMC is appointed by the Accounting Officer to assist him to discharge his responsibility for risk management in line with the requirements of section 38(1)(a) of the Public Finance Management Act (PFMA).

The Department has an approved Risk Management Strategy and Policy, which provides guidance on the implementation and integration of the risk management system. The Risk Management Unit assists the Department to embed risk management and leverage its benefits to enhance performance, as well as to work with management to develop risk management regulatory frameworks. Risk management information is communicated to management and other employees of the Department timeously during risk assessment workshops, orientation and induction programmes, and through the placement of posters in visible areas at Head Office and at the regional offices.

During the period under review, the Department updated its risk profile and continued to monitor concerns raised by management structures on a regular basis to confirm the effective and efficient implementation of mitigation strategies and the movement of residual risk exposure to acceptable levels. Risk assessments were conducted to identify, assess, qualify and produce a list of key risks (Risk Register), which may affect the achievement of the identified outcomes of the Department in the Annual Performance Plan and Annual Operational Plan, and to describe measures that should be taken to mitigate high and medium residual risk exposure.

Operational risk encompasses a number of elements, including risks in relation to staff, IT systems, legal, regulatory, as well as human failure. Operational risk value has increased considerably lately under the influence of Fourth Industrial Revolution (4IR), globalisation, the development of ITC, automated systems, remote customer services and information communications.

Although operational risks are still considered to be the “new kid on the block” by many people, they remain the category of risk most likely to impact the organisation unexpectedly and often in a major way.

The Department managed its operational risk by conducting risk assessments on targets stated in the Annual Operational Plan, and produced the Operational Risk Register with risk owners to implement

the mitigation strategies and report progress on the implementation of response action plans on a quarterly basis at the Risk Management Committee and Audit Committee for oversight of controls, governance and recommendations for improvement.

The Department's risk maturity is gradually being monitored to determine the extent to which management and other officials of the Department are able to embed risk management principles in their day-to-day activities. It is our intention to conduct the risk maturity assessment in the 2023/24 financial year to understand the Department's risk maturity gaps and limitations, and to put measures in place to improve our weaknesses.

### **3. FRAUD AND CORRUPTION**

The Department has a Fraud Prevention Plan in place to facilitate the development of controls to assist in the prevention and detection of fraud and corruption, as well as to provide guidelines on how to respond to incidences of reported cases or incidents of fraud and corruption. The Fraud Prevention Strategy applies to all employees, stakeholders, contractors and any other party doing business with the Department.

### **4. MINIMISING CONFLICT OF INTEREST**

The Department has instituted certain mechanisms to minimise conflict of interests in line with the provisions of the Public Service Regulations, 2016.

Senior managers and managers remunerated at salary level 9 and 10, also referred to as designated employees, disclosed their financial interest as required by the financial disclosure framework during the year under review. The Department of Public Service and Administration (DPSA) exempted other designated employees (middle managers, as well as finance and supply chain employees) from disclosing their financial interests in 2022 with a view to allow the recently designated employees on level 9 and 10 in the eDisclosure system enough time to submit their financial interests.

The principle of consequence management was applied to management and other employees of the Department who had failed to comply with the disclosure and conflict of interest directives. Attendees of various management structures are required to disclose and append their signatures on the record of attendance register. The conflict of interest disclosure register was signed by all attendees of management structures.

A departmental gift register is in place as a mechanism to record and maintain gifts received by management and other employees of the Department. An Ethics Management Committee, which is responsible for providing oversight on ethics management, is in place. It is chaired by a Deputy Director-General and comprises senior managers from various branches.



The table below depicts the number of employees who complied with the disclosure and conflict of interest framework during the year under review.

Employee categories	Senior management	Levels 9 and 10
Registered employees	144	321
Employees that submitted disclosures	143	315
Registered employees that did not submit disclosures	1	6
Unregistered employees	0	0

## 5. CODE OF CONDUCT

The Code of Conduct is applicable and acts as a guide to employees of the DMRE as to what is expected of them from an ethical point of view. In order to promote a high standard of professional ethics within the Department, employees are encouraged to think and behave ethically. All the Department's employees have the responsibility to comply with the Code of Conduct through workshops.

## 6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Department has the responsibility to create a conducive working environment and promote health and safety by ensuring adherence to the Occupational Health and Safety Act (OHSA).

A significant aspect of health, safety and environment activities involves striving for compliance with organisational and legislative requirements. Most buildings in the regional offices and the Head Office are not compliant with the occupational health and safety legislative requirements (e.g. no occupancy certificates, electrical installation certificate of compliance). Employees are working under pressure and that may lead to employees suffering from fatigue.

Ventilation systems are not functioning properly, which can lead to health problems including sick building syndrome. Emergency doors, emergency lights, emergency exits that are locked and rusted, emergency stairs not working and locked emergency exits may render emergency procedures ineffective when there is an emergency and may lead to injuries.

Waste management is still an issue in most regional offices, leading to the accumulation of rodents and unhealthy working environment. Medical surveillances are not conducted for employees who work with hazardous chemical substances.

## 7. PORTFOLIO COMMITTEES

**Table 28: Meetings of the Portfolio Committee on Mineral Resources and Energy: April 2022 to March 2023**

Date of meeting	Agenda
1 April 2022	<ul style="list-style-type: none"> <li>• Consideration and adoption of the Committee report on fuel price increases.</li> <li>• Consideration and adoption of the Committee's second term programme for 2022.</li> <li>• Consideration and adoption of outstanding minutes: 25 and 29 March 2022.</li> </ul>
3 May 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on its Annual Performance Plan and Budget Vote No. 34 for the 2022/23 financial year.</li> <li>• Briefing by the Mine Health and Safety Council on its Annual Performance Plan and Budget for the 2022/23 financial year.</li> <li>• Consideration and adoption of outstanding minutes: 1 April 2022.</li> <li>• Briefing by the Council for Geoscience, Mintek and SANEDI on their respective annual performance plans and budgets for the 2022/23 financial year.</li> </ul>
6 May 2022	<ul style="list-style-type: none"> <li>• Briefing by NECSA, the NNR, the NRWDI, NERSA, the CEF Group, the SADPMR and the State Diamond Trader on their respective annual performance plans and budgets for the 2022/23 financial year.</li> </ul>
13 May 2022	<ul style="list-style-type: none"> <li>• Tabling and discussions on the Committee Budget Vote Report.</li> <li>• Tabling and discussions on the Consolidated Public Hearings Report on the Gas Amendment Bill.</li> </ul>
17 May 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on the Upstream Petroleum Resources Development Bill [B13 – 2021].</li> <li>• Consideration and adoption of the Committee Budget Vote Report.</li> <li>• Consideration and adoption of the Consolidated Provincial Public Hearings Report on the Gas Amendment Bill.</li> </ul>
20 May 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on its responses to the written submissions on the Gas Amendment Bill [B9 – 2021].</li> <li>• Consideration and adoption of the outstanding minutes: 1 April, 3 (two sets), 6 and 13 May 2022</li> </ul>
24 May 2022	<ul style="list-style-type: none"> <li>• Consideration and adoption of the Motion of Desirability on the Gas Amendment Bill [B9 – 2021].</li> <li>• Discussions on the way forward with regard to the Upstream Petroleum Resources Development Bill [B13 – 2021].</li> <li>• Consideration and adoption of outstanding minutes: 17 and 20 May 2022.</li> </ul>
31 May 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on the AFRA agreement, tabled in terms of section 231(2) of the Constitution, 1996.</li> <li>• Presentation of the explanatory memorandum to the AFRA agreement.</li> <li>• Consideration and adoption of minutes: 24 May 2022.</li> </ul>
3 June 2022	<ul style="list-style-type: none"> <li>• Legal opinion by Parliamentary Legal Services on various issues relating to the Upstream Petroleum Resources Development Bill [B13 – 2021].</li> <li>• Letter from the Office of the House Chairperson relating to Glencore.</li> </ul>
7 June 2022	<ul style="list-style-type: none"> <li>• Deliberations on Gas Amendment Bill [B9 – 2021].</li> </ul>

<b>Date of meeting</b>	<b>Agenda</b>
23 August 2022	<ul style="list-style-type: none"> <li>• Briefing by the Committee Content Advisor on the issue of the Glencore Bribery Case and the alleged misuse of the Mining Rehabilitation Funds.</li> <li>• Briefing by Parliamentary Legal Services on its legal opinion on committee processes in relation to legal proceedings against Glencore.</li> <li>• Tabling of correspondence received.</li> <li>• Consideration and adoption of the Committee's third term programme.</li> </ul>
30 August 2022	<ul style="list-style-type: none"> <li>• Briefing by Mining Affected Communities United in Action (MACUA) and Woman Affected by Mining United in Action (WAMUA) on their 2022 report on the Social and Labour Plans Audit.</li> <li>• Briefing by MACUA and WAMUA on the High Court outcomes relating to the Mining Charter.</li> <li>• Briefing by MACUA and WAMUA on their views relating to illegal mining.</li> <li>• Consideration and adoption of outstanding minutes: 31 May, 3 June, 7 June and 23 August 2022.</li> </ul>
13 September 2022	<ul style="list-style-type: none"> <li>• Briefing by the AGSA on the Performance Audit Report on the Rehabilitation of Derelict and Ownerless Mines.</li> <li>• Briefing by the South African Human Rights Commission (SAHRC) on its recommendations on issues and challenges in relation to unregulated artisanal underground and surface mining activities in South Africa.</li> <li>• Tabling of correspondence received.</li> </ul>
20 September 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on its Quarterly Performance Reports for 2021/22: Quarters 1, 2 and 3.</li> <li>• Consideration and adoption of minutes: 30 August and 13 September 2022.</li> <li>• Tabling of correspondence.</li> </ul>
21 September 2022	<ul style="list-style-type: none"> <li>• Tabling of the first draft of the oversight visit to Jagersfontein.</li> <li>• Correspondence.</li> </ul>
23 September 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on its responses to the AGSA and SAHRC presentations on 13 September 2022, including the matters raised by MACUA and WAMUA.</li> <li>• Deliberations on the Upstream Petroleum Resources Development Bill [B13 – 2021] – consideration and adoption of the Motion of Desirability.</li> <li>• Consideration and adoption of the Jagersfontein oversight visit report.</li> <li>• Consideration and adoption of minutes.</li> </ul>
11 October 2022	<ul style="list-style-type: none"> <li>• Briefing by the AGSA on the audit outcomes of the Department of Mineral Resources and Energy and its entities for the 2021/22 financial year.</li> <li>• Briefing by the Department of Mineral Resources and Energy on its Annual Report for the 2021/22 financial year.</li> <li>• Briefing by the Mine Health and Safety Inspectorate and the MHSC on their respective annual reports for the 2021/22 financial year.</li> <li>• Briefing by NERSA, the SADPMR, the State Diamond Trader and Mintek on their respective annual reports for the 2021/21 financial year.</li> </ul>
13 October 2022	<ul style="list-style-type: none"> <li>• Briefing by SANEDI, the NNR, the NRWDI and the Council for Geoscience on their respective annual reports for the 2021/22 financial year.</li> <li>• Briefing by NECSA and the Central Energy Fund Group on their respective annual reports for the 2021/22 financial year.</li> </ul>

<b>Date of meeting</b>	<b>Agenda</b>
18 October 2022	<ul style="list-style-type: none"> <li>• Tabling of the first draft of the Committee Budgetary Review and Recommendations Report.</li> <li>• Tabling of the first draft of the report on the oversight visit in April 2022.</li> <li>• Discussions on the oversight visit to Koeberg Nuclear Power Plant on 21 October 2022.</li> </ul>
20 October 2022	<ul style="list-style-type: none"> <li>• Consideration and adoption of the Committee Budgetary Review and Recommendations Report.</li> <li>• Consideration and adoption of the report on the oversight visit in April 2022</li> <li>• Update on the oversight visit to Koeberg Nuclear Power Plant on 21 October 2022.</li> </ul>
1 November 2022	<ul style="list-style-type: none"> <li>• Briefing by the Minister of Mineral Resources and Energy and the Department of Mineral Resources and Energy on all Glencore activities and mining rights in South Africa.</li> <li>• Tabling of correspondence.</li> <li>• Consideration and adoption of outstanding minutes.</li> </ul>
2 November 2022	<ul style="list-style-type: none"> <li>• Joint meeting with the Parliamentary Committee on Public Enterprises: Engagement with Eskom Board on the energy crisis and Koeberg-related issues as raised by the National Union of Mineworkers.</li> </ul>
4 November 2022	<ul style="list-style-type: none"> <li>• Tabling of the draft programme relating to the provincial public hearings on the Upstream Petroleum Resources Development Bill [B13 – 2021], which will be conducted in 2023.</li> </ul>
8 November 2022	<ul style="list-style-type: none"> <li>• Briefing by the Minister of Mineral Resources and Energy and the Department of Mineral Resources and Energy on the following: <ul style="list-style-type: none"> <li>- Status of the Mining Rehabilitation Fund.</li> <li>- Investigation relating to the three regional offices in Limpopo, Mpumalanga and North West.</li> <li>- Update on the cadastral system and licensing backlog.</li> </ul> </li> <li>• Consideration and adoption of minutes: 1 and 4 November 2022.</li> </ul>
15 November 2022	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on the following: <ul style="list-style-type: none"> <li>- First and second quarterly performance reports for the 2022/23 financial year.</li> <li>- Update on the National Solar Water Heater Programme.</li> </ul> </li> <li>• Consideration and adoption of minutes: 8 November 2022.</li> </ul>
18 November 2022	<ul style="list-style-type: none"> <li>• Oral presentations on the Upstream Petroleum Resources Development Bill [B21 – 2021].</li> </ul>
22 November 2022	<ul style="list-style-type: none"> <li>• Responses by the Department of Mineral Resources and Energy (DMRE) on the written submissions received on the Upstream Petroleum Resources Development Bill [B13–2021]</li> </ul>
25 November 2022	<ul style="list-style-type: none"> <li>• Consideration and adoption of the consolidated report relating to the joint oversight visits on illegal mining.</li> </ul>
29 November 2022	<ul style="list-style-type: none"> <li>• Consideration and adoption of the first term programme.</li> <li>• Consideration and adoption of the Committee programme on provincial public hearings on the Upstream Petroleum Resources Development Bill [B13 – 2021].</li> <li>• Consideration and adoption of outstanding minutes.</li> </ul>
6 December 2022	<ul style="list-style-type: none"> <li>• Briefing by the Presidency on the Just Energy Transition Investment Plan.</li> </ul>

Date of meeting	Agenda
	<ul style="list-style-type: none"> <li>• Consideration and adoption of outstanding minutes.</li> </ul>
7 February 2023	<ul style="list-style-type: none"> <li>• Joint meeting with the Parliamentary Committee on Public Enterprises.</li> <li>• Briefing by Eskom on the following:               <ul style="list-style-type: none"> <li>- Immediate to medium-term solutions to loadshedding (an issue from collapsed meeting).</li> <li>- Budget for the maintenance of coal plants vs independent power producers.</li> <li>- Response to allegations made by organised labour.</li> </ul> </li> </ul>
21 February 2023	<ul style="list-style-type: none"> <li>• Update to the Committee on the following referrals:               <ul style="list-style-type: none"> <li>- Mining Affected Communities United in Action (MACUA) and Women Affected Communities in Action (WAMUA)</li> <li>- Organisation Undoing Tax Abuse (OUTA)</li> <li>- Swartkops Sea Salt/SIMAPA</li> <li>- Energy crisis</li> </ul> </li> <li>• Information requested and received from the Department of Mineral Resources and Energy.</li> <li>• Consideration and adoption of outstanding minutes.</li> </ul>
24 February 2023	<ul style="list-style-type: none"> <li>• A comprehensive briefing by the Department of Mineral Resources and Energy and the Independent Power Producers Office on the Independent Power Producers Procurement Programme.</li> </ul>
28 February 2023	<ul style="list-style-type: none"> <li>• Briefing by the Department of Mineral Resources and Energy on the following:               <ul style="list-style-type: none"> <li>- Its legislative programme for the remainder of the sixth administration.</li> <li>- What it is doing to assist entities to upscale or commercialise their projects, e.g. Mintek, the Council for GeoScience and NECSA.</li> </ul> </li> </ul>
7 March 2023	<ul style="list-style-type: none"> <li>• Briefing by the Central Energy Fund on its first, second and third quarterly performance reports for 2022/23.</li> </ul>
14 March 2023	<ul style="list-style-type: none"> <li>• Update by the Minister of Mineral Resources and Energy and the Department of Mineral Resources and Energy on the merger of PetroSA, iGas and the Strategic Fuel Fund (SFF).</li> <li>• Update by the Central Energy Fund and the SFF on the Milnerton and Saldanha Bay fuel storage facilities.</li> <li>• Consideration and adoption of outstanding minutes.</li> </ul>

**Table 29: Select Committee on Land Reform, Environment, Mineral Resources and Energy (National Council of Provinces)**

Date of meeting	Agenda
26 April 2022	Presentation on Annual Performance Plan and budget.
15–19 August 2022	Oversight visit to the Northern Cape (Khatu and Upington)
19–22 September 2022	Oversight visit to the Free State (Jagersfontein)
31 October–4 November 2022	Oversight visit to Mpumalanga

## 8. SCOPA RESOLUTIONS

This is not applicable

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

N/A

## 10. INTERNAL CONTROL UNIT

The Internal Control and Reporting Unit ensures that internal controls are in place to provide reasonable assurance that the Department has accounted for all financial transactions, and that they are free of errors and fraud. This unit also ensures that the transactions are accurate, valid and complete, as well as being compliant with applicable laws and regulations to ensure reliable financial reporting. In addition, the Internal Control Subdirectorates ensure that the Department complies with Treasury Regulations in terms of reporting, and coordinates audits by the Auditor-General of South Africa (AGSA).

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

### Key activities and objectives of the Internal Audit Activity

The purpose of the Internal Audit Activity (IAA) is to provide independent, objective assurance and consulting services, designed to add value and improve the Department's operations. It helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Internal Audit Activity continues to function in a manner which monitors that:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as required;
- Significant financial, managerial and operating information is accurate, reliable, and timely;
- All the Department's assets are appropriately safeguarded and the existence of such assets, where applicable, can be verified;
- Employees' actions are in compliance with prescripts – policies, standards, procedures and applicable laws and regulations;
- Resources are acquired economically, used efficiently and adequately protected;
- Programmes, plans, and objectives are achieved;
- Quality and continuous improvement is fostered in the Department's control process; and
- Significant legislative or regulatory issues impacting the Department are recognised and addressed appropriately.

The primary objective of Internal Audit Activity is to assist the Accounting Officer and the Audit Committee in the effective discharge of their responsibilities. Internal Audit provides them with independent analysis, appraisals, recommendations, counsel and information concerning the activities reviewed, with a view to improving accountability and performance.

The IAA provides the Department with the following benefits:

- Regular presence, which helps protect the Department's assets by deterring fraud, waste and abuse.
- Input, which helps employees improve their overall job performance and adherence to established controls.
- Keeps the Department accountable to the public by reviewing and reporting on adherence to established policies and procedures, laws and efficiency of operations.

The IAA provides oversight structures, such as the Audit Committee, with the required information to exercise its monitoring and oversight role and responsibility.

Based on the review of the work of the IAA, the Audit Committee is satisfied that the IAA properly discharged its functions and responsibilities during the year under review and operated to the best of its ability to effectively address the risks pertinent to the Department. In addition, the Audit Committee has no reason to doubt that the internal auditors operated objectively and independently.

The Internal Audit operational plan consisted of 32 audits. By year-end, 26 audits had been finalised, achieving 81% performance. More effort will be placed on providing additional support to internal audit going forward to ensure improvement on its overall performance, efficiency and audit coverage.

The type of risk-based audits performed by Internal Audit during the year include a combination of financial audits, performance audits, operational audits and ICT audits.

During the year, Internal Audit also conducted investigations on reported cases of fraud and corruption, including cases of irregular, fruitless and wasteful expenditure.

The table below discloses relevant information on the Audit Committee members and their attendance of Audit Committee meetings:

Name	Qualifications	Internal or external	Date appointed	Date resigned	Number of meetings attended
Luyanda Mangquku	<ul style="list-style-type: none"> <li>- Chartered Accountant (South Africa)</li> <li>- Master of Business Leadership</li> <li>- Advanced Company Law I and II</li> <li>- BCom Honours in Accounting Sciences</li> </ul>	External	October 2020	N/A	6
Faizal Docrat	<ul style="list-style-type: none"> <li>- Master of Business Administration</li> <li>- Chartered Director (SA)</li> <li>- Certified Information Security Manager</li> <li>- Certified Information Systems Auditor</li> <li>- Certified in the Governance of Enterprise Information Technology</li> <li>- Certified Risk Management Practitioner</li> <li>- Management Advancement Programme</li> <li>- Total Quality Management</li> <li>- Computer Operations Proficiency Examination</li> </ul>	External	October 2020	N/A	6
Zanele Monnakgotla	<ul style="list-style-type: none"> <li>- Postgraduate Diploma in Risk Management</li> <li>- Masters in Finance degree</li> <li>- Management Advanced Programme</li> <li>- LLM in Tax</li> <li>- LLB</li> <li>- BCom</li> </ul>	External	October 2020	N/A	6



## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2023.

### **Audit Committee responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in accounting policies and practices.

### **The effectiveness of internal control**

Our review of the findings of the internal audit work, which was based on risk assessments conducted in the Department, revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- Review of the Annual Performance Report 2022/23
- Review of the Annual Financial Statements 2022/23
- Review of ICT Problem and Incident Management
- Interim Financial Statements Review, Quarter 1, 2 and 3
- Petroleum Compliance Monitoring and Enforcement
- Occupational Mine Health and Safety
- Transport Management
- Performance Information, Quarter 1
- Policy Development and Review
- Review of ICT Governance
- Revenue Management
- Legal Services
- Leave Management and Gratuity Processes
- Renewable Energy Independent Power Producer Procurement Programme
- Nuclear Authorisation
- Non-grid Electrification
- Supply Chain, Contract Management and Accounts Payable
- Performance Information Third Quarter Review
- ICT Service Continuity
- Follow-up on Mining Charter Audit

The following are some of the areas of concern:

- There is no evidence to support the actual performance achievements reported.
- Financial statements are prepared without the source documents.
- There is no reporting tool mechanism to indicate the level of compliance with the Mining Charter.
- There is no mechanism in place to evaluate, monitor and report on the transformation of the petroleum industry.
- Mines are not submitting their reports on section 11(5) of the Mine Health and Safety Act, which requires every employer to conduct an investigation into every accident that must be reported.
- There is an abuse of state vehicles.
- There is no mechanism to measure the impact of policy development.
- There is no business continuity policy.
- Annual license fees were not revised.
- There is a failure to keep a monitoring register and index for litigation cases.
- There is non-compliance with the departmental leave management process.
- The targeted operation of independent power producers' megawatts capacity was not achieved.
- There is no set criteria to evaluate nuclear authorisation applications.
- There are discrepancies on the non-grid electrification beneficiary list.
- There is no database of solar home systems installed.
- No supply chain management policy is in place.
- There is inadequate maintenance of the Disaster Recovery Plan.

### **In-year management and monthly or quarterly report**

The Department reported monthly and quarterly to National Treasury as is required by the PFMA.

### **Evaluation of financial statements**

We reviewed the annual financial statements prepared by the Department.

### **Auditor-General's report**

We have reviewed the Department's implementation plan for audit issues raised in the previous year and more could be done to ensure that the AGSA's findings are adequately resolved. Some of the areas of concern that remain unresolved include the following:

- Findings on derelict and ownerless mines
- Derecognition of the IIGPMS (Nuclear Build System)
- Suppliers not paid within 30 days
- Irregular and fruitless wasteful expenditure not prevented

- No evidence that investigations were performed
- Backup and restore testing of SAMRAD
- Testing of the Disaster Recovery Plan

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



---

**Luyanda M. Mangquku, CA (SA)**  
**Chairperson of the Audit Committee**  
**Department of Mineral Resources and Energy**  
**31 July 2023**

### 13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The Department has applied Broad-based Black Economic Empowerment (B-BBEE) Certificate Levels 1–8 in the procurement of all goods and services above R30 000,00.

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	N/A
Developing and implementing a preferential procurement policy?	N/A	N/A
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A
Developing criteria for entering into partnerships with the private sector?	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	N/A

## PART D: HUMAN RESOURCE MANAGEMENT

## 1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister of Public Service and Administration for all departments in the public service.

## 2. OVERVIEW OF HUMAN RESOURCES

### 2.1 The status of human resources in the Department

The macro organisational structure review process continued in 2022/23 with an approved organisational structure comprising 1 642 posts (16 additional posts and 30 posts not funded), with a vacancy rate of 9.3% on active posts. Although employee turnover reached 6.10% (5.8% without contracts), the Department managed to employ more employees than those that left, with 96 appointments or transfers and 52 promotions.

Training and development continued as per the Workplace Skills Plan (WSP) and groundwork was done for the launch of a skills audit project, poised to take place during 2023/24. This would set the scene for a redesign of training and development for the future. The 2022/23 financial year concluded the contractual period for 72 internships, paving the way for a new intake in 2023/24.

Thirty-one human resources (HR) policies were adopted and the priority implementation of these policies saw scheduled workshops concluded at regional offices during 2022/23.

The Department established structures for the implementation and monitoring of the approved Employment Equity Plan. The employment of women in senior management posts and the employment of persons with disabilities remain a priority, and improvement measures are being intensified with the approval of the review of the recruitment and selection guidelines in the fourth quarter of 2022/23.

In general, there are sound labour relations within the Department, with the employer and organised labour (NEHAWU and PSA) meeting regularly to discuss issues of mutual interest. Workshops on grievances and disciplinary procedures were conducted in the regional offices to uphold the same understanding of the process. The majority of the grievances were in relation to the Performance Management and Development System (PMDS), followed by recruitment and selection. However, most of the grievances were found to be unsubstantiated. A small number of misconduct cases were registered and handled, and the outcome was suspension without pay. The reoccurring problem is the misrepresentation of facts and non-adherence to policy.

## 2.2 Human resource priorities for the year under review and their impact

**Review of the organisational structure:** The macro structure review process was concluded and the micro organisational structure review commenced for conclusion early in 2023, as well as the implementation of the approved revised organisational structure to take place in the 2023/24 financial year.

**Culture and climate survey:** Progress has been made with the organisational culture intervention. The appointed service provider had focus group sessions with staff at both the Head Office and regional offices, as well as top management and the design team, to gather information and insights into the DMRE's culture journey so far. The information collected will be used to design a DMRE-specific survey questionnaire and gather insights from all leaders/managers and staff to help shape the departmental culture in the 2023/24 financial year.

**Skills audit:** The appointment of a service provider to perform a thorough skills audit for the DMRE was submitted in the 2022/23 financial year. The skills audit project is planned to take place during 2023/24 and is set to influence the redesign of training and development for the future.

**HR policy awareness:** HR policy awareness took place during the third quarter of 2022/23, helping to ensure better internal control and understanding of HR matters. Head Office workshops have been prioritised for 2023/24.

## 2.3 Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The year under review paved the way for the development of a draft Talent Management Strategy. This dynamic strategy is set to be consulted and implemented to ensure that the DMRE attracts and recruits a focused and skilled workforce.

## 2.4 Employee performance management

For the 2022/23 financial year, all non-compliance for the submission of performance agreements has been communicated to Branch Heads with action taken where necessary. Moderation was concluded for the 2021/22 performance cycle as prescribed and pay progression was processed for qualifying employees.

## 2.5 Employee wellness programmes

The approved Employee Health and Wellness Operational Plan was implemented, with regional office workshops on employee health and wellness policies, the introduction of the Employee Assistance Programme service provider, office inspections and employee screening for non-communicable diseases. A departmental Sports and Recreation Committee was also established.

## 2.6 Training and development

The department trained 403 employees in accordance with the Workplace Skills Plan submitted to the Public Service Sector Education and Training Authority (PSETA), the Mining Qualification Authority (MQA), and the Energy and Water Sector Education and Training Authority (EWSETA). The Human Resource Development Implementation Plan was submitted to the DPSA on 30 May 2022.

## 2.7 Future HR plans

The review process for the Department's Human Resource Plan commenced during 2022/23 with a new Integrated HR Plan being drafted. HR planning structures were created, which allowed thorough consultation and discussion on what Human Resources' future plans should focus on to close gaps that were identified. The documentation of the process is poised to be finalised by the first quarter of 2023/24. Implementation of the new Integrated HR Plan is set to materialise from the second quarter of 2023/24.

# 3. HUMAN RESOURCES OVERSIGHT STATISTICS

## 3.1 Personnel-related expenditure

The following tables summarise the final audited personnel-related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- The amount spent on personnel
- The amount spent on salaries, overtime, homeowner's allowances and medical aid.

**Table 3.1.1: Personnel expenditure by programme for the period 1 April 2022 to 31 March 2023**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a percentage of total expenditure	Average personnel cost per employee (R'000)
Administration	651 598	313 181	2 103	3 090	48.10	592
Mine Health and Safety Inspectorate	218 098	178 237	-	49	81.70	686
Minerals and Petroleum Regulation	504 578	292 933	55	7 780	58.10	637
Mining, Minerals and Energy Policy Development	853 424	99 608	2	45 986	11.70	743
Nuclear Energy Regulation and Management	1 162 711	32 209	-	6 273	2.80	786
Programmes and Projects	6 728 565	99 200	-	556 028	1.50	752
<b>Total as on financial system (BAS)</b>	<b>10 118 975</b>	<b>1 015 368</b>	<b>2 160</b>	<b>619 206</b>	<b>10.00</b>	<b>653</b>



**Table 3.1.2: Personnel costs by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	Personnel expenditure (R'000)	Percentage of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	0	0	0	0
Skilled (levels 3–5)	82 279	7.70	251	328
Highly skilled production (levels 6–8)	195 609	18.20	404	484
Highly skilled supervision (levels 9–12)	528 393	49.30	630	839
Senior and top management (levels 13–16)	185 912	17.30	144	1 291
Contract (levels 3–5)	1 368	0.10	7	195
Contract (levels 6–8)	3 357	0.30	7	480
Contract (levels 9–12)	12 369	1.20	14	884
Contract (levels ≥ 13)	6 391	0.60	5	1 598
Contract other	1 201	0.10	1	1 201
Periodical remuneration	185	0.00	15	12
Abnormal appointment	5 215	0.50	79	66
<b>Total</b>	<b>1 022 278</b>	<b>95.30</b>	<b>1 556</b>	<b>657</b>

\* BAS does not record employee level data. The above data from the Personnel Salary System (PERSAL) includes secondments, transfers, terminations – reversals, claims from other departments, and debt offset.

**Table 3.1.3: Salaries, overtime, home owners' allowance and medical aid by programme for the period 1 April 2022 to 31 March 2023**

Programme	Salaries		Overtime		Home owners' allowance		Medical aid	
	Amount (R'000)	Salaries as a percentage of personnel costs	Amount (R'000)	Overtime as a percentage of personnel costs	Amount (R'000)	Home owners' allowance as a percentage of personnel costs	Amount (R'000)	Medical aid as a percentage of personnel costs
Administration	250 067	78.30	11 147	3.50	9 528	3.00	16 058	5.00
Mine Health and Safety Inspectorate	154 215	75.10	47	0.00	2 804	1.40	5 188	2.50
Minerals and Petroleum Regulation	238 348	77.70	4 398	1.40	7 958	2.60	15 563	5.10
Mining, Minerals and Energy Policy Development	84 849	83.30	63	0.10	2 541	2.50	3 203	3.10
Nuclear Energy Regulation and Management	27 484	84.20	-	0.00	1 399	4.30	526	1.60
Programmes and Projects	84 348	79.20	367	0.30	2 006	1.90	3 581	3.40
<b>Total</b>	<b>839 312</b>	<b>78.20</b>	<b>16 023</b>	<b>1.50</b>	<b>26 235</b>	<b>2.40</b>	<b>44 119</b>	<b>4.10</b>

**Table 3.1.4: Salaries, overtime, home owners' allowance and medical aid by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	Salaries		Overtime		Home owners' allowance		Medical aid	
	Amount (R'000)	Salaries as a percentage of personnel costs	Amount (R'000)	Overtime as a percentage of personnel costs	Amount (R'000)	Home owners' allowance as a percentage of personnel costs	Amount (R'000)	Medical aid as a percentage of personnel costs
Skilled (levels 1–2)	0	0	0	0	0	0	0	0
Skilled (levels 3–5)	57 545	69.10	3 885	4.70	4 380	5.30	9 227	11.10
Highly skilled production (levels 6–8)	148 053	74.20	6 586	3.30	7 135	3.60	15 612	7.80
Highly skilled supervision (levels 9–12)	444 501	78.70	5 471	1.00	10 239	1.80	16 974	3.00
Senior management (levels 13–16)	162 883	84.70	13	0.00	4 257	2.20	1 893	1.00
Contract (levels 3–5)	1 177	83.80	0.00	0.00	19	1.40	37	2.60
Contract (levels 6–8)	2 741	61.90	0.00	0.00	93	2.10	215	4.90
Contract (levels 9–12)	11 180	84.90	4	0.00	23	0.20	88	0.70
Contract (levels ≥ 13)	5 699	87.60	0.00	0.00	106	1.60	74	1.10
Contract other	1 201	98.40	0.00	0.00	0.00	0.00	0.00	0.00
Periodical remuneration	3	1.20	0.00	0.00	0.00	0.00	0.00	0.00
Abnormal appointment	5 214	91.80	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>840 197</b>	<b>78.30</b>	<b>15 959</b>	<b>1.50</b>	<b>26 251</b>	<b>2.40</b>	<b>44 119</b>	<b>4.10</b>

\* BAS does not record employee level data. The above data from PERSAL includes secondments, transfers, terminations – reversals, claims from other departments, and debt offset.

### 3.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

**Table 3.2.1: Employment and vacancies by programme as on 31 March 2023**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administration,	558	513	8.10	10
Mine Health and Safety Inspectorate	282	243	13.80	0
Minerals and Petroleum Regulation	468	432	7.70	2
Mining, Mineral and Energy Policy Development	142	123	13.40	0
Nuclear Energy Regulation and Management	35	35	0.00	3
Programmes and Projects	127	116	8.70	1
<b>Total</b>	<b>1 612</b>	<b>1 462</b>	<b>9.30</b>	<b>16</b>

**Table 3.2.2: Employment and vacancies by salary band as on 31 March 2023**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Lower skilled (levels 1–2)	0	0	0	0
Skilled (levels 3–5)	271	251	7.40	0
Highly skilled production (levels 6–8)	440	404	8.20	2
Highly skilled supervision (levels 9–12)	706	630	10.80	5
Senior management (levels 13–16)	162	144	11.10	6
Contract (levels 3–5)	7	7	0	0
Contract (levels 6–8)	7	7	0	0
Contract (levels 9–12)	14	14	0	1
Contract (levels ≥ 13)	5	5	0	2
<b>Total</b>	<b>1 612</b>	<b>1 462</b>	<b>9.30</b>	<b>16</b>

**Table 3.2.3: Employment and vacancies by critical occupations as on 31 March 2023**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administrative related	225	204	9.30	7
Agricultural animal, oceanography, forestry and other sciences	1	1	0.00	0
Biologists, botanists, zoologists and related professional	101	94	6.90	0
Cartographers and surveyors	1	1	0.00	0
Cleaners in offices, workshops, hospitals, etc.	2	2	0.00	0
Client information, clerks (switchboard, reception, information clerks), permanent	23	23	0.00	0
Communication and information related	24	22	8.30	0
Community	1	1	0.00	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
development workers				
Economists	45	38	15.60	1
Finance and economics related	18	17	5.60	0
Financial and related professionals, permanent	46	45	2.20	0
Financial clerks and credit controllers	28	23	17.90	0
General legal administration and related professionals	4	4	0.00	0
Head of Department/Chief Executive Officer	1	1	0.00	0
Housekeepers, laundry and related workers	2	2	0.00	0
Human resources and organisational development and related professionals	48	44	8.30	0
Human resources clerks	21	21	0.00	0
Human resources related	6	5	16.70	0
Information technology related	9	8	11.10	0
Language practitioners, interpreters and other communication	8	6	25.00	0
Legal related	11	8	27.30	0
Librarians and related professionals	2	2	0.00	0
Library, mail and related clerks	79	76	3.80	1
Logistical support personnel	12	11	8.30	0
Material-recording and transport clerks	36	32	11.10	0
Messengers, porters and deliverers	2	2	0.00	0
Meteorologists	2	2	0.00	0
Natural sciences related	65	61	6.20	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Nature conservation and oceanographical related technical	1	1	0.00	0
Other administration and related clerks and organisers	120	112	6.70	0
Other administrative policy and related officers	79	70	11.40	0
Other information technology personnel	32	30	6.30	0
Other occupations	4	4	0.00	2
Risk management and security services	22	21	4.50	1
Safety, health and quality inspectors	167	135	19.20	0
Secretaries and other keyboard operating clerks	108	102	5.60	1
Security officers	82	75	8.50	0
Senior managers	141	128	9.20	3
Social sciences related	3	3	0.00	0
Statisticians and related professionals	7	7	0.00	0
Trade/industry advisors and other related professions	22	17	22.70	0
Youth workers	1	1	0.00	0
<b>Total</b>	<b>1612</b>	<b>1462</b>	<b>9.30</b>	<b>16</b>

### 3.3 Filling of SMS posts

The tables in this section provide information on employment and vacancies as they relate to members of the Senior Management Service (SMS) by salary level. It also provides information on advertising and filling SMS posts, reasons for not complying with prescribed time frames and disciplinary steps taken.

**Table 3.3.1: Senior Management Service post information as on 31 March 2023**

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	Percentage of SMS posts filled	Total number of SMS posts vacant	Percentage of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	4	4	100%	0	0%
Salary Level 15	8	7	88%	1	13%
Salary Level 14	37	32	86%	5	14%
Salary Level 13	119	106	89%	13	11%
<b>Total</b>	169	150	89%	19	11%



**Table 3.3.2: Senior Management Service post information as on 30 September 2022**

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	Percentage of SMS posts filled	Total number of SMS posts vacant	Percentage of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	4	4	100%	0	0%
Salary Level 15	8	7	88%	1	14%
Salary Level 14	36	30	83%	6	20%
Salary Level 13	121	108	89%	13	12%
<b>Total</b>	<b>170</b>	<b>150</b>	<b>88%</b>	<b>20</b>	<b>13%</b>

**Table 3.3.3: Advertising and filling of Senior Management Service posts for the period 1 April 2022 to 31 March 2023**

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in six months of becoming vacant	Number of vacancies per level filled in six months of becoming vacant	Number of vacancies per level not filled in six or 12 months
Director-General/ Head of Department	1	1	0
Salary Level 16	0	0	0
Salary Level 15	0	0	1
Salary Level 14	1	1	5
Salary Level 13	1	1	7
<b>Total</b>	<b>3</b>	<b>3</b>	<b>13</b>

**Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS posts advertised within six months and filled within 12 months after becoming vacant for the period 1 April 2022 to 31 March 2023**

Reasons for vacancies not being advertised within six months/12 months
Reallocation of posts/reprioritisation process/review of organisational structure

Reasons for vacancies not filled within 12 months
This is caused by a number of issues, such as no suitable candidates, even after multiple advertisements, grievances, the reallocation of posts/reprioritisation process/review of organisational structure.

**Table 3.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 to 31 March 2023**

Reasons for vacancies not advertised within six months/12 months
Due to the reasons mentioned above, there was no need to take disciplinary action.

### 3.4 Job evaluation

No job evaluation was done due to the national job evaluation system being deactivated nationally by the DPSA.

**Table 3.4.1: Job evaluation by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	Number of posts on approved on the establishment	Number of jobs evaluated	Percentage of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	Percentage of posts evaluated	Number	Percentage of posts evaluated
<b>Total</b>	<b>1 614</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 to 31 March 2023**

Gender	African	Asian	Coloured	White	Total
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employees with a disability					<b>0</b>

**Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 to 31 March 2023**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
<b>None</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				<b>0</b>
<b>Percentage of total employed</b>				<b>0</b>

**Table 3.4.4: Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 to 31 March 2023**

Total number of employees whose salaries exceeded the grades determine by job evaluation	None
--	------

### 3.5 Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

**Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	Number of employees at beginning of the period: 1 April 2022	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (levels 1–2)	0	0	0	0
Skilled (levels 3–5)	252	20	15	6.00
Highly skilled production (levels 6–8)	413	22	22	5.30
Highly skilled supervision (levels 9–12)	625	40	35	5.60
Senior Management Service Band A	100	5	6	6.00
Senior Management Service Band B	31	4	3	9.70
Senior Management Service Band C	10	0	2	20.00
Senior Management Service Band D	2	0	0	0.00
Contract (levels 3–5), permanent	6	2	1	16.70
Contract (levels 6–8), permanent	8	0	0	0.00
Contract (levels 9–12), permanent	15	0	2	13.30
Contract (Band A), permanent	1	1	1	100.00
Contract (Band B), permanent	1	0	0	0.00
Contract (Band C), permanent	1	1	1	100.00
Contract (Band D), permanent	1	1	1	100.00
<b>Total</b>	<b>1 466</b>	<b>96</b>	<b>89</b>	<b>6.10</b>

**Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2022 to 31 March 2023**

Critical occupation	Number of employees at beginning of the period: April 2022	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related	203	5	9	4.40
Agricultural, animal, oceanography, forestry and other sciences	1	0	0	0.00
Biologists, botanists, zoologists and related professionals	95	2	3	3.20
Cartographers and surveyors	1	0	0	0.00
Cleaners in offices, workshops, hospitals, etc.	2	0	0	0.00
Client information clerks (switchboard, reception, information clerks)	24	1	0	0.00
Communication and information related	20	1	0	0.00
Community development workers	1	0	0	0.00

Critical occupation	Number of employees at beginning of the period: April 2022	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Economists	43	1	2	4.70
Finance and economics related	15	0	0	0.00
Financial and related professionals	47	2	3	6.40
Financial clerks and credit controllers	27	2	3	11.10
General legal administration and related professionals	6	0	1	16.70
Housekeepers, laundry and related workers	2	2	1	50.00
Human resources and organisational development and related professionals	47	3	2	4.30
Human resources clerks	21	2	2	9.50
Human resources related	4	2	1	25.00
Information technology related	7	1	0	0.00
Language practitioners, interpreters and other communication professionals	7	0	1	14.30
Legal related	8	1	1	12.50
Librarians and related professionals	2	0	0	0.00
Library, mail and related clerks	76	3	2	2.60
Logistical support personnel	12	0	1	8.30
Material-recording and transport clerks	31	5	4	12.90
Messengers, porters and Delivery people	1	1	0	0.00
Meteorologists	2	0	0	0.00
Motor vehicle drivers	1	0	0	0.00
Natural sciences related	58	5	2	3.40
Nature conservation and oceanographical related technical	1	0	0	0.00
Other administrative and related clerks and organisers	104	7	4	3.80
Other administrative policy and related officers	73	4	3	4.10
Other information technology personnel	28	4	2	7.10
Other occupations	4	1	1	25.00
Risk management and security services	18	1	0	0.00
Safety, health and quality inspectors	134	24	17	12.70
Secretaries and other keyboard operating clerks	105	3	3	2.90

Critical occupation	Number of employees at beginning of the period: April 2022	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Security officers	80	2	7	8.80
Senior managers	125	10	11	8.80
Social sciences related	3	0	0	0.00
Statisticians and related professionals	7	1	0	0.00
Trade/industry advisors and other related professionals	19	0	3	15.80
Youth workers	1	0	0	0.00
<b>Total</b>	<b>1466</b>	<b>96</b>	<b>89</b>	<b>6.10</b>

The table below identifies the major reasons why staff left the Department.

**Table 3.5.3: Reasons why staff left the Department for the period 1 April 2022 to 31 March 2023**

Termination type	Number	Percentage of total resignations
Death	8	9.00
Resignation	48	53.90
Expiry of contract	2	2.20
Dismissal – operational changes	<b>0</b>	<b>0</b>
Dismissal – misconduct	1	1.10
Dismissal – inefficiency	<b>0</b>	<b>0</b>
Discharged due to ill-health	3	3.40
Retirement	16	18.00
Transfer to other public service departments	11	12.40
<b>Total</b>	<b>89</b>	
<b>Total number of employees who left as a percentage of total employment</b>	<b>6.10%</b>	

**Table 3.5.4: Promotions by critical occupation for the period 1 April 2022 to 31 March 2023**

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progression as a percentage of employees by occupation
Administrative related	203	13	6.40	73	36.00
Agricultural, animal, oceanography, forestry and other sciences	1	0	0.00	0	0.00
Biologists, botanists, zoologists and related professionals	95	7	7.40	37	38.90
Cartographers and	1	0	0.00	0	0.00

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progression as a percentage of employees by occupation
surveyors					
Cleaners in offices, workshops, hospitals, etc.	2	0	0.00	0	0.00
Client information, clerks (switchboard, reception, information clerks)	24	0	0.00	8	33.30
Communication and information related	20	0	0.00	2	10.00
Community development workers	1	0	0.00	1	100.00
Economists	43	0	0.00	6	14.00
Finance and economics related	15	1	6.70	9	60.00
Financial and related professionals	47	2	4.30	27	57.40
Financial clerks and credit controllers	27	0	0.00	13	48.10
General legal, administration and related professionals	6	0	0.00	1	16.70
Head of Department/Chief Executive Officer	0	1	0.00	0	0.00
Housekeepers, laundry and related workers	2	0	0.00	0	0.00
Human resources and organisational development and related professionals	47	4	8.50	28	59.60
Human resources clerks	21	0	0.00	15	71.40
Human resources related	4	0	0.00	2	50.00
Information technology related	7	0	0.00	4	57.10
Language practitioners, interpreters and other communication professionals	7	0	0.00	1	14.30
Legal related	8	0	0.00	1	12.50
Librarians and related professionals	2	0	0.00	0	0.00
Library mail and related clerks	76	0	0.00	31	40.80

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progression as a percentage of employees by occupation
Logistical support personnel	12	0	0.00	9	75.00
Material-recording and transport clerks	31	0	0.00	16	51.60
Messengers, porters and deliverers	1	0	0.00	0	0.00
Meteorologists	2	0	0.00	1	50.00
Motor vehicle drivers	1	0	0.00	0	0.00
Natural sciences related	58	1	1.70	27	46.60
Nature conservation and oceanographical related technical	1	0	0.00	0	0.00
Other administration and related clerks and organisers	104	3	2.90	28	26.90
Other administrative policy and related officers	73	1	1.40	18	24.70
Other information technology personnel	28	0	0.00	10	35.70
Other occupations	4	0	0.00	0	0.00
Risk management and security services	18	1	5.60	16	88.90
Safety, health and quality inspectors	134	6	4.50	25	18.70
Secretaries and other keyboard operating clerks	105	2	1.90	32	30.50
Security officers	80	1	1.30	31	38.80
Senior managers	125	7	5.60	29	23.20
Social sciences related	3	0	0.00	1	33.30
Statisticians and related professionals	7	1	14.30	4	57.10
Trade/industry advisors and other related professions	19	1	5.30	0	0.00
Youth workers	1	0	0.00	0	0.00
<b>Total</b>	<b>1 466</b>	<b>52</b>	<b>3.50</b>	<b>506</b>	<b>34.50</b>

**Table 3.5.5: Promotions by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	Employees 1 April 2022	Promotions to another salary level	Salary band promotions as a percentage of employees by salary level	Progressions to another notch within a salary level	Notch progression as a percentage of employees by salary bands
Lower skilled (levels 1–2)	0	0	0	0	0
Skilled (levels 3–5)	252	1	0.40	103	40.90
Highly skilled production (levels 6–8)	413	10	2.40	146	35.40
Highly skilled supervision (levels 9–12)	625	33	5.30	221	35.40
Senior management (levels 13–16)	143	7	4.90	33	23.10
Contract (levels 3–5)	6	0	0.00	0	0.00
Contract (levels 6–8)	8	0	0.00	2	25.00
Contract (levels 9–12)	15	0	0.00	1	6.70
Contract (levels ≥ 13)	4	1	25.00	0	0.00
<b>Total</b>	<b>1 466</b>	<b>52</b>	<b>3.50</b>	<b>506</b>	<b>34.50</b>

### 3.6 Employment Equity

**Table 3.6.1: Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	80	0	1	3	43	0	3	1	131
Professionals	140	0	2	6	195	4	5	6	358
Technicians and associate professionals	228	2	1	7	239	3	1	1	482
Clerks	93	1	1	1	262	16	0	15	389
Service and sales workers	69	2	0	2	24	1	0	0	98
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related	0	0	0	0	0	0	0	0	0



trades workers									
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	2	0	0	0	2	0	0	0	4
<b>Total</b>	<b>612</b>	<b>5</b>	<b>5</b>	<b>19</b>	<b>765</b>	<b>24</b>	<b>9</b>	<b>23</b>	<b>1 462</b>
<b>Employees with disabilities</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>14</b>

**Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	7	0	0	0	4	0	1	0	12
Senior Management	84	0	2	3	45	0	2	1	137
Professionally qualified and experienced specialists and mid-management	303	2	2	13	309	3	6	6	644
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	110	1	0	3	267	16	0	14	411
Semi-skilled and discretionary decision making	108	2	1	0	140	5	0	2	258
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>612</b>	<b>5</b>	<b>5</b>	<b>9</b>	<b>765</b>	<b>24</b>	<b>9</b>	<b>3</b>	<b>1 462</b>

**Table 3.6.3: Recruitment for the period 1 April 2022 to 31 March 2023**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management									
Senior management	6	0	0	1	2	0	0	0	9
Professionally qualified and experienced specialists and mid-management	23	0	0	0	14	1	0	0	38
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	0	0	0	7	0	0	0	16
Semi-skilled and discretionary decision making	8	0	1	0	19	0	0	0	28
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management)	1	0	0	0	1	0	0	0	2
Contract (senior management)	0	0	0	0	1	0	0	0	1
Contract (semi-skilled)	2	0	0	0	0	0	0	0	2
<b>Total</b>	<b>49</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>44</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>96</b>
<b>Employees with disabilities</b>	0	0	0	0	0	0	0	0	0

**Table 3.6.4: Promotions for the period 1 April 2022 to 31 March 2023**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	3	0	0	0	3	0	1	0	7
Senior management	19	0	1	0	11	0	1	1	33
Professionally qualified and experienced specialists and mid-management	105	1	0	2	139	0	4	3	254
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	48	0	0	0	103	2	0	2	155
Semi-skilled and discretionary decision making	46	0	0	0	57	0	0	2	105
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management), permanent	1	0	0	0	0	0	0	0	1
Contract (professionally qualified), permanent	1	0	0	0	0	0	0	0	1
Contract (skilled technical), permanent	0	0	0	0	2	0	0	0	2
<b>Total</b>	<b>223</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>315</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>558</b>
<b>Employees with disabilities</b>	3	0	0	0	2	0	0	1	6

**Table 3.6.5: Terminations for the period 1 April 2022 to 31 March 2023**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	1	0	0	1	0	0	0	2
Senior management	4	0	0	1	3	0	0	1	9
Professionally qualified and experienced specialists and mid-management	21	1	0	0	12	0	0	1	35
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7	0	0	1	8	0	0	1	17
Semi-skilled and discretionary decision making	8	1	0	1	10	0	0	0	20
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management)	1	0	0	0	1	0	0	0	2
Contract (senior management), permanent	0	0	0	0	1	0	0	0	1

Contract (professionally qualified), permanent	1	0	0	1	0	0	0	0	2
Contract (semi-skilled), permanent	0	0	0	0	1	0	0	0	1
<b>Total</b>	<b>42</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>37</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>89</b>
<b>Employees with disabilities</b>	0	0	0	0	0	0	0	0	0

**Table 3.6.6: Disciplinary action for the period 1 April 2022 to 31 March 2023**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	5	0	0	0	0	0	1	0	6
<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>6</b>

**Table 3.6.7: Skills development for the period 1 April 2022 to 31 March 2023**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	0	0	0	6	0	0	0	20
Professionals	52	0	0	1	52	1	1	0	107
Technicians and associate professionals	40	0	0	0	54	2	0	0	96
Clerks	22	1	0	0	63	4	0	3	93
Service and sales workers	13	0	0	0	1	1	0	0	15
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	26	0	0	0	46	0	0	0	72
<b>Total</b>	<b>167</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>222</b>	<b>8</b>	<b>1</b>	<b>3</b>	<b>403</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>

### 3.7 Signing of performance agreements by SMS members

All members of the Senior Management Service must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed time frames and disciplinary steps taken is presented here.

**Table 3.7.1: Signing of performance agreements by SMS members as on 31 May 2023**

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as a percentage of total number of SMS members
Director-General/ Head of Department	1	0	0	0%
Salary Level 16	1	1	0	0%
Salary Level 15	11	11	7	64%
Salary Level 14	32	32	26	81%
Salary Level 13	101	101	80	79%
<b>Total</b>	<b>146</b>	<b>145</b>	<b>113</b>	<b>77%</b>

**Table 3.7.2: Reasons for not having concluded performance agreements for all SMS members as on 31 March 2023**

Reasons
Employees left the service
Non-compliance

**Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 March 2023**

Reasons
Non-compliance letters to Branch Heads
Verbal warnings
Disciplinary proceedings initiated by the supervisor

### 3.8 Performance rewards

**Table 3.8.1: Performance rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023**

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within group	Cost (R'000)	Average cost per employee
<b>African</b>	6	1 377	0.9	32.97	7 123.00
Male	5	612	0.8	32.30	6 460.00
Female	1	765	0.10	0.66	0.66
<b>Asian</b>	0	14	0	0	0
Male	0	5	0	0	0
Female	0	9	0	0	0
<b>Coloured</b>	0	29	0	0	0
Male	0	5	0	0	0
Female	0	24	0	0	0
<b>White</b>	0	42	0	0	0
Male	0	19	0	0	0
Female	0	24	0	0	0
<b>Total</b>	<b>6</b>	<b>1462</b>	<b>0.9</b>	<b>32.97</b>	<b>7 123.00</b>

\* Payments processed after 31 March 2022 (due to termination/transfer/processing run) for 2020/21 performance cycle.

**Table 3.8.2: Performance rewards by salary band for personnel below SMS for the period 1 April 2022 to 31 March 2023**

Salary band	Beneficiary profile			Cost		Total cost as a percentage of the total personnel expenditure
	Number of beneficiaries	Number of employees	Percentage of total within salary bands	Total cost (R'000)	Average cost per employee	
Lower skilled (levels 1–2)	0	0	0	0	0	0
Skilled (levels 3–5)	1	258	0.4	0.66	663.00	0.00
Highly skilled production (levels 6–8)	1	411	0.2	2.98	2 979.00	0.00
Highly skilled supervision (levels 9–12)	3	644	0.5	16.2	5 399.00	0.00
<b>Total</b>	<b>5</b>	<b>1 313</b>	<b>1.1</b>	<b>19.84</b>	<b>9 041.00</b>	<b>0.00</b>

\* Payments processed after 31 March 2022 (due to termination/transfer/processing run) for 2020/21 performance cycle.

**Table 3.8.3: Performance rewards by critical occupation for the period 1 April 2022 to 31 March 2023**

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within occupation	Total cost (R'000)	Average cost per employee
Human resources and organisational development and related professionals	2	44	4.50	8.62	4 310.00
Financial clerks and credit controllers	1	23	4.30	0.66	663.00
Safety health and quality inspectors	1	135	0.70	8.43	8 432.00
Administrative related	1	204	0.50	2.13	2 126.00
Senior managers	1	128	0.80	13.13	13 125.00
Other occupations	0	928	0	0	0
<b>Total</b>	<b>6</b>	<b>1 462</b>	<b>10.8</b>	<b>32.97</b>	<b>28 656.00</b>

\* Payments processed after 31 March 2022 (due to termination/transfer/processing run) for 2020/21 performance cycle.

**Table 3.8.4: Performance-related rewards (cash bonus) by salary band for SMS for the period 1 April 2022 to 31 March 2023**

Salary band	Beneficiary profile			Cost		Total cost as a percentage of the total personnel expenditure
	Number of beneficiaries	Number of employees	Percentage of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	1	105	1	13,13	13 125,00	0.01
Band B	0	32	0	0	0	0
Band C	0	8	0	0	0	0
Band D	0	4	0	0	0	0
<b>Total</b>	<b>1</b>	<b>149</b>	<b>1</b>	<b>13,13</b>	<b>13 125,00</b>	<b>0.01</b>

\* Payment processed after 31 March 2022 due to death for the 2020/21 performance cycle.

### 3.9 Foreign workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

**Table 3.9.1: Foreign workers by salary band for the period 1 April 2022 to 31 March 2023**

Salary band	1 April 2022		31 March 2023		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Lower skilled	0	0	0	0	0	0
Highly skilled production (levels 6–8)	0	0	0	0	0	0
Highly skilled supervision (levels 9–12)	0	0	0	0	0	0
Contract (levels 9–12)	0	0	0	0	0	0
Contract (levels 13–16)	2	0.1	2	0.1	0	0
<b>Total</b>	<b>2</b>	<b>0.1</b>	<b>2</b>	<b>0.1</b>	<b>0</b>	<b>0</b>

**Table 3.9.2: Foreign workers by major occupation for the period 1 April 2022 to 31 March 2023**

Major occupation	1 April 2022		31 March 2023		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Professionals and managers	2	0.1	2	0.1	0	0

### 3.10 Leave utilisation

The Public Service Commission identified the need for the careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

**Table 3.10.1: Sick leave for the period 1 January 2022 to 31 December 2023**

Salary band	Total days	Percentage days with medical certification	Number of employees using sick leave	Percentage of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skills (levels 1–2)	0	0	0	0	0	0
Skilled (levels 3–5)	2 167	84.40	222	19.50	10	2 173
Highly skilled production (levels 6–8)	3 619	83.90	362	31.80	10	5 736
Highly skilled supervision (levels 9–12)	3 819	83.90	446	39.20	9	11 370
Top and senior management (levels 13–16)	705	85.10	104	9.10	7	3 319
Contract (levels 3–5)	4	100	1	0.10	4	4
Contract (levels 6–8)	16	93.80	2	0.20	8	27
Contract (levels 9–12)	24	87.50	2	0.20	12	62
<b>Total</b>	<b>10 354</b>	<b>84.10</b>	<b>1 139</b>	<b>100</b>	<b>9</b>	<b>22 691</b>

**Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2023**

Salary band	Total days	Percentage days with medical certification	Number of employees using disability leave	Percentage of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	0	0	0	0	0	0
Skilled (levels 3–5)	450	100	6	33.30	75	446
Highly skilled production (levels 6–8)	670	100	6	33.30	112	1 148
Highly skilled supervision (levels 9–12)	188	100	5	27.80	38	571
Senior management (levels 13–16)	152	100	1	5.60	152	704
<b>Total</b>	<b>1 460</b>	<b>100</b>	<b>18</b>	<b>100</b>	<b>81</b>	<b>2 870</b>

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council in 2000 requires the management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.



**Table 3.10.3: Annual leave for the period 1 January 2022 to 31 December 2023**

Salary band	Total days taken	Average per employee	Number of employees using annual leave
Lower skilled (levels 1–2)	0	0	0
Skilled (levels 3–5)	6 540	25	265
Highly skilled production (levels 6–8)	11 374	26	438
Highly skilled supervision (levels 9–12)	16 078	25	653
Senior management (levels 13–16)	3 374	23	149
Contract (levels 3–5)	33	5	7
Contract (levels 6–8)	132	17	8
Contract (levels 9–12)	165	10	16
Contract (levels 13–16)	60	9	7
<b>Total</b>	<b>37 756</b>	<b>24</b>	<b>1 543</b>

**Table 3.10.4: Capped leave for the period 1 January 2022 to 31 December 2023**

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Lower skilled (levels 1–2)	0	0	0	0
Skilled (levels 3–5)	4	2	2	22
Highly skilled production (levels 6–8)	0	0	0	11
Highly skilled supervision (levels 9–12)	4	2	2	17
Senior management (levels 13–16)	0	0	0	34
<b>Total</b>	<b>8</b>	<b>4</b>	<b>2</b>	<b>18</b>

The following table summarises payments made to employees as a result of leave that was not taken.

**Table 3.10.5: Leave pay-outs for the period 1 April 2022 and 31 March 2023**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – discounting with resignation (work days)	2 002	40	50.00
Annual – discounting: contract expiry (work days)	15	1	15.00
Annual – discounting: unused vacation credits (work days)	458	13	35.00
Annual – gratuity: death/retirement/medical retirement(work	1 178	17	69.00
Capped – gratuity: death/retirement/medical retirement(work	498	9	55.00
<b>Total</b>	<b>4 151</b>	<b>80</b>	<b>52.00</b>

### 3.11 HIV/AIDS and health promotion programmes

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Employees who travel regularly	Awareness

**Table 3.11.2: Details of health promotion and HIV/AIDS programmes**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide their name and position.	Yes		Mr Lufuno Nemudzivhadi Director: Employment Relations Management
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and wellbeing of its employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Department has four officials. Budget is shared with the Labour Relations Subdirectorate.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for its employees? If so, indicate the key elements/services of this programme.	Yes		Employee Assistance Programme services are outsourced. The key elements are: - Work life support - Family challenges

Question	Yes	No	Details, if yes
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	Yes		<ul style="list-style-type: none"> <li>- The Department has 60 committee members. Labour unions have three members each.</li> <li>- Gezani Chabalala, Chairperson</li> <li>- Moshokoa Mashamaite, Head Office, ASD: OHS (ex officio)</li> <li>- Veronica Mohai, Head Office, OHS practitioner (ex officio)</li> <li>- Makhura Makhura, Head Office</li> <li>- Benjamin Masilo, Head Office</li> <li>- Lister Mbowane, Head Office</li> <li>- Matshediso Mahlaku, Head Office</li> <li>- Princess Duma, Head Office</li> <li>- Ame Marakalala, Head Office</li> <li>- Velenkosi Mjadu, Head Office</li> <li>- Sebastian Khoza, Head Office, Deputy Secretary</li> <li>- Mamiki Semanya, Head Office</li> <li>- Gaugelo Mphela, Head Office, Secretary</li> <li>- Kenneth Ngobeni, East London</li> <li>- Sithembele Mayokwana, East London</li> <li>- Nolusindiso Njengele, East London</li> <li>- Joleen Engelbrecht, Springbok</li> <li>- Thareen Wippenaar, Springbok</li> <li>- Oupa Tlhapi, Rustenburg</li> <li>- John Segobaetso, Rustenburg</li> <li>- Belinda Kgobane, Rustenburg</li> <li>- Agnes Maile, Klerksdorp</li> </ul>

Question	Yes	No	Details, if yes
			<ul style="list-style-type: none"> <li>- Mokete Radebe, Klerksdorp</li> <li>- Ipeleng Wesi, Klerksdorp</li> <li>- Saggies Mbatha, Western Cape</li> <li>- Marshia Otto, Western Cape</li> <li>- Sonia Muthodini, Western Cape</li> <li>- Moses Maqutywa, Western Cape</li> <li>- Paul Papola, Mpumalanga</li> <li>- Olivia Mabuza, Mpumalanga</li> <li>- Bagcinile Magoso, Mpumalanga</li> <li>- Vusi Ndlovu, Mpumalanga</li> <li>- Ramotaung Tlaka, Mpumalanga</li> <li>- Rixile Chabalala, Limpopo</li> <li>- Lesiba Mothapo, Limpopo</li> <li>- Margaret Ramagoma, Limpopo</li> <li>- Vincent Nkadimeng, Limpopo</li> <li>- Johan Havenga, Braamfontein</li> <li>- Matlou Motlanthe, Braamfontein</li> <li>- Agnes Madingwane, Braamfontein</li> <li>- Tshepho Makgoba, Welkom</li> <li>- Junior Sefika, Welkom</li> <li>- Tauyaborwa Kgaria, Welkom</li> <li>- Siyanda Lurwengu, Port Elizabeth</li> <li>- Tebogo Phahladira, Port Elizabeth</li> <li>- Tania Abrahams, Port Elizabeth</li> <li>- Mawande Nkangala, Port Elizabeth</li> <li>- Patrick Magopheni, Kimberley</li> <li>- Raymond Mariri, Kimberley</li> <li>- Ndidzulafhi Mavhungu, Kimberley</li> <li>- Carmen Mathews, Kimberley</li> <li>- Cyril Khoza, Kimberley</li> </ul>

Question	Yes	No	Details, if yes
			<ul style="list-style-type: none"> <li>- Sandile Njapha, KwaZulu-Natal</li> <li>- Moleboheng Sekhonyana, KwaZulu-Natal</li> <li>- Lebo Phiri, KwaZulu-Natal</li> <li>- Max Lusithi, KwaZulu-Natal</li> <li>- Lesego Mosadi, Deputy Chairperson</li> <li>- Mashiyanyane Sebola, Mafikeng</li> <li>- Zukiswa Keswa, Mthatha</li> <li>- Penina Mampe, NEHAWU</li> <li>- Onnica Mzolo, NEHAWU</li> <li>- Phumeza Madlingkozi, NEHAWU</li> <li>- Ivan Moloto, PSA</li> <li>- Jeffrey Maluleke, PSA</li> <li>- Dikeledi Khoza, PSA</li> </ul>
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		HIV/TB and STI management Policy.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Prevention of re-infection through education and training. Care, support, and protection of the rights of the infected employees.
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that have been achieved.	Yes		DMRE conducted health risk assessments twice. Employees who tested positive voluntarily disclosed their status and sought advice from relevant institutions. Most of the positive employees chose to access treatment early and they chose to discuss their treatment plan with wellness officials.
8. Has the Department developed measures or indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		DMRE uses a system monitoring tool from the DPSA.

### 3.12 Labour relations

**Table 3.12.1: Collective agreements for the period 1 April 2022 to 31 March 2023**

<b>Total number of collective agreements</b>	<b>None</b>
--	-------------

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

**Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2022 to 31 March 2023**

Outcomes of disciplinary hearings	Number	Percentage of total
Written warning	12	57.10
Final written warning	1	4.80
Suspended without pay	6	28.60
Case withdrawn	2	9.50
<b>Total</b>	<b>21</b>	<b>100</b>

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 to 31 March 2023**

Type of misconduct	Number	Percentage of total
Assault	1	16.70
Dereliction of duties	1	16.70
Misuse of GG vehicle	1	16.70
Misleading management	1	16.70
Failure to safeguard property of state	2	33.30
<b>Total</b>	<b>6</b>	<b>100</b>

**Table 3.12.4: Grievances logged for the period 1 April 2022 to 31 March 2023**

Grievances	Number	Percentage of total
<b>Number of grievances resolved</b>	4	6.30
Number of grievances not resolved	59	93.70
<b>Total number of grievances lodged</b>	<b>63</b>	<b>100</b>

**Table 3.12.5: Disputes logged with councils for the period 1 April 2022 to 31 March 2023**

Disputes	Number	Percentage of total
<b>Number of disputes upheld</b>	2	22%

Number of disputes dismissed	1	11%
Pending	6	67%
<b>Total number of disputes lodged</b>	<b>9</b>	<b>100%</b>

**Table 3.12.6: Strike actions for the period 1 April 2022 to 31 March 2023**

Total number of persons' working days lost	0
Total costs working days lost	0
Amount recovered as a result of no-work, no-pay (R'000)	0

**Table 3.12.7: Precautionary suspensions for the period 1 April 2022 to 31 March 2023**

<b>Number of people suspended</b>	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	225
Cost of suspension (R'000)	322

### 3.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

**Table 3.13.1: Training needs identified for the period 1 April 2022 to 31 March 2023**

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	47	0	20	0	20
	Male	80	0	33	0	33
Professionals	Female	212	0	175	13	188
	Male	154	0	93	8	101
Technicians and associate professionals	Female	244	0	165	9	174
	Male	237	0	161	13	174
Clerks	Female	289	0	202	18	220
	Male	99	0	70	15	85
Service and sales workers	Female	28	0	20	0	20
	Male	72	0	64	0	64
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	2	0	0	0	0
	Male	1	0	1	0	1
Subtotal	Female	823	0	582	40	622
	Male	643	0	422	36	458
<b>Total</b>		<b>1 466</b>	<b>0</b>	<b>1 004</b>	<b>76</b>	<b>1 080</b>

**Table 3.13.2: Training provided for the period 1 April 2022 to 31 March 2023**

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	47	0	6	1	7
	Male	80	0	13	1	14
Professionals	Female	212	0	69	4	73
	Male	154	0	59	1	60
Technicians and associate professionals	Female	244	0	47	2	49
	Male	237	0	33	0	33
Clerks	Female	289	0	47	8	55
	Male	99	0	24	1	25
Service and sales workers	Female	28	0	8	0	8
	Male	72	0	5	2	7
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	2	0	0	46	46
	Male	1	0	0	26	26
Subtotal	Female	823	0	177	61	238
	Male	643	0	134	31	165
<b>Total</b>		<b>1 466</b>	<b>0</b>	<b>311</b>	<b>92</b>	<b>403</b>



### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

**Table 3.14.1: Injury on duty for the period 1 April 2022 to 31 March 2023**

Nature of injury on duty	Number	Percentage of total
Required basic medical attention only	16	70%
Temporary total disablement	7	30%
Permanent disablement	0	0%
Fatal	0	0%
<b>Total</b>	<b>23</b>	

### 3.15 Utilisation of consultants

The following tables relate to information on the utilisation of consultants in the Department. In terms of the Public Service Regulations, “consultant” means a natural or juristic person or a partnership who or which provides, in terms of a specific contract, on an-ad hoc basis, any of the following professional services to a Department against remuneration received from any source:

- The rendering of expert advice
- The drafting of proposals for the execution of specific tasks
- The execution of a specific task that is of a technical or intellectual nature, but excludes an employee of a department

**Table 3.15.1: Report on consultant appointments using appropriated funds for the period 1 April 2022 to 31 March 2023**

Project title	Total number of consultants that worked on the project	Duration (workdays)	Contract value in rand
Appointment of Ingerop to conduct a gateway review for the feasibility report for the establishment of the Centralised Interim Storage Facility for a period of 12 weeks.	5	128 Mondays (1 024 hours)	R3 127 937,90
Appointment of CGS for water ingress projects and the implementation of the management of derelict and ownerless mines projects on behalf of DMRE.	36	4 549.70 days	R20 483 000,00
Appointment of CGS for the Water Ingress Project.	36	4 549.70 days	R31 834 000,00
Appointment of Mintek for water ingress projects and the implementation of the management of derelict and ownerless mines projects on behalf of DMRE.	11	151	R122 912 000,00

Project title	Total number of consultants that worked on the project	Duration (workdays)	Contract value in rand
Appointment of the Petroleum Agency of South Africa on a single-source basis to acquire new geophysical data concurrently with the implementation plan of the shale gas research projects in the Karoo Basin, South Africa.	16	195	R46 000 000,00
Appointment of Invest Africa Service-Synergy Unincorporated to develop a procurement framework for the 2 500 MW Nuclear New Building Programme for a period of 12 weeks.	4	80	R5 676 448,00
Appointment of Moneo to support the South African Mineral Resources Administration system for a period of 24 months.	1	5	R2 260 440,00
Appointment of a service provider to define a desired organisational culture, which is aligned to the values, vision and mission of the Department.	5	238.75	R2 999 000,00
Appointment of OMA Chartered Accountants Inc to conduct an investigation into irregular expenditure and unauthorised expenditure incurred by the Department for a period of two months.	6	47.05	R267 672.00
Appointment of OMA Chartered Accountants Inc to conduct an investigation into irregular expenditure and unauthorised expenditure incurred by the Department for a period of two months.	6	117.63	R660 727,20
Request the Bid Adjudication Committee to recommend and the Director-General to approve the appointment of R. Kalidass and Associates to conduct an investigation on the legal services process (appeals and litigation) in the Department for a period of two months.	4	80	R321 970,68
Appointment of R. Kalidass and Associates to conduct a consulting engagement in the Department to assist the Department to comply with the Protection of Personal Information Act for a period of two months.	4	80	R321 970,68

Project title	Total number of consultants that worked on the project	Duration (workdays)	Contract value in rand
Appointment of SAB&T Business Consulting (Pty) Ltd T/A Nexia SAB&T to audit the monthly fuel price adjustments and fuel price media statement administered by the Department for a period of 24 months.	4	8	R351 480,00
Appointment of the Tibane Group for the facilitation of a three-day strategic planning workshop and the development of the 2023/24 Annual Performance Plan.	2	Not applicable 2023/24 project	R171 200,00
Procurement of maintenance, enhancement and support of systems developed on Magic Platform for a period of 18 months from a sole supplier, MAGIX	2	5	R7 710 060,00

Total number of projects	Total individual consultants	Total duration workdays	Total contract value in rand
15	144	10 234.83	R245 088 906,50

**Table 3.15.2: Analysis of consultant appointments using appropriated funds in terms of historically disadvantaged individuals for the period 1 April 2022 to 31 March 2023**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of Ingerop to conduct a gateway review for the feasibility report for the establishment of the Centralised Interim Storage Facility, for a period of 12 weeks.	32.58% black 4.36% black youth 3.12% black women 0.52% black with a disability	40% black	See number of consultants above. Note that HDI information was not kept separately.
Appointment of CGS for water ingress projects and the implementation of the management of derelict and ownerless mines projects on behalf of DMRE.	0%	0%	11 black males, nine black females
Appointment of CGS for the Water Ingress Project	0%	0%	11 black males, nine black females
Appointment of Mintek for water ingress projects and the implementation of the management of derelict and ownerless mines projects on behalf of DMRE.	0%	0%	Four black males Four black females Two white males One coloured male
Appointment of the Petroleum Agency of South Africa on a single-source basis to acquire new geophysical data concurrently with the implementation plan of the shale gas research projects in the Karoo Basin, South Africa.	0%	0%	18 members (11 black males, seven black females and one white person)
Appointment of Invest Africa Service-Synegy Unincorporated to develop a procurement framework for the 2 500 MW Nuclear New Building Programme for a period of 12 weeks.	100% black 4% black female	100% black	Five black males
Appointment of Moneo to support the South African Mineral Resources Administration system for a period of 24 months.	100% black	100% black	One black male
Appointment of Laetoli to define a desired organisational culture that is aligned to the values, vision and mission of the Department.	51% black	51% black	One African male One African female
Appointment of OMA Chartered Accountants Inc to conduct investigation into irregular expenditure and unauthorised expenditure incurred by the Department for a period of two months.	80% black 20% black women	100% black	Nine black males
Request the Bid Adjudication Committee to recommend and the Director-General to approve the appointment of R. Kalidass and Associates to conduct an investigation on the legal services process (appeals and litigation) in the	100% black women	100% black women	One Indian male One Indian female One white male One white female

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Department for a period of two months.			
Appointment of R. Kalidass and Associates to conduct a consulting engagement in the Department to assist the Department to comply with the Protection of Personal Information Act for a period of two months.	100% black women	100% black women	One Indian male One Indian female One white male One white female
Appointment of SAB&T Business Consulting (Pty) Ltd T/A Nexia SAB&T to audit the monthly fuel price adjustments and fuel price media statement administered by the Department for a period of 24 months.	74% black 19.47% black women	100% black	See number of consultants above. Note that HDI information was not kept separately.
Appointment of Tibane Group for the facilitation of a three-day strategic planning workshop and the development of the 2023/24 Annual Performance Plan.	100% black 50% black women	100% black	See number of consultants above. Note that HDI information was not kept separately.
Procurement of maintenance, enhancement and support of systems developed on Magic Platform for a period of 18 months from a sole supplier, MAGIX	100%	100%	1 black male

**Table 3.15.3: Report on consultant appointments using donor funds for the period 1 April 2022 to 31 March 2023**

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in rand
Appointment of TJM Greentech (Pty) Ltd for the supply, delivery, installation and maintenance of highly efficient technologies, which include LED lights, motion sensors, highly efficient motors and variable speed drives for the Paarl wastewater treatment plant, and training and building the capacity of municipal officials on energy management, and improving the energy performance of	8	Five days a week Eight hours a day (February 2022 to May 2023)	R9 658 158,74

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in rand
government facilities for a period of 36 months.			
Appointment of TJM Greentech (Pty) Ltd for the supply, delivery, installation and maintenance of energy-efficient technologies, which include LED lights, highly efficient motors and variable speed drives for the Kingston vale wastewater treatment plant, training and building the capacity of municipal officials on energy management, and improving the energy performance of government facilities for a period of 36 months.	8	Five days a week Eight hours a day (July 2022 – May 2023) 330 days	R7 611 917,07
Appointment of Neogesi Energy (Pty) Ltd to confirm energy consumption baselines and measures, and supply, install and maintain energy-efficient lights and motion sensors in the Tshwane Market buildings for a period of 36 months.	35	Five days a week Eight hours a day Monday to Friday (1 September 2022 to 17 March 2023)	R3 995 479,50
Appointment of Neogesi Energy (Pty) Ltd to confirm the energy consumption baselines and measures, and supply, install and maintain energy-efficient lights, motion sensors, an efficient HVAC system and solar PV in the Lehae La	35	Five days a week Eight hours a day Monday to Friday (28 November 2022 to 20 March 2023) 120 days	R6 910 146,45

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in rand
SARS buildings for a period of 36 months.			
Appointment of Neogesi Energy (Pty) Ltd to supply, deliver, install and maintain energy-efficient technologies, which include lights, motion sensors, high efficient motors and variable speed drives for the Sundumbili wastewater treatment plant, training and building the capacity of municipal officials on energy management and improving the energy performance of government facilities for a period of 36 months.	35	Five days a week Eight hours a day Monday to Friday (20 February 2023 to 4 March 2023)	R4 777 289,75
Appointment of Xsemble Expertise (Pty) Ltd to confirm energy consumption baselines and measures, and supply, install and maintain energy-efficient lights, motion sensors, the HVAC system, solar PV system and solar geysers, in the Nala Municipality Building for a period of 36 months.	12	Three weeks	R3 034 208,30

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in rand
Six	133		R35 987 199,81

**Table 3.15.4: Analysis of consultant appointments using donor funds, in terms of historically disadvantaged individuals for the period 1 April 2022 to 31 March 2023**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of TJM Greentech (Pty) Ltd for the supply, delivery, installation and maintenance of highly efficient technologies, which include LED lights, motion	100% black	100% black	Two black males

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
sensors, highly efficient motors and variable speed drives for the Paarl wastewater treatment plant, training and building capacity of municipal officials on energy management and improving the energy performance of government facilities for a period of 36 months.			
Appointment of TJM Greentech (Pty) Ltd for the supply, delivery, installation and maintenance of energy-efficient technologies, which include LED lights, highly efficient motors and variable speed drives for the Kingston vale wastewater treatment plant, training and building the capacity of municipal officials on energy management and improving the energy performance of government facilities for a period of 36 months.	100% black	100% black	Two black males
Appointment of Neogesi Energy (Pty) Ltd to confirm energy consumption baselines and measures, and supply, install and maintain energy-efficient lights and motion sensors in the Tshwane Market Buildings for a period of 36 months.	100% black	100% black	17 blacks, four females and 14 youth
Appointment of Neogesi Energy (Pty) Ltd to confirm energy consumption baselines and measures, and supply, install and maintain energy- efficient lights, motion sensors, an efficient HVAC system and solar PV in the Lehae La SARS buildings for a period of 36 months.	100% black	100% black	17 blacks, four females and 14 youth
Appointment of Neogesi Energy (Pty) Ltd to supply, deliver, install and maintain energy-efficient technologies, which include lights, motion sensors, high efficient motors and variable speed drives for the Sundumbili wastewater treatment plant, training and building the capacity of municipal officials on energy management and improving the energy performance of	100% black	100% black	17 blacks, four females and 14 youth



Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
government facilities for a period of 36 months.			
Appointment of Xsemble Expertise (Pty) Ltd to confirm energy consumption baselines and measures, and supply, install and maintain energy- efficient lights, motion sensors, the HVAC system, solar PV system and solar geysers in the Nala Municipality Building for a period of 36 months.	100% black	100% black	See number of consultants above. Note that HDI information was not kept separately.

### 3.16 Severance packages

**Table 3.16.1: Granting of employee-initiated severance packages for the period 1 April 2022 to 31 March 2023**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
<b>Total</b>	0	0	0	0

## PART E: PFMA COMPLIANCE REPORT

## 1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

### 1.1 Irregular expenditure

#### Reconciliation of irregular expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	290 139	284 321
Restatement		2 597
As restated	290 139	286 918
Add: Irregular expenditure confirmed	1 208	3 221
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
<b>Closing balance</b>	<b>291 347</b>	<b>290 139</b>

*During the year ended March 2022, an amount of R2 597 000 was identified as irregular expenditure incurred in 2020/21, but was identified in the 2021/22 financial year.*

#### Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	1 230
Irregular expenditure for the current year	1 208	1 991
<b>Total</b>	<b>1 208</b>	<b>3 221</b>

#### Details of current and previous-year irregular expenditure (under assessment, determination, and investigation)

Description <sup>1</sup>	2022/23	2021/22
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	291 347	290 139
Irregular expenditure under investigation	-	-
<b>Total<sup>2</sup></b>	<b>291 347</b>	<b>290 139</b>

<sup>1</sup> Group similar items

<sup>2</sup> Total unconfirmed irregular expenditure (assessment), losses (determination) and criminal conduct (investigation)

*Include discussion here where deemed relevant.*

**Details of current and previous-year irregular expenditure condoned**

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure condoned	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year irregular expenditure removed (not condoned)**

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year irregular expenditure recovered**

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure recovered	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year irregular expenditure written off (irrecoverable)**

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure written off	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Additional disclosure relating to inter-institutional arrangements**

**Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)**

Description
N/A
<b>Total</b>

*Include discussion here where deemed relevant.*

**Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)**

Description	2022/2023	2021/2022
	R'000	R'000
N/A	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken

*Include discussion here where deemed relevant.*

**1.2 Fruitless and wasteful expenditure**

### Reconciliation of fruitless and wasteful expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	323 956	320 018
Add: Fruitless and wasteful expenditure confirmed	7 874	3 938
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
<b>Closing balance</b>	<b>331 830</b>	<b>323 956</b>

*The fruitless and wasteful expenditure mainly relates to storage costs for the Solar Water Heater Programme.*

### Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	7 874	3 938
<b>Total</b>	<b>7 874</b>	<b>3 938</b>

### Details of current and previous-year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description <sup>3</sup>	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	331 830	323 956
Fruitless and wasteful expenditure under investigation	-	-
<b>Total<sup>4</sup></b>	<b>331 830</b>	<b>323 956</b>

*Include discussion here where deemed relevant.*

### Details of current and previous-year fruitless and wasteful expenditure recovered

Description	2022/23	2021/22
-------------	---------	---------

<sup>3</sup> Group similar items

<sup>4</sup> Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination) and criminal conduct (investigation)

	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year fruitless and wasteful expenditure not recovered and written off**

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of current and previous-year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken
The fruitless and wasteful expenditure incurred is still under determination and further steps will be taken accordingly upon conclusion.
<b>Total</b>

*Include discussion here where deemed relevant.*

### 1.3 Unauthorised expenditure

#### Reconciliation of unauthorised expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	50 604	50 604
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off <sup>5</sup>	-	-
<b>Closing balance</b>	<b>50 604</b>	<b>50 604</b>

*Include discussion here where deemed relevant.*

#### Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure that was under assessment in 2022/23	-	-
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Details of current and previous-year unauthorised expenditure (under assessment, determination, and investigation)

Description <sup>6</sup>	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	50 604	50 604
Unauthorised expenditure under investigation	-	-
<b>Total<sup>7</sup></b>	<b>50 604</b>	<b>50 604</b>

*Include discussion here where deemed relevant.*

### 1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and (iii)

<sup>5</sup> This amount may only be written off against available savings.

<sup>6</sup> Group similar items

<sup>7</sup> Total unconfirmed unauthorised expenditure (assessment), losses (determination) and criminal conduct (investigation)



**Details of current and previous-year material losses through criminal conduct**

Material losses through criminal conduct	2022/23	2021/22
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Details of other material losses**

Nature of other material losses	2022/23	2021/22
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant and criminal or disciplinary steps taken by the institution.*

**Other material losses recovered**

Nature of losses	2022/23	2021/22
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**Other material losses written off**

Nature of losses	2022/23	2021/22
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

*Include discussion here where deemed relevant.*

**2. LATE AND/OR NON-PAYMENT OF SUPPLIERS**

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	1 656	420 682
Invoices paid <b>within</b> 30 days or agreed period	1 646	420 178
Invoices paid <b>after</b> 30 days or agreed period	10	504
Invoices older than 30 days or agreed period ( <b>unpaid and without dispute</b> )	-	-
Invoices older than 30 days or agreed period ( <b>unpaid and in dispute</b> )	-	-

*Include reasons for the late and or non-payment of invoices, including reasons that the invoices are in dispute, where applicable.*

**3. SUPPLY CHAIN MANAGEMENT**

**3.1 Procurement by other means**

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of ESRI SA to provide maintenance and support of ARCGIS software for a period of two years from a sole	ESRI SA	Sole supplier	BAC-17-2022/23	2 237

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
supplier.				
Appointment of CGS for the water ingress project and the implementation of the management of the derelict and ownerless mines project on behalf of the DMRE for the 2022/23 financial year.	Council for Geoscience	Single-source procurement	BAC-38-2022/23	20 483
Appointment of CGS for the water ingress project and the implementation of the management of the derelict and ownerless mines project on behalf of the DMRE for the 2023/24 financial year.	Council for Geoscience	Single-source procurement	BAC-38-2022/23	20 562
Appointment of CGS for the water ingress project and the implementation of the management of the derelict and ownerless mines project on behalf of the DMRE for the 2024/25 financial year.	Council for Geoscience	Single-source procurement	BAC-38-2022/23	21 485
Appointment of Mintek for the water ingress project and the implementation of the management of the derelict and ownerless mines project on behalf of the DMRE for the 202/23 financial year.	Mintek	Single-source procurement	BAC-38-2022/23	122 912
Appointment of Mintek for the water ingress project and the implementation of the management of the derelict and ownerless mines project on behalf of the DMRE for the 2024/25 financial year.	Mintek	Single-source procurement	BAC-38-2022/23	123 384
Appointment of Mintek for the water ingress project and the implementation of the management of the derelict and ownerless	MINTEK	Single-source procurement	BAC-38-2022/23	128 925

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
mines project on behalf of the DMRE for the 2024/25 financial year.				
Appointment of the Petroleum Agency of South Africa on a single-source basis to acquire new geophysical data concurrently with the implementation plan of the shale gas research project in the Karoo Basin, South Africa, for the 2022/23 financial year.	Petroleum Agency of South Africa	Single-source procurement	BAC-43-2022/23	46 000
Appointment of the Petroleum Agency of South Africa on a single-source basis to acquire new geophysical data concurrently with the implementation plan of the shale gas research project in the Karoo Basin, South Africa, from the 2024 to 2026 financial years.	Petroleum Agency of South Africa	Single-source procurement	BAC-43-2022/23	188 000
Appointment of a service provider to develop, enhance, maintain and support services from Magix, Magic 9.4 (PPALS, Samindex and MHS) for a period of eighteen months.	Magic Software South Africa	Single-source procurement	BAC-151-2022/23	7 710
<b>Total</b>				<b>638 416</b>

### 3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Render cleaning services, hygiene service, pest fumigation control and food service aid in the North West regional offices.	Randgate Fleet Management	Expansion	DMR/016/2018/19	1 837	275	110
Render cleaning services, hygiene service, pest fumigation control and food service aid in the Kimberly regional offices.	Randgate Fleet Management	Expansion	DMR/019/2018/19	1 400	256	102
Render cleaning services, hygiene service, pest fumigation control and food service aid in the Witbank regional offices.	Calvary Cleaning Services	Expansion	DMR/014/2018/19	1 239	177	71
Render cleaning services, hygiene	Calvary Cleaning Services	Expansion	DMR/017/2018/19	1 251	179	71

Project description	Name of supplier	Contract modification type (expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
service, pest fumigation control and food service aid in the Welkom regional offices.						
Render cleaning services, hygiene service, pest fumigation control and food service aid in the Polokwane regional offices.	Calvary Cleaning Services	Expansion	DMR/015/2018/19	1 145	164	65
Render cleaning services, hygiene service, pest fumigation control and food service aid in the Gqeberha regional offices.	Upview General Trading	Expansion	DMR/022/2018/19	1 049	150	60
Render cleaning services, hygiene service, pest fumigation control and food service aid in the Springbok regional	Samagaba Cleaning Services	Expansion	DMR/018/2018/19	537	89	36

Project description	Name of supplier	Contract modification type (expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
offices.						
Procurement of increasing server and backup capacity hosted at Vodacom, over a period of 24 months	Vodacom	Variation	BAC-49-2022-23	56	-	23
<b>Total</b>						<b>538</b>

## PART F: FINANCIAL INFORMATION

---



## Report of the Auditor-General to Parliament on Vote no. 34: Department of Mineral Resources and Energy

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the Department of Mineral Resources and Energy set out on pages 191 to 312, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Mineral Resources and Energy as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

#### Impairment of accrued departmental revenue

7. As disclosed in note number 23.2 to the financial statements, an amount of R 268 251 000 was impaired as a result of the department's inability to collect revenue due to the department.

#### Restatement of corresponding figures

8. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the department at, and for the year ended 31 March 2023.

## **Other matter**

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### **Unaudited supplementary schedules**

10. The supplementary schedules set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### **National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework**

11. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 24 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of the Department of Mineral Resources and Energy. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees.

12. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

## **Responsibilities of the Accounting Officer for the financial statements**

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

14. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the Auditor-General for the audit of the financial statements**

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a

guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### Report on the audit of the annual performance report

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

18. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programmes	Page numbers	Purpose
<b>Programme 2 – Minerals and Petroleum Regulation</b>	52-55	To regulate the mining, minerals and petroleum industry
<b>Programme 5 – Mineral and Energy Resources Programmes and Projects</b>	78-88	To manage, coordinate and monitor energy and minerals programmes and projects

19. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

20. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

22. The material findings on the performance information of the selected programmes are as follows:

### **Programme 2 – Minerals and Petroleum Regulation**

#### **Number of jobs enabled through issuing of mining rights**

The planned indicator and target were number of jobs to be enabled through the issuing of mining rights, however the technical indicator description refers to jobs created through issuing of mining rights. The source of information, evidence and method of calculation for achieving the planned indicator was not clearly defined.

#### **Number of rights issued to HDSA controlled entities**

The planned indicator and target were in relation to rights issued to HDSA controlled entities to ensure implementation of transformation policies, however the technical indicator description and the means of verification makes reference to issued/and or granted rights and permits. The source of information, evidence and method of calculation for achieving the planned indicator was not clearly defined.

### **Programme 5 – Mineral and Energy Resources Programmes and Projects**

#### **Number of households electrified through non-grid technology**

An achievement of 20 950 additional households connected to non-Grid was reported against a target of 15 000 additional households electrified with non-grid electrification to achieve the 2022/23 target. I could not determine if the reported achievement was correct, as the processes established to consistently measure and report achievements were inadequate. Adequate supporting evidence was also not provided for auditing. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

#### **Various indicators**

Various indicators were included in the approved annual performance plan and strategic plan but not clearly defined during planning processes. It was also not determined how their related targets would be measured and what evidence would be needed to support the achievements. Consequently, the information might be less useful for measuring their performance.

<b>Indicator</b>	<b>Planned achievement</b>	<b>Actual achievement</b>
Number of ingress control measures implemented	1 ingress control measure implemented	1 Ingress control measure implemented
Percentage Preferential procurement to qualifying Women, Youth and People with Disabilities (PWDs) owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	20% of preferential procurement to qualifying Women, Youth and PWDs owned business/ entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Not achieved : 0 %
Number of small-scale miners supported	30 small-scale miners supported	Not achieved : 0
Number of Women Small Scale Miners Supported financially	10 Women Small Scale Miners Supported financially	Not achieved : 0

## Other matters

23. I draw attention to the matters below.

### Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement. This information should be considered in the context of the material findings on the reported performance information.

### Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 2 and programme 5. Management did not correct all the misstatements and I reported material findings in this regard.

## Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

29. The material findings on compliance with the selected legislative requirements presented per compliance theme are as follows:

#### **Annual financial statements, performance and annual report**

30. The financial statements submitted for audit were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of current assets and disclosure items were identified by the auditors. However, the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

#### **Expenditure management**

31. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R 7 874 000, as disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure related to payment of storage fees.

#### **Consequence management**

32. I was unable to obtain sufficient and appropriate audit evidence that disciplinary steps were taken against officials who had incurred unauthorised, irregular and fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations were not finalised as at 31 March 2023 for unauthorised, irregular as well as fruitless and wasteful expenditure.

#### **Revenue management**

33. Effective and appropriate steps were not taken to collect all money due, as required by section 38(1)(c) (i) of the PFMA. This resulted in a significant portion of the amount being impaired.
34. Interest was not charged on debts relating to annual petroleum fees, as required by treasury regulation 11.5.1.

#### **Strategic planning and performance management**

35. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

<b>Other information in the annual report</b>
---

36. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
37. My opinion on the financial statements the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

38. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. If based on the work performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

### **Internal control deficiencies**

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
42. There is a slow progress in finalising investigations into transgressions which delays consequence management implementation in the department.
43. Standard operating procedures were not developed and implemented for the collection and reporting on some of the performance indicators, this resulted in inconsistent collection and reporting of performance information.

### **Material irregularities**

44. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

#### **Material irregularities in progress**

45. I identified another material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the responses of the accounting officer was not yet due. This material irregularity will be included in next year's auditor's report.

#### **Status of previously reported material irregularities**

##### **Payment for storage fees in relation to Solar Water Heaters**

46. From 2016 until the current financial year, the department made payments to service providers in relation to the storage of Solar Water Heaters because beneficiaries for the installations had not been identified. This was not an effective, efficient and economical use of the departments' resources because the solar water units were meant to be installed and not stored. The storage fees are as a result of delays in the implementation and completion of this project.

47. The payment for storage fees resulted in non-compliance with section 38(1)(b) of the PFMA. The non-compliance resulted in a material loss of R 315 723 235.44 (as notified) as at 30 June 2022 which forms part of the closing balance of the fruitless and wasteful expenditure disclosed in Part E of the annual report.
48. I notified the accounting officer of the material irregularity on 29 July 2022 and invited written submissions on their actions taken to address the matter. The accounting officer responded to the notification on 15 September 2022 and could not provide sufficient and appropriate supporting evidence for actions taken or planned to be taken in response to being notified of the material irregularity. I recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 30 October 2023:
- (1) Appropriate action should be taken to finalise the investigation into the solar water heaters project, including storage costs and any other related costs, in order to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and to address control weaknesses as well as to identify responsible officials.
  - (2) The financial loss relating to the solar water heaters project, including storage costs and any other related costs, should be quantified and appropriate action should be taken to determine whether the responsible official(s) is liable in law for the losses suffered by the department for the purpose of recovery, as required by Treasury Regulation 12.7.1.
  - (3) Appropriate action should be taken to develop a plan for the installation of solar water heaters and the implementation of the plan should commence without further undue delays. The plan at a minimum should include:
    - (a) The identification of all participating beneficiaries and related municipalities as per the original project objectives.
    - (b) All commitments between the department and participating municipalities to be in writing, with clearly identified beneficiaries units to be installed.
    - (c) The appointment and training of service providers to install the solar water heaters (in line with the available units).
    - (d) Performance of a detailed count of the solar water heaters to determine the number of units on hand which can be installed for the identified participating beneficiaries and for identification of those units that have been lost or damaged to enable remedial action to be taken to achieve the project objectives and recovery of the related losses where applicable.



- (e) Anticipated milestones and timelines for all the deliverables in the implementation plan.
- (4) All reasonable steps should be taken to prevent any further storage fees costs and any other related costs by ensuring that the solar water heaters are installed without any further undue delay in line with the abovementioned plan.
- (5) Effective and appropriate disciplinary steps should be initiated without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.

*Auditor - General*

Pretoria

31 July 2023



Appropriation per programme

Voted funds and direct charges	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programmes</b>									
1. ADMINISTRATION	729 612	-	-	729 612	651 585	78 027	89,3%	661 812	562 544
2. MINERALS AND PETROLEUM REGULATION	512 294	-	-	512 294	504 578	7 716	98,5%	537 462	526 858
3. MINING, MINERALS AND ENERGY POLICY DEVELOPMENT	880 006	-	-	880 006	853 047	26 959	96,9%	792 832	768 722
4. MINE HEALTH AND SAFETY INSPECTORATE	236 602	-	-	236 602	218 097	18 505	92,2%	233 117	205 351
5. MINERAL AND ENERGY RESOURCES PROGRAMMES AND PROJECTS	6 917 057	-	-	6 917 057	6 728 565	188 492	97,3%	5 881 640	5 716 621
6. NUCLEAR ENERGY REGULATION AND MANAGEMENT	1 171 966	-	-	1 171 966	1 162 711	9 255	99,2%	1 134 601	1 123 441
<b>TOTAL</b>	<b>10 447 537</b>	<b>-</b>	<b>-</b>	<b>10 447 537</b>	<b>10 118 584</b>	<b>328 953</b>	<b>96,9%</b>	<b>9 241 464</b>	<b>8 903 537</b>

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Appropriation Statement for the year ended 31 March 2023

	2022/23		2021/22	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
<b>Reconciliation with statement of financial performance</b>				
<b>ADD</b>				
Departmental receipts	36 742		100 018	
NRF Receipts			-	
Aid assistance	31 890		9 562	
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>10 516 169</b>		<b>9 351 044</b>	
<b>ADD</b>				
Aid assistance		27 606		
Prior year unauthorised expenditure approved without funding				
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>10 146 190</b>		<b>8 903 537</b>

**Appropriation per economic classification**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 401 075</b>	<b>(7 081)</b>	<b>(4 433)</b>	<b>2 389 561</b>	<b>2 077 451</b>	<b>312 110</b>	<b>86,9%</b>	<b>1 884 564</b>	<b>1 829 774</b>
Compensation of employees	1 066 128	-	(3 585)	1 062 543	1 015 368	47 175	95,6%	1 032 457	977 955
Goods and services	1 334 947	(7 081)	(848)	1 327 018	1 062 083	264 935	80%	852 107	851 818
<b>Transfers and subsidies</b>	<b>8 033 000</b>	<b>-</b>	<b>4 433</b>	<b>8 037 433</b>	<b>8 021 915</b>	<b>15 518</b>	<b>99,8%</b>	<b>7 337 142</b>	<b>7 066 681</b>
Provinces and municipalities	2 342 872	-	-	2 342 872	2 342 872	-	100,0%	2 224 031	2 223 031
Departmental agencies and accounts	605 176	-	-	605 176	604 265	911	99,8%	566 664	565 439
Foreign governments and international organisations	32 867	-	848	33 715	25 057	8 658	74,3%	31 510	29 452
Public corporations and private enterprises	5 049 678	-	-	5 049 678	5 043 051	6 627	99,9%	4 507 944	4 241 871
Households	2 407	-	3 585	5 992	6 671	(679)	111,3%	6 993	6 887
<b>Payments for capital assets</b>	<b>13 462</b>	<b>6 462</b>	<b>-</b>	<b>19 924</b>	<b>18 604</b>	<b>1 320</b>	<b>93,4%</b>	<b>19 464</b>	<b>6 791</b>
Buildings and other fixed structures	2 416	(1 450)	-	966	878	88	90,9%	2 286	184
Machinery and equipment	11 046	7 912	-	18 958	17 726	1 232	93,5%	17 178	6 606
<b>Payment for financial assets</b>	<b>-</b>	<b>619</b>	<b>-</b>	<b>619</b>	<b>614</b>	<b>5</b>	<b>99,2%</b>	<b>294</b>	<b>292</b>
<b>Total</b>	<b>10 447 537</b>	<b>-</b>	<b>-</b>	<b>10 447 537</b>	<b>10 118 584</b>	<b>328 953</b>	<b>96,9%</b>	<b>9 241 464</b>	<b>8 903 537</b>

**Programme 1 ADMINISTRATION**

	2022/23						2021/22		
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. <b>MINISTRY</b>	35 196	6 012	-	41 208	37 551	3 657	91,1%	38 750	28 185
2. <b>DEPARTMENT MANAGEMENT</b>	40 235	(5 150)	-	35 085	31 886	3 199	90,9%	40 080	31 288
3. <b>AUDIT SERVICES</b>	22 967	(300)	-	22 667	22 164	503	97,8%	23 386	21 856
4. <b>FINANCE ADMINISTRATION</b>	94 879	6 819	-	101 698	98 535	3 163	96,9%	97 371	85 932
5. <b>CORPORATE SERVICES</b>	379 100	(10 053)	-	369 047	301 782	67 265	81,8%	317 956	283 822
6. <b>OFFICE ACCOMMODATION</b>	157 235	2 672	-	159 907	159 668	239	99,9%	144 269	111 461
<b>Total for sub programmes</b>	<b>729 612</b>	<b>-</b>	<b>-</b>	<b>729 612</b>	<b>651 585</b>	<b>78 027</b>	<b>89,3%</b>	<b>661 812</b>	<b>562 544</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>711 529</b>	<b>(6 647)</b>	<b>(3 464)</b>	<b>701 418</b>	<b>624 038</b>	<b>77 380</b>	<b>89,0%</b>	<b>633 170</b>	<b>546 945</b>
Compensation of employees	327 867	-	(3 464)	324 403	313 181	11 222	96,5%	322 470	302 019
Goods and services	383 662	(6 647)	-	377 015	310 857	66 158	82,5%	310 700	244 926
<b>Transfers and subsidies</b>	<b>5 527</b>	<b>-</b>	<b>3 464</b>	<b>8 991</b>	<b>8 760</b>	<b>231</b>	<b>97,4%</b>	<b>10 194</b>	<b>8 872</b>
Departmental agencies and accounts	3 120	-	-	3 120	2 209	911	70,8%	3 376	2 151
Households	2 407	-	3 464	5 871	6 551	(680)	111,6%	6 818	6 721
<b>Payments for capital assets</b>	<b>12 556</b>	<b>6 462</b>	<b>-</b>	<b>19 018</b>	<b>18 604</b>	<b>414</b>	<b>97,8%</b>	<b>18 369</b>	<b>6 648</b>
Buildings and other fixed structures	2 416	(1 450)	-	966	878	88	90,9%	2 286	184
Machinery and equipment	10 140	7 912	-	18 052	17 726	326	98,2%	16 083	6 464

**Subprogramme:1.1  
MINISTRY**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	35 196	5 890	-	41 086	37 430	3 656	91,1%	38 496	28 185
Compensation of employees	25 792	-	-	25 792	22 426	3 366	86,9%	27 548	20 901
Goods and services	9 404	5 890	-	15 294	15 005	289	98,1%	10 948	7 284
<b>Transfers and subsidies</b>								-	-
Households								-	-
<b>Payments for capital assets</b>	-	2	-	2	1	1	65,0%	254	-
Machinery and equipment	-	2	-	2	1	1	65,0%	254	-
<b>Payment for financial assets</b>	-	120		120	120	-	99,7%	-	-
<b>Total</b>	<b>35 196</b>	<b>6 012</b>	<b>-</b>	<b>41 208</b>	<b>37 551</b>	<b>3 657</b>	<b>91,1%</b>	<b>38 750</b>	<b>28 185</b>

**Programme 1 ADMINISTRATION**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payment for financial assets	-	185	-	185	184	1	99,4%	79	79
<b>Total</b>	<b>729 612</b>	<b>-</b>	<b>-</b>	<b>729 612</b>	<b>651 585</b>	<b>78 027</b>	<b>89,3%</b>	<b>661 812</b>	<b>562 544</b>



**Subprogramme: 1.2:  
DEPARTMENTAL  
MANAGEMENT**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>40 235</b>	<b>(5 151)</b>	-	<b>35 084</b>	<b>31 886</b>	<b>3 198</b>	<b>90,9%</b>	<b>40 080</b>	<b>31 288</b>
Compensation of employees	30 703	-	-	30 703	28 711	1 992	93,5%	30 703	28 912
Goods and services	9 532	(5 151)	-	4 381	3 175	1 206	72,5%	9 377	2 376
<b>Transfers and subsidies</b>								-	-
Households								-	-
<b>Payments for financial assets</b>	-	1	-	1	1	-	50,1%	-	-
<b>Payments for capital assets</b>									
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>40 235</b>	<b>(5 150)</b>	-	<b>35 085</b>	<b>31 886</b>	<b>3 199</b>	<b>90,9%</b>	<b>40 080</b>	<b>31 288</b>



**Subprogramme: 1.3:  
AUDIT SERVICES**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
<b>Economic classification</b>	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>22 967</b>	<b>(300)</b>	-	<b>22 667</b>	<b>22 164</b>	<b>503</b>	<b>97,8%</b>	<b>23 386</b>	<b>21 856</b>
Compensation of employees	18 321	-	-	18 321	18 179	142	99,2%	17 976	17 976
Goods and services	4 646	(300)	-	4 346	3 985	361	91,7%	5 410	3 880
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22 967</b>	<b>(300)</b>	-	<b>22 667</b>	<b>22 164</b>	<b>503</b>	<b>97,8%</b>	<b>23 386</b>	<b>21 856</b>

**Subprogramme: 1.4:  
FINANCIAL ADMINISTRATION**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>89 857</b>	<b>(1 153)</b>	<b>(93)</b>	<b>88 611</b>	<b>85 683</b>	<b>2 928</b>	<b>96,7%</b>	<b>87 194</b>	<b>79 327</b>
Compensation of employees	61 813	-	(93)	61 720	59 273	2 447	96,0%	61 675	59 171
Goods and services	28 044	(1 153)	-	26 891	26 410	481	98,2%	25 519	20 156
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>93</b>	<b>93</b>	<b>-</b>	<b>99,7%</b>	<b>137</b>	<b>134</b>
Households	-	-	93	93	93	-	99,7%	137	134
<b>Payments for capital assets</b>	<b>5 022</b>	<b>7 940</b>	<b>-</b>	<b>12 962</b>	<b>12 727</b>	<b>235</b>	<b>98,2%</b>	<b>10 033</b>	<b>6 464</b>
Machinery and equipment	5 022	7 940	-	12 962	12 727	235	98,2%	10 033	6 464
<b>Payments for Financial assets</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>32</b>	<b>32</b>	<b>-</b>	<b>99,7%</b>	<b>7</b>	<b>7</b>
<b>Total</b>	<b>94 879</b>	<b>6 819</b>	<b>-</b>	<b>101 698</b>	<b>98 535</b>	<b>3 163</b>	<b>96,9%</b>	<b>97 371</b>	<b>85 932</b>

**Subprogramme: 1.5:  
CORPORATE  
SERVICES**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>366 039</b>	<b>(8 605)</b>	<b>(3 371)</b>	<b>354 063</b>	<b>287 208</b>	<b>66 855</b>	<b>81,1%</b>	<b>299 745</b>	<b>274 828</b>
Compensation of employees	191 238	-	(3 371)	187 867	184 594	3 273	98,3%	184 568	175 059
Goods and services	174 801	(8 605)	-	166 196	102 614	63 582	61,7%	115 177	99 769
<b>Transfers and subsidies</b>	<b>5 527</b>	<b>-</b>	<b>3 371</b>	<b>8 898</b>	<b>8 667</b>	<b>231</b>	<b>97,4%</b>	<b>10 057</b>	<b>8 738</b>
Departmental agencies and accounts	3 120	-	-	3 120	2 209	911	70,8%	3 376	2 151
Households	2 407	-	3 371	5 778	6 458	(680)	111,8%	6 681	6 587
<b>Payments for capital assets</b>	<b>7 534</b>	<b>(1 480)</b>	<b>-</b>	<b>6 054</b>	<b>5 875</b>	<b>179</b>	<b>97,0%</b>	<b>8 082</b>	<b>184</b>
Buildings and other fixed structures	2 416	(1 450)	-	966	878	88	90,9%	2 286	184
Machinery and equipment	5 118	(30)	-	5 088	4 997	91	98,2%	5 796	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>32</b>	<b>32</b>	<b>-</b>	<b>99,6%</b>	<b>72</b>	<b>72</b>
<b>Total</b>	<b>379 100</b>	<b>(10 053)</b>	<b>-</b>	<b>369 047</b>	<b>301 782</b>	<b>67 265</b>	<b>81,8%</b>	<b>317 956</b>	<b>283 822</b>

**Subprogramme: 1.6:  
OFFICE  
ACCOMMODATION**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>157 235</b>	<b>2 672</b>	<b>-</b>	<b>159 907</b>	<b>159 668</b>	<b>239</b>	<b>99,9%</b>	<b>144 269</b>	<b>111 461</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	157 235	2 672	-	159 907	159 668	239	99,9%	144 269	111 461
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>157 235</b>	<b>2 672</b>	<b>-</b>	<b>159 907</b>	<b>159 668</b>	<b>239</b>	<b>99,9%</b>	<b>144 269</b>	<b>111 461</b>

**Programme 2: MINERALS AND PETROLEUM REGULATION**

2022/23								2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
<b>1 MINERALS AND PETROLEUM MANAGEMENT</b>	17 253	(3 419)	-	13 834	12 709	1 125	91,9%	13 731	13 586
<b>2 MINERAL REGULATION AND ADMINISTRATION</b>	381 213	6 915	-	388 128	386 044	2 084	99,5%	418 885	418 843
<b>3 ENVIRONMENTAL ENFORCEMENT AND COMPLIANCE</b>	20 286	2 700	-	22 986	22 048	938	95,9%	19 903	19 889
<b>4 PETROLEUM COMPLIANCE MONITORING, ENFORCEMENT AND FUEL PRICING</b>	25 690	(2 906)	-	22 784	21 776	1 008	95,6%	25 419	17 165
<b>5 PETROLEUM LICENSING AND FUEL SUPPLY</b>	67 852	(3 290)	-	64 562	62 001	2 561	96,0%	59 524	57 374
<b>Total for sub programmes</b>	<b>512 294</b>	<b>-</b>	<b>-</b>	<b>512 294</b>	<b>504 578</b>	<b>7 716</b>	<b>98,5%</b>	<b>537 462</b>	<b>526 858</b>

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Appropriation Statement for the year ended 31 March 2023

Economic classification									
<b>Current payments</b>	<b>351 783</b>	<b>(216)</b>	<b>(121)</b>	<b>351 446</b>	<b>343 787</b>	<b>7 659</b>	<b>97,8%</b>	<b>378 955</b>	<b>371 650</b>
Compensation of employees	298 042	-	(121)	297 921	292 933	4 988	98,3%	278 751	276 595
Goods and services	53 741	(216)	-	53 525	50 854	2 671	95,0%	100 204	95 056
<b>Transfers and subsidies</b>	<b>160 511</b>	<b>-</b>	<b>121</b>	<b>160 632</b>	<b>160 578</b>	<b>54</b>	<b>100,0%</b>	<b>158 445</b>	<b>155 193</b>
Departmental agencies and accounts	62 894	-	-	62 894	62 894	-	100,0%	62 027	62 027
Foreign governments and international organisations	3 333	-	-	3 333	3 280	53	98,4%	3 247	-
Public corporations and private enterprises	94 284	-	-	94 284	94 284	-	100,0%	93 076	93 076
Households	-	-	121	121	120	1	99,3%	95	90
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>-</b>
Machinery and equipment	-	-	-	-	-	-	-	47	-
<b>Payment for financial assets</b>	<b>-</b>	<b>216</b>	<b>-</b>	<b>216</b>	<b>213</b>	<b>3</b>	<b>98,8%</b>	<b>15</b>	<b>14</b>
<b>Total</b>	<b>512 294</b>	<b>-</b>	<b>-</b>	<b>512 294</b>	<b>504 578</b>	<b>7 716</b>	<b>98,5%</b>	<b>537 462</b>	<b>526 858</b>

**Subprogramme: 2.1:  
MINERALS AND PETROLEUM MANAGEMENT**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>17 253</b>	<b>(3 500)</b>	-	<b>13 753</b>	<b>12 628</b>	<b>1 125</b>	<b>91,8%</b>	<b>13 731</b>	<b>13 586</b>
Compensation of employees	10 378	-	-	10 378	9 460	918	91,2%	11 343	11 342
Goods and services	6 875	(3 500)	-	3 375	3 168	207	93,9%	2 388	2 244
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>									
<b>Payments for finance assets</b>	-	81	-	81	81	-	99,5%	-	-
<b>Total</b>	<b>17 253</b>	<b>(3 419)</b>	-	<b>13 834</b>	<b>12 709</b>	<b>1 125</b>	<b>91,9%</b>	<b>13 731</b>	<b>13 586</b>

**Subprogramme: 2.2: MINERAL REGULATION  
AND ADMINISTRATION**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>224 035</b>	<b>6 780</b>	<b>(115)</b>	<b>230 700</b>	<b>228 618</b>	<b>2 082</b>	<b>99,1%</b>	<b>263 625</b>	<b>263 636</b>
Compensation of employees	200 029	-	(115)	199 914	198 759	1 155	99,4%	189 339	189 337
Goods and services	24 006	6 780	-	30 786	29 859	927	97,0%	74 286	74 299
<b>Transfers and subsidies</b>	<b>157 178</b>	<b>-</b>	<b>115</b>	<b>157 293</b>	<b>157 293</b>	<b>-</b>	<b>100,0%</b>	<b>155 198</b>	<b>155 193</b>
Departmental agencies and accounts	62 894	-	-	62 894	62 894	-	100,0%	62 027	62 027
Public corporations and private enterprises	94 284	-	-	94 284	94 284	-	100,0%	93 076	93 076
Households	-	-	115	115	115	-	99,8%	95	90
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>-</b>
Machinery and equipment	-	-	-	-	-	-	-	47	-
<b>Payment for financial assets</b>	<b>-</b>	<b>135</b>	<b>-</b>	<b>135</b>	<b>133</b>	<b>2</b>	<b>98,3%</b>	<b>15</b>	<b>14</b>
<b>Total</b>	<b>381 213</b>	<b>6 915</b>	<b>-</b>	<b>388 128</b>	<b>386 044</b>	<b>2 084</b>	<b>99,5%</b>	<b>418 885</b>	<b>418 843</b>



**Subprogramme: 2.3:  
ENVIRONMENTAL ENFORCEMENT AND COMPLIANCE**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>20 286</b>	<b>2 700</b>	-	<b>22 986</b>	<b>22 048</b>	<b>938</b>	<b>95,9%</b>	<b>19 903</b>	<b>19 889</b>
Compensation of employees	17 731	-	-	17 731	17 328	403	97,7%	15 931	15 920
Goods and services	2 555	2 700	-	5 255	4 721	534	89,8%	3 972	3 969
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20 286</b>	<b>2 700</b>	-	<b>22 986</b>	<b>22 048</b>	<b>938</b>	<b>95,9%</b>	<b>19 903</b>	<b>19 889</b>

**Subprogramme: 2.4:  
PETROLEUM COMPLIANCE MONITORING, ENFORCEMENT  
AND FUEL PRICING**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>22 357</b>	<b>(2 906)</b>	<b>(6)</b>	<b>19 445</b>	<b>18 491</b>	<b>954</b>	<b>95,1%</b>	<b>22 172</b>	<b>17 165</b>
Compensation of employees	10 516	-	(6)	10 510	9 676	834	92,1%	9 515	8 703
Goods and services	11 841	(2 906)	-	8 935	8 815	120	98,7%	12 657	8 462
<b>Transfers and subsidies</b>	<b>3 333</b>	<b>-</b>	<b>6</b>	<b>3 339</b>	<b>3 285</b>	<b>54</b>	<b>98,4%</b>	<b>3 247</b>	<b>-</b>
Foreign governments and international organisations	3 333	-	-	3 333	3 280	53	98,4%	3 247	-
Households	-	-	6	6	5	1	90,2%	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Total</b>	<b>25 690</b>	<b>(2 906)</b>	<b>-</b>	<b>22 784</b>	<b>21 776</b>	<b>1 008</b>	<b>95,6%</b>	<b>25 419</b>	<b>17 165</b>

**Subprogramme: 2.5: PETROLEUM LICENSING  
AND FUEL SUPPLY**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>67 852</b>	<b>(3 290)</b>	-	<b>64 562</b>	<b>62 001</b>	<b>2 561</b>	<b>96,0%</b>	<b>59 524</b>	<b>57 374</b>
Compensation of employees	59 388	-	-	59 388	57 711	1 677	97,2%	52 623	51 292
Goods and services	8 464	(3 290)	-	5 174	4 290	884	82,9%	6 901	6 082
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>67 852</b>	<b>(3 290)</b>	-	<b>64 562</b>	<b>62 001</b>	<b>2 561</b>	<b>96,0%</b>	<b>59 524</b>	<b>57 374</b>

**Programme 3: MINING, MINERALS AND ENERGY POLICY DEVELOPMENT**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
<b>1 MINING, MINERALS AND ENERGY POLICY DEVELOPMENT MANAGEMENT</b>	61 416	2 180	-	63 596	58 373	5 223	91,8%	23 312	19 071
<b>2 MINERALS AND PETROLEUM POLICY</b>	24 197	(303)	-	23 894	19 603	4 291	82,0%	22 984	21 275
<b>3 NUCLEAR, ELECTRICITY AND GAS POLICY</b>	20 066	(1 961)	-	18 105	14 507	3 598	80,1%	19 630	14 913
<b>4 ECONOMIC ANALYSIS AND STATISTICS</b>	45 369	(470)	-	44 899	39 016	5 883	86,9%	44 289	40 631
<b>5 ECONOMIC GROWTH, PROMOTION AND GLOBAL RELATIONS</b>	711 154	631	-	711 785	707 263	4 522	99,4%	666 058	664 007
<b>6 MINERAL AND ENERGY PLANNING</b>	17 804	(77)	-	17 727	14 285	3 442	80,6%	16 559	8 824
<b>Total for sub programmes</b>	<b>880 006</b>	<b>-</b>	<b>-</b>	<b>880 006</b>	<b>853 047</b>	<b>26 959</b>	<b>96,9%</b>	<b>792 832</b>	<b>768 722</b>

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Appropriation Statement for the year ended 31 March 2023

<b>Economic classification</b>									
<b>Current payments</b>	<b>193 942</b>	<b>(46)</b>	<b>-</b>	<b>193 896</b>	<b>167 103</b>	<b>26 793</b>	<b>86,2%</b>	<b>149 402</b>	<b>117 488</b>
<b>Compensation of employees</b>	106 221	-	-	106 221	99 608	6 613	93,8%	106 245	99 307
Goods and services	87 721	(46)	-	87 675	67 495	20 180	77,0%	43 157	18 181
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	<b>686 064</b>	<b>-</b>	<b>-</b>	<b>686 064</b>	<b>685 899</b>	<b>165</b>	<b>100,0%</b>	<b>643 326</b>	<b>651 119</b>
Provinces and municipalities								-	-
Departmental agencies and accounts	355 761	-	-	355 761	355 761	-	100,0%	326 243	326 243
Foreign governments and international organisations	5 348	-	-	5 348	5 183	165	96,9%	836	8 629
Public corporations and private enterprises	324 955	-	-	324 955	324 955	-	100,0%	316 247	316 247
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>114</b>
Machinery and equipment	-	-	-	-	-	-	-	104	114
<b>Payment for financial assets</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>46</b>	<b>45</b>	<b>1</b>	<b>98,1%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>880 006</b>	<b>-</b>	<b>-</b>	<b>880 006</b>	<b>853 047</b>	<b>26 959</b>	<b>96,9%</b>	<b>792 832</b>	<b>768 722</b>

**Subprogramme: 3.1:  
MINING, MINERALS AND ENERGY POLICY DEVELOPMENT MANAGEMENT**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	<b>61 416</b>	<b>2 180</b>	-	<b>63 596</b>	<b>58 373</b>	<b>5 223</b>	<b>91,8%</b>	<b>23 229</b>	<b>18 957</b>
Compensation of employees	8 261	-	-	8 261	7 634	627	92,4%	10 583	7 507
Goods and services	53 155	2 180	-	55 335	50 739	4 596	91,7%	12 646	11 449
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>83</b>	<b>114</b>
Machinery and equipment	-	-	-	-	-	-	-	83	114
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>61 416</b>	<b>2 180</b>	-	<b>63 596</b>	<b>58 373</b>	<b>5 223</b>	<b>91,8%</b>	<b>23 312</b>	<b>19 071</b>

**Subprogramme: 3.2:  
MINERALS AND PETROLEUM POLICY**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>19 716</b>	<b>(303)</b>	-	<b>19 413</b>	<b>15 098</b>	<b>4 315</b>	<b>77,8%</b>	<b>22 984</b>	<b>13 239</b>
Compensation of employees	15 864	-	-	15 864	13 234	2 630	83,4%	16 109	12 248
Goods and services	3 852	(303)	-	3 549	1 864	1 685	52,5%	6 875	991
<b>Transfers and subsidies</b>	<b>4 481</b>	-	-	<b>4 481</b>	<b>4 505</b>	<b>(24)</b>	<b>100,5%</b>	-	<b>8 036</b>
Foreign governments and international organisations	4 481			4 481	4 505	(24)	100,5%	-	8 036
Households								-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>24 197</b>	<b>(303)</b>	-	<b>23 894</b>	<b>19 603</b>	<b>4 291</b>	<b>82,0%</b>	<b>22 984</b>	<b>21 275</b>

**Subprogramme: 3.3: NUCLEAR, ELECTRICITY  
AND GAS POLICY**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>19 199</b>	<b>(1 961)</b>	-	<b>17 238</b>	<b>13 829</b>	<b>3 409</b>	<b>80,2%</b>	<b>18 794</b>	<b>14 320</b>
Compensation of employees	13 840	-	-	13 840	12 936	904	93,5%	12 097	12 096
Goods and services	5 359	(1 961)	-	3 398	893	2 505	26,3%	6 697	2 223
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	<b>867</b>	-	-	<b>867</b>	<b>678</b>	<b>189</b>	<b>78,2%</b>	<b>836</b>	<b>593</b>
Foreign governments and international organisations	867			867	678	189	78,2%	836	593
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20 066</b>	<b>(1 961)</b>	-	<b>18 105</b>	<b>14 507</b>	<b>3 598</b>	<b>80,1%</b>	<b>19 630</b>	<b>14 913</b>



**Subprogramme: 3.4: ECONOMIC ANALYSIS AND STATISTICS**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>45 369</b>	<b>(516)</b>	-	<b>44 853</b>	<b>38 971</b>	<b>5 882</b>	<b>86,9%</b>	<b>44 289</b>	<b>40 631</b>
Compensation of employees	38 503	-	-	38 503	37 847	656	98,3%	39 187	39 187
Goods and services	6 866	(516)	-	6 350	1 124	5 226	17,7%	5 102	1 444
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	46	-	46	45	1	98,1%	-	-
<b>Total</b>	<b>45 369</b>	<b>(470)</b>	-	<b>44 899</b>	<b>39 016</b>	<b>5 883</b>	<b>86,9%</b>	<b>44 289</b>	<b>40 631</b>

**Subprogramme: 3.5: ECONOMIC GROWTH, PROMOTION  
AND GLOBAL RELATIONS**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>30 438</b>	<b>631</b>	-	<b>31 069</b>	<b>26 547</b>	<b>4 522</b>	<b>85,4%</b>	<b>23 547</b>	<b>21 517</b>
Compensation of employees	19 543	-	-	19 543	18 218	1 325	93,2%	19 689	19 688
Goods and services	10 895	631	-	11 526	8 329	3 197	72,3%	3 858	1 829
<b>Transfers and subsidies</b>	<b>680 716</b>	-	-	<b>680 716</b>	<b>680 716</b>	-	<b>100,0%</b>	<b>642 490</b>	<b>642 490</b>
Provinces and municipalities								-	-
Departmental agencies and accounts	355 761	-	-	355 761	355 761	-	100,0%	326 243	326 243
Public corporations and private enterprises	324 955	-	-	324 955	324 955	-	100,0%	316 247	316 247
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>21</b>	-
Machinery and equipment	-	-	-	-	-	-	-	21	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>711 154</b>	<b>631</b>	-	<b>711 785</b>	<b>707 263</b>	<b>4 522</b>	<b>99,4%</b>	<b>666 058</b>	<b>664 007</b>



**Subprogramme: 3.6: MINERAL AND ENERGY  
PLANNING**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>17 804</b>	<b>(77)</b>	-	<b>17 727</b>	<b>14 285</b>	<b>3 442</b>	<b>80,6%</b>	<b>16 559</b>	<b>8 824</b>
Compensation of employees	10 210	-	-	10 210	9 739	471	95,4%	8 580	8 580
Goods and services	7 594	(77)	-	7 517	4 545	2 972	60,5%	7 979	245
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>17 804</b>	<b>(77)</b>	-	<b>17 727</b>	<b>14 285</b>	<b>3 442</b>	<b>80,6%</b>	<b>16 559</b>	<b>8 824</b>

**Programme 4:  
MINE HEALTH AND SAFETY INSPECTORATE**

2022/23								2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
<b>1 MINE HEALTH AND SAFETY MANAGEMENT</b>	10 499	(1 000)	-	9 499	8 272	1 227	87,1%	10 903	9 710
<b>2 MINE HEALTH AND SAFETY REGIONS</b>	209 155	557	-	209 712	193 880	15 832	92,5%	207 539	181 676
<b>3 OCCUPATIONAL HEALTH</b>	16 948	443	-	17 391	15 946	1 445	91,7%	14 675	13 964
<b>Total for sub programmes</b>	<b>236 602</b>	<b>-</b>	<b>-</b>	<b>236 602</b>	<b>218 097</b>	<b>18 505</b>	<b>92,2%</b>	<b>233 117</b>	<b>205 351</b>
<b>Current payments</b>	<b>230 979</b>	<b>(172)</b>	<b>-</b>	<b>230 807</b>	<b>213 209</b>	<b>17 598</b>	<b>92,4%</b>	<b>227 407</b>	<b>200 503</b>
Compensation of employees	194 995	-	-	194 995	178 237	16 758	91,4%	194 915	171 076
Goods and services	35 984	(172)	-	35 812	34 972	840	97,7%	32 492	29 427
<b>Transfers and subsidies</b>	<b>4 717</b>	<b>-</b>	<b>-</b>	<b>4 717</b>	<b>4 717</b>	<b>-</b>	<b>100,0%</b>	<b>4 661</b>	<b>4 657</b>
Departmental agencies and accounts	4 717	-	-	4 717	4 717	-	100,0%	4 581	4 581
Households	-	-	-	-	-	-	-	80	76
Social benefits	-	-	-	-	-	-	-	35	30
Other transfers to households	-	-	-	-	-	-	-	45	46
<b>Payments for capital assets</b>	<b>906</b>	<b>-</b>	<b>-</b>	<b>906</b>	<b>-</b>	<b>906</b>	<b>-</b>	<b>857</b>	<b>-</b>

**Programme 4:  
MINE HEALTH AND SAFETY INSPECTORATE**

2022/23								2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	906	-	-	906	-	906	-	857	-
Payment for financial assets	-	172	-	172	171	1	99,7%	192	192
<b>Total</b>	<b>236 602</b>	<b>-</b>	<b>-</b>	<b>236 602</b>	<b>218 097</b>	<b>18 505</b>	<b>92,2%</b>	<b>233 117</b>	<b>205 351</b>

**Subprogramme: 4.1: MINE HEALTH AND SAFETY  
MANAGEMENT**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>4 876</b>	<b>(1 000)</b>	<b>-</b>	<b>3 876</b>	<b>3 555</b>	<b>321</b>	<b>91,7%</b>	<b>5 463</b>	<b>5 126</b>
Compensation of employees	3 377	-	-	3 377	3 173	204	94,0%	3 067	3 065
Goods and services	1 499	(1 000)	-	499	382	117	76,5%	2 396	2 061
<b>Transfers and subsidies</b>	<b>4 717</b>	<b>-</b>	<b>-</b>	<b>4 717</b>	<b>4 717</b>	<b>-</b>	<b>100,0%</b>	<b>4 581</b>	<b>4 581</b>
Departmental agencies and accounts	4 717	-	-	4 717	4 717	-	100,0%	4 581	4 581
<b>Payments for capital assets</b>	<b>906</b>	<b>-</b>	<b>-</b>	<b>906</b>	<b>-</b>	<b>906</b>	<b>-</b>	<b>857</b>	<b>-</b>
Machinery and equipment	906	-	-	906	-	906	-	857	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>3</b>
<b>Total</b>	<b>10 499</b>	<b>(1 000)</b>	<b>-</b>	<b>9 499</b>	<b>8 272</b>	<b>1 227</b>	<b>87,1%</b>	<b>10 903</b>	<b>9 710</b>

**Subprogramme: 4.2: MINE HEALTH AND SAFETY  
REGIONS**

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>209 155</b>	<b>385</b>	-	<b>209 540</b>	<b>193 708</b>	<b>15 832</b>	<b>92,4%</b>	<b>207 269</b>	<b>181 412</b>
Compensation of employees	177 544	-	-	177 544	162 009	15 535	91,3%	179 936	156 100
Goods and services	31 611	385	-	31 996	31 699	297	99,1%	27 333	25 312
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>80</b>	<b>76</b>
Households	-	-	-	-	-	-	-	80	76
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	172	-	172	171	1	99,7%	190	188
<b>Total</b>	<b>209 155</b>	<b>557</b>	-	<b>209 712</b>	<b>193 880</b>	<b>15 832</b>	<b>92,5%</b>	<b>207 539</b>	<b>181 676</b>



**Subprogramme: 4.3  
OCCUPATIONAL HEALTH**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>16 948</b>	<b>443</b>	-	<b>17 391</b>	<b>15 946</b>	<b>1 445</b>	<b>91,7%</b>	<b>14 675</b>	<b>13 964</b>
Compensation of employees	14 074	-	-	14 074	13 055	1 019	92,8%	11 912	11 911
Goods and services	2 874	443	-	3 317	2 891	426	87,2%	2 763	2 054
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16 948</b>	<b>443</b>	-	<b>17 391</b>	<b>15 946</b>	<b>1 445</b>	<b>91,7%</b>	<b>14 675</b>	<b>13 964</b>

**Programme 5:  
MINERAL AND ENERGY RESOURCES PROGRAMMES AND PROJECTS**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. PROGRAMMES AND PROJECTS MANAGEMENT	4 104	819	-	4 923	2 678	2 245	54,4%	3 371	3 321
2. INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	6 070 774	1 681	-	6 072 455	5 982 202	90 253	98,5%	5 184 340	5 091 242
3. PROGRAMMES AND PROJECTS MANAGEMENT OFFICE	70 157	(58)	-	70 099	63 740	6 359	90,9%	63 045	63 077
4. ELECTRICITY INFRASTRUCTURE AND INDUSTRY TRANSFORMATION	120 554	58	-	120 612	119 857	755	99,4%	5 755	5 596
5. ENERGY EFFICIENCY PROJECTS	292 284	(41 820)	-	250 464	234 872	15 592	93,8%	248 093	231 818
6. RENEWABLE ENERGY PROJECTS	158 860	39 320	-	198 180	137 120	61 060	69,2%	182 948	129 318
7. ENVIRONMENTAL MANAGEMENT PROJECTS	200 324	-	-	200 324	188 096	12 228	93,9%	194 088	192 248
<b>Total for sub programmes</b>	<b>6 917 057</b>	<b>-</b>	<b>-</b>	<b>6 917 057</b>	<b>6 728 565</b>	<b>188 492</b>	<b>97,3%</b>	<b>5 881 640</b>	<b>5 716 621</b>

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Appropriation Statement for the year ended 31 March 2023

<b>Current payments</b>	<b>869 140</b>	-	<b>(848)</b>	<b>868 292</b>	<b>686 453</b>	<b>181 839</b>	<b>79,1%</b>	<b>457 118</b>	<b>561 990</b>
Compensation of employees	104 991	-	-	104 991	99 200	5 791	94,5%	101 235	100 454
Goods and services	764 149	-	(848)	763 301	587 252	176 049	76,9%	355 883	461 536
<b>Transfers and subsidies</b>	<b>6 047 917</b>	-	<b>848</b>	<b>6 048 765</b>	<b>6 042 112</b>	<b>6 653</b>	<b>99,9%</b>	<b>5 424 427</b>	<b>5 154 595</b>
Provinces and municipalities	2 342 872	-	-	2 342 872	2 342 872	-	100,0%	2 224 031	2 223 031
Departmental agencies and accounts	81 072	-	-	81 072	81 072	-	100,0%	75 182	75 182
Foreign governments and international organisations	1 726	-	848	2 574	2 549	25	99,0%	3 103	344
Public corporations and private enterprises	3 622 247	-	-	3 622 247	3 615 620	6 627	99,8%	3 122 111	2 856 038
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>87</b>	<b>28</b>
Machinery and equipment	-	-	-	-	-	-	-	87	28
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	<b>8</b>	<b>8</b>
<b>Total</b>	<b>6 917 057</b>	-	-	<b>6 917 057</b>	<b>6 728 565</b>	<b>188 492</b>	<b>97,3%</b>	<b>5 881 640</b>	<b>5 716 621</b>

**Subprogramme: 5.1:  
PROGRAMMES AND PROJECTS MANAGEMENT**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>4 104</b>	<b>819</b>	-	<b>4 923</b>	<b>2 678</b>	<b>2 245</b>	<b>54,4%</b>	<b>3 371</b>	<b>3 321</b>
Compensation of employees	3 317	-	-	3 317	1 788	1 529	53,9%	2 959	2 920
Goods and services	787	819	-	1 606	890	716	55,4%	412	401
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4 104</b>	<b>819</b>	-	<b>4 923</b>	<b>2 678</b>	<b>2 245</b>	<b>54,4%</b>	<b>3 371</b>	<b>3 321</b>

**Subprogramme: 5.2:  
INTERGRATED NATIONAL ELETRIFICATION PROGRAMME**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>362 944</b>	<b>1 681</b>	-	<b>364 625</b>	<b>274 372</b>	<b>90 253</b>	<b>75,2%</b>	<b>91 957</b>	<b>264 828</b>
Compensation of employees	38 109	-	-	38 109	37 298	811	97,9%	36 628	36 627
Goods and services	324 835	1 681	-	326 516	237 074	89 442	72,6%	55 329	228 201
<b>Transfers and subsidies</b>	<b>5 707 830</b>	-	-	<b>5 707 830</b>	<b>5 707 830</b>	-	<b>100,0%</b>	<b>5 092 383</b>	<b>4 826 414</b>
Provinces and municipalities	2 119 668	-	-	2 119 668	2 119 668	-	100,0%	2 003 157	2 002 157
Public corporations and private enterprises	3 588 162	-	-	3 588 162	3 588 162	-	100,0%	3 089 226	2 824 257
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6 070 774</b>	<b>1 681</b>	-	<b>6 072 455</b>	<b>5 982 202</b>	<b>90 253</b>	<b>98,5%</b>	<b>5 184 340</b>	<b>5 091 242</b>

**Subprogramme: 5.3:  
PROGRAMMES AND PROJECTS MANAGEMENT OFFICE**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>42 864</b>	<b>(58)</b>	<b>-</b>	<b>42 806</b>	<b>36 447</b>	<b>6 359</b>	<b>85,1%</b>	<b>36 770</b>	<b>36 775</b>
Compensation of employees	31 607	(58)	-	31 549	30 332	1 217	96,1%	30 398	30 398
Goods and services	11 257	-	-	11 257	6 116	5 141	54,3%	6 372	6 377
Interest and rent on land								-	-
<b>Transfers and subsidies</b>	<b>27 293</b>	<b>-</b>	<b>-</b>	<b>27 293</b>	<b>27 293</b>	<b>-</b>	<b>100,0%</b>	<b>26 267</b>	<b>26 267</b>
Public corporations and private enterprises	27 293	-	-	27 293	27 293	-	100,0%	26 267	26 267
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>
Machinery and equipment	-	-	-	-	-	-	-	-	28
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>8</b>
<b>Total</b>	<b>70 157</b>	<b>(58)</b>	<b>-</b>	<b>70 099</b>	<b>63 740</b>	<b>6 359</b>	<b>90,9%</b>	<b>63 045</b>	<b>63 077</b>

**Subprogramme: 5.4:  
ELECTRICITY INFRASTRUCTURE AND INDUSTRY  
TRANSFORMATION**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>120 554</b>	<b>58</b>	-	<b>120 612</b>	<b>119 857</b>	<b>755</b>	<b>99,4%</b>	<b>5 755</b>	<b>5 596</b>
Compensation of employees	5 614	58	-	5 672	5 629	43	99,2%	5 392	5 391
Goods and services	114 940	-	-	114 940	114 228	712	99,4%	363	205
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>120 554</b>	<b>58</b>	-	<b>120 612</b>	<b>119 857</b>	<b>755</b>	<b>99,4%</b>	<b>5 755</b>	<b>5 596</b>

**Subprogramme: 5.5:  
ENERGY EFFICIENCY PROJECTS**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>67 354</b>	<b>(41 820)</b>	<b>(848)</b>	<b>24 686</b>	<b>9 119</b>	<b>15 567</b>	<b>36,9%</b>	<b>24 116</b>	<b>10 600</b>
Compensation of employees	8 121	-	-	8 121	6 670	1 451	82,1%	7 620	7 439
Goods and services	59 233	(41 820)	(848)	16 565	2 449	14 116	14,8%	16 496	3 162
<b>Transfers and subsidies</b>	<b>224 930</b>	<b>-</b>	<b>848</b>	<b>225 778</b>	<b>225 753</b>	<b>25</b>	<b>100,0%</b>	<b>223 977</b>	<b>221 218</b>
Provinces and municipalities	223 204	-	-	223 204	223 204	-	100,0%	220 874	220 874
Foreign governments and international organisations	1 726	-	848	2 574	2 549	25	99,0%	3 103	344
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>292 284</b>	<b>(41 820)</b>	<b>-</b>	<b>250 464</b>	<b>234 872</b>	<b>15 592</b>	<b>93,8%</b>	<b>248 093</b>	<b>231 818</b>



**Subprogramme: 5.6:  
RENEWABLE ENERGY PROJECTS**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>77 788</b>	<b>39 320</b>	-	<b>117 108</b>	<b>56 048</b>	<b>61 060</b>	<b>47,9%</b>	<b>107 766</b>	<b>54 136</b>
Compensation of employees	7 318	-	-	7 318	7 002	316	95,7%	6 974	6 416
Goods and services	70 470	39 320	-	109 790	49 047	60 743	44,7%	100 792	47 720
<b>Transfers and subsidies</b>	<b>81 072</b>	-	-	<b>81 072</b>	<b>81 072</b>	-	<b>100,0%</b>	<b>75 182</b>	<b>75 182</b>
Departmental agencies and accounts	81 072	-	-	81 072	81 072	-	100,0%	75 182	75 182
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>158 860</b>	<b>39 320</b>	-	<b>198 180</b>	<b>137 120</b>	<b>61 060</b>	<b>69,2%</b>	<b>182 948</b>	<b>129 318</b>

**Subprogramme: 5.7:  
ENVIRONMENTAL  
MANAGEMENT  
PROJECTS**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>193 532</b>	-	-	<b>193 532</b>	<b>187 931</b>	<b>5 601</b>	<b>97,1%</b>	<b>187 383</b>	<b>186 734</b>
Compensation of employees	10 905	-	-	10 905	10 482	423	96,1%	11 264	11 263
Goods and services	182 627	-	-	182 627	177 448	5 179	97,2%	176 119	175 471
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>6 792</b>	-	-	<b>6 792</b>	<b>165</b>	<b>6 627</b>	<b>2,4%</b>	<b>6 618</b>	<b>5 514</b>
Public corporations and private enterprises	6 792	-	-	6 792	165	6 627	2,4%	6 618	5 514
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>87</b>	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>200 324</b>	-	-	<b>200 324</b>	<b>188 096</b>	<b>12 228</b>	<b>93,9%</b>	<b>194 088</b>	<b>192 248</b>

**Programme 6:  
NUCLEAR ENERGY REGULATION AND MANAGEMENT**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. NUCLEAR ENERGY MANAGEMENT	6 874	288	-	7 162	7 182	(20)	100,3%	4 926	4 761
2. NUCLEAR SAFETY AND TECHNOLOGY	1 151 657	(88)	-	1 151 569	1 143 278	8 291	99,3%	1 118 066	1 107 417
3. NUCLEAR NON-PROLIFERATION AND RADIATION SECURITY	13 435	(200)	-	13 235	12 251	984	92,6%	11 609	11 264
<b>Total for sub programmes</b>	<b>1 171 966</b>	<b>-</b>	<b>-</b>	<b>1 171 966</b>	<b>1 162 711</b>	<b>9 255</b>	<b>99,2%</b>	<b>1 134 601</b>	<b>1 123 441</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>43 702</b>	<b>-</b>	<b>-</b>	<b>43 702</b>	<b>42 862</b>	<b>840</b>	<b>98,1%</b>	<b>38 512</b>	<b>31 197</b>
Compensation of employees	34 012	-	-	34 012	32 209	1 803	94,7%	28 841	28 505
Goods and services	9 690	-	-	9 690	10 653	(963)	109,9%	9 671	2 692
<b>Transfers and subsidies</b>	<b>1 128 264</b>	<b>-</b>	<b>-</b>	<b>1 128 264</b>	<b>1 119 849</b>	<b>8 415</b>	<b>99,3%</b>	<b>1 096 089</b>	<b>1 092 244</b>
Departmental agencies and accounts	97 612	-	-	97 612	97 612	-	100,0%	95 255	95 255
Foreign governments and international organisations	22 460	-	-	22 460	14 045	8 415	62,5%	24 324	20 479
Public corporations and private enterprises	1 008 192	-	-	1 008 192	1 008 192	-	100,0%	976 510	976 510
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 171 966</b>	<b>-</b>	<b>-</b>	<b>1 171 966</b>	<b>1 162 711</b>	<b>9 255</b>	<b>99,2%</b>	<b>1 134 601</b>	<b>1 123 441</b>

**Subprogramme: 6.1:  
NUCLEAR ENERGY MANAGEMENT**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>6 874</b>	<b>288</b>	-	<b>7 162</b>	<b>7 182</b>	<b>(20)</b>	<b>100,3%</b>	<b>4 926</b>	<b>4 761</b>
Compensation of employees	6 230	288	-	6 518	6 315	203	96,9%	4 574	4 573
Goods and services	644	-	-	644	867	(223)	134,6%	352	188
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6 874</b>	<b>288</b>	-	<b>7 162</b>	<b>7 182</b>	<b>(20)</b>	<b>100,3%</b>	<b>4 926</b>	<b>4 761</b>

**Subprogramme: 6.2:  
NUCLEAR SAFETY AND TECHNOLOGY**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>23 393</b>	<b>(88)</b>	-	<b>23 305</b>	<b>23 429</b>	<b>(124)</b>	<b>100,5%</b>	<b>21 977</b>	<b>15 173</b>
Compensation of employees	15 220	(88)	-	15 132	14 885	247	98,4%	13 305	13 304
Goods and services	8 173	-	-	8 173	8 543	(370)	104,5%	8 672	1 869
<b>Transfers and subsidies</b>	<b>1 128 264</b>	-	-	<b>1 128 264</b>	<b>1 119 849</b>	<b>8 415</b>	<b>99,3%</b>	<b>1 096 089</b>	<b>1 092 244</b>
Departmental agencies and accounts	97 612	-	-	97 612	97 612	-	100,0%	95 255	95 255
Foreign governments and international organisations	22 460	-	-	22 460	14 045	8 415	62,5%	24 324	20 479
Public corporations and private enterprises	1 008 192	-	-	1 008 192	1 008 192	-	100,0%	976 510	976 510
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 151 657</b>	<b>(88)</b>	-	<b>1 151 569</b>	<b>1 143 278</b>	<b>8 291</b>	<b>99,3%</b>	<b>1 118 066</b>	<b>1 107 417</b>

**Subprogramme: 6.3:  
NUCLEAR NON-PROLIFERATION AND RADIATION  
SECURITY**

	2022/23							2021/22	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>13 435</b>	<b>(200)</b>	-	<b>13 235</b>	<b>12 251</b>	<b>984</b>	<b>92,6%</b>	<b>11 609</b>	<b>11 264</b>
Compensation of employees	12 562	(200)	-	12 362	11 008	1 354	89,0%	10 962	10 628
Goods and services	873	-	-	873	1 243	(370)	142,4%	647	636
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13 435</b>	<b>(200)</b>	-	<b>13 235</b>	<b>12 251</b>	<b>984</b>	<b>92,6%</b>	<b>11 609</b>	<b>11 264</b>

**1. Detail of transfers and subsidies as per Appropriation Act (after Virement):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

**2. Detail of specifically and exclusively appropriated amounts voted (after Virement):**

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

**3. Detail on payments for financial assets**

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

**4. Explanations of material variances from Amounts Voted (after Virement):**

4.1	<b>Per programme</b>	<b>Final Budget</b>	<b>Actual Expenditure</b>	<b>Variance R'000</b>	<b>Variance as a % of Final Appropriation</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
	<b>ADMINISTRATION</b>	<b>729 612</b>	<b>651 585</b>	<b>78 027</b>	<b>10,69%</b>

The Programme spent R651.59 million which represents 89.3% of its allocated budget. The budget underspending of R78.03 million or 10.7% constituted of the following:

- Compensation of employees: R11.22 million underspending due to vacant funded positions within the programme.
- Goods and services: R66.16 million underspending, of which R62.51 million came from the computer services item attributable to the delayed acquisition of the Mining Licensing system whose procurement process was stopped and thereafter restarted through SITA. Savings were also realized under several non-critical items such as travel and subsistence, consumable supplies & stationery, venues and facilities etc.
- An allocation earmarked for transfer to the Energy and Water Sector Education and Training Authority (EWSETA) of R911 thousand was not transferred due to CSD registration challenges experienced by the SETA and pending finalization of a service level agreement between the Department and EWSETA.

<b>Per programme</b>	<b>Final Budget</b>	<b>Actual Expenditure</b>	<b>Variance R'000</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
<b>MINERALS AND PETROLEUM REGULATION</b>	<b>512 294</b>	<b>504 578</b>	<b>7 716</b>	<b>1,51%</b>

The Programme recorded a budget underspending of R7.72 million or 1.5% mainly due to the underspending under compensation of employees, R4.99 million, as a result of unfilled funded positions and efforts to contain costs which yielded savings on items such as travel and subsistence, consultants and office consumables.

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Notes to the Appropriation Statement for the year ended 31 March 2023

Per programme	Final Budget	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>MINING, MINERALS AND ENERGY POLICY DEVELOPMENT</b>	<b>880 006</b>	<b>853 047</b>	<b>26 959</b>	<b>3,06%</b>
<p>The Programme recorded a budget underspending of R26.96 million or 3.1% composed of:</p> <ul style="list-style-type: none"> <li>• Compensation of employees: R6.61 million underspending due to funded vacant positions.</li> <li>• Goods and services: R20.18 million underspending mainly made up of savings from items such as travel and subsistence, venues and facilities, consumables etc., which were closely monitored in order to contain costs. Costs under venues and facilities were significantly brought down by establishing collaborations with stakeholders and sharing costs of hosting events. The consultants' item was also under spent due to delays in finalising the procurement process for subscription to various information resources for research purposes.</li> </ul>				
Per programme	Final Budget	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>MINE HEALTH AND SAFETY INSPECTORATE</b>	<b>236 602</b>	<b>218 097</b>	<b>18 505</b>	<b>7,82%</b>
<p>The Programme spent R218.10 million, which represents 92.2% of the allocated budget, resulting in a budget underspending of R18.50 million or 7.82%. A significant portion of this variance, R16.76 million, was contributed by the compensation of employees' item due to funded vacant positions. Savings were also achieved on travel and subsistence costs and capital equipment during the reporting period, as less than anticipated trips were taken and no acquisition of specialized equipment for use at mine accidents / disasters, being required.</p>				
Per programme	Final Budget	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>MINERAL AND ENERGY RESOURCES PROGRAMMES AND PROJECTS</b>	<b>6 917 057</b>	<b>6 728 565</b>	<b>188 492</b>	<b>2,73%</b>
<p>The Programme spent R6.73 billion or 97,3% of the allocated budget resulting in a budget underspending of R188,49 million or 2.7% from:</p> <ul style="list-style-type: none"> <li>• Compensation of employees: R5.79 million underspending due to funded vacant positions.</li> <li>• Goods and services: R176.05 million underspending significantly from the consultants' item attributable to delayed projects as follows: <ul style="list-style-type: none"> <li>- Electrification Masterplan: the development of the INEP Electrification Master Plan was not finalised as anticipated during the period under review due to delayed delivery by service providers.</li> <li>- EEDSM &amp; INEP Non grid electrification (M&amp;V): funds earmarked for the monitoring and verification of non-grid installations and Energy Efficiency Demand Side Management projects were not utilised as planned due to delays in initiating procurement processes.</li> </ul> </li> </ul>				



- Solar Water Heater Programme: the appointment of Installers took place later than expected delaying the 2022/23 implementation plan. Outstanding invoices from service providers and efforts made by the Department to remove SWH units from storage facilities at producers' sites and relocation to participating municipalities and public entities, resulted in lower than anticipated storage costs.

- INEP Non grid electrification projects: the delayed submission of invoices by service providers for implemented connections delayed the approval/verification process which must be undertaken prior to the release of funds.

Budget savings were also recorded on administrative fees and travel and subsistence items due to less official trips taken than anticipated.

- Transfer Payments: R6.65 million budget underspending mainly due to subsidies, intended for marginalised mines to remove/pump extraneous mine water, which were not disbursed as planned as none of the applicants met the subsidy criteria.

Per programme	Final Budget	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>NUCLEAR ENERGY REGULATION AND MANAGEMENT</b>	<b>1 171 966</b>	<b>1 162 711</b>	<b>9 255</b>	<b>0,79%</b>

The Programme recorded a budget underspending of R9.26 million or 0.79% mainly emanating from the transfers and subsidies classification due to payments to the IAEA for membership fees which were lower than anticipated, as determined by the IAEA. Vacancies within the Programme also contributed to the overall underspending.

**4.2 Per economic classification**

	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current expenditure</b>	<b>2 389 561</b>	<b>2 077 451</b>	<b>312 110</b>	<b>13,1%</b>
Compensation of employees	1 062 543	1 015 368	47 175	4,44%
Goods and services	1 327 018	1 062 083	264 935	19,96%
Interest and rent on land	-	-	-	
<b>Transfers and subsidies</b>	<b>8 037 433</b>	<b>8 021 915</b>	<b>15 518</b>	<b>0,2%</b>
Provinces and municipalities	2 342 872	2 342 872	-	0,00%
Departmental agencies and accounts	605 176	604 265	911	0,15%
Public corporations and private enterprises	5 049 678	5 043 051	6 627	0,13%
Foreign governments and international organisations	33 715	25 057	8 658	25,68%
Households	5 992	6 671	(679)	(11,33%)
<b>Payments for capital assets</b>	<b>19 924</b>	<b>18 604</b>	<b>1 320</b>	<b>6,6%</b>
Buildings and other fixed structures	966	878	88	9,1%
Machinery and equipment	18 958	17 726	1 232	6,5%
<b>Payments for financial assets</b>	<b>619</b>	<b>614</b>	<b>5</b>	<b>0,8%</b>
<b>Total</b>	<b>10 447 537</b>	<b>10 118 584</b>	<b>328 953</b>	<b>3,1%</b>

**Compensation of employees** - The R47.18 million budget underspending was due to vacancies and level of staff turnover. The payment for notch-related adjustments, following the completion of employees' performance assessments, was lower than anticipated due to the high number of employees who did not qualify for these payments during the reporting period.

**Goods and services** - The R264.94 million underspending was due to delayed commencement of planned projects and delayed delivery by service providers. The following planned projects were affected:

- Electrification Masterplan
- INEP Non grid electrification (M&V)
- EEDSM Monitoring / Oversight & Verification
- Solar Water Heater Programme
- INEP Non-Grid electrification projects
- Mining License system

Savings were also achieved on several non-critical items such as travel and subsistence, venues and facilities, consumable supplies / stationery.

**Transfers and Subsidies:** The budget underspending of R15.52 million was largely due to the following:

- International membership fees: the SA membership obligation for the 2022/23 financial year to the IAEA was lower than anticipated, per the IAEA's determination.
- Households: the overspending was due to an unforeseen payment of a settlement award of R768 thousand in March 2023, implementing the outcome of a labour case.
- The Energy and Water Sector Education and Training Authority's earmarked allocation of R911 thousand was not disbursed due to CSD registration challenges experienced by the SETA and delays in finalization the SLA
- Pumping subsidies to Marginal Mines: received applications for 2022/23 financial year were evaluated and found to be non-compliant to subsidy criteria.

**Payments for capital assets** – The R1.32 million variance was due to delayed delivery of procured assets which could not take place by 31 March 2023.

<b>4.3 Per conditional grant</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Integrated National Electrification Programme - Municipalities	2 119 668	2 119 668	-	100,00%
Integrated National Electrification Programme - Eskom	3 588 162	3 588 162	-	100,00%
Energy Efficiency and Demand Side Management Programme	223 204	223 204	-	100,00%

Expenditure was in line with approved budget allocations.
---

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Statement of Financial Position for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
<b>REVENUE</b>			
Annual appropriation	1	10 447	
		537	9 241 464
Departmental revenue	2	36 742	100 018
Aid assistance		31 890	9 562
<b>TOTAL REVENUE</b>		<b>10 516</b>	<b>9 351 044</b>
		<b>169</b>	
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	1 015 368	977 955
Goods and services	5	1 062 083	851 819
Aid assistance	3	27 606	-
<b>Total current expenditure</b>		<b>2 105 057</b>	<b>1 829 774</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	8 021 915	7 066 681
Aid assistance	4	-	-
<b>Total transfers and subsidies</b>		<b>8 021 915</b>	<b>7 066 681</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	18 604	6 790
<b>Total expenditure for capital assets</b>		<b>18 604</b>	<b>6 790</b>
Unauthorised expenditure approved without funding			-
<b>Payments for financial assets</b>	6	<b>614</b>	<b>292</b>
<b>TOTAL EXPENDITURE</b>		<b>10 146</b>	<b>8 903 537</b>
		<b>190</b>	
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>369 979</b>	<b>447 507</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		328 953	337 927
Annual appropriation		328 953	337 927
Statutory appropriation			-
Conditional grants			-
Departmental revenue and NRF Receipts		36 742	100 018
Aid assistance		4 284	9 562
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>369 979</b>	<b>447 507</b>

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Statement of Financial Position for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
		<b>287 350</b>	<b>293 351</b>
Cash and cash equivalents	9	284 304	259 768
Prepayments and advances	10		27
		382	117
Receivables	11	2 664	6 466
<b>Non-current assets</b>			
		<b>2 523</b>	<b>2 907</b>
Investments	12		2
		2 205	205
Receivables	11	318	702
<b>TOTAL ASSETS</b>		<b>289 873</b>	<b>296 258</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
		<b>337 759</b>	<b>344 015</b>
Voted funds to be surrendered to the Revenue Fund	13	328 953	337 927
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14		3
		1 334	916
Payables	15		2
		3 188	172
Aid assistance unutilised	3	4 284	-
<b>Non-current liabilities</b>			
Payables		-	-
<b>TOTAL LIABILITIES</b>		<b>337 762</b>	<b>344 015</b>
<b>NET LIABILITY</b>		<b>(47 886)</b>	<b>(47 757)</b>
	Note	2022/23 R'000	2022/21 R'000
<b>Represented by:</b>			
Capitalisation reserve		2 205	2 205
Recoverable revenue		513	642
Unauthorised expenditure		(50 604)	(50 604)
<b>TOTAL</b>		<b>(47 886)</b>	<b>(47 757)</b>

*Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Statement of Changes in Net Assets for the year ended 31 March 2023*

	<b>Note</b>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Capitalisation Reserves</b>			
Opening balance		2 205	2 205
Closing balance		<u>2 205</u>	<u>2 205</u>
<b>Recoverable revenue</b>			
Opening balance		642	68 305
Transfers:		<b>(129)</b>	<b>(67 663)</b>
Debts revised		(15)	(27)
Debts recovered (included in departmental receipts)		(683)	(68 298)
Debts raised		569	662
Closing balance		<u>513</u>	<u>642</u>
<b>Unauthorised expenditure</b>			
Opening balance		(50 604)	(50 604)
Unauthorised expenditure-current year		-	-
Relating to overspending of the vote or main division within the vote		-	-
Incurred not in accordance with the purpose of the vote or main division		-	-
Amounts approved by Parliament/Legislature with funding		-	-
Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Amounts recoverable		-	-
Amount written off		-	-
Closing balance		<u>(50 604)</u>	<u>(50 604)</u>
<b>TOTAL</b>		<u><b>(47 886)</b></u>	<u><b>(47 757)</b></u>

*Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Cash Flow Statement for the year ended 31 March 2023*

	<b>Note</b>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>10 516 169</b>	<b>9 351 044</b>
Annual appropriated funds received	1.1	10 447 537	9 241 464
Departmental revenue received	2	36 598	99 875
Interest received	2.3	144	143
Aid assistance received	3	31 890	9 562
Net (increase)/decrease in working capital		31 553	111 583
Surrendered to Revenue Fund		(377 251)	(485 621)
Surrendered to RDP Fund/Donor		-	(46 272)
Current payments		(2 105 057)	(1 829 774)
Payments for financial assets		(614)	(292)
Transfers and subsidies paid		(8 021 915)	(7 066 681)
<b>Net cash flow available from operating activities</b>	<b>16</b>	<b>42 885</b>	<b>33 987</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(18 604)	(6 790)
(Increase)/decrease in non-current receivables	11	384	(590)
<b>Net cash flows from investing activities</b>		<b>(18 220)</b>	<b>(7 380)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		(129)	(67 663)
Increase/(decrease) in non-current payables		-	-
<b>Net cash flows from financing activities</b>		<b>(129)</b>	<b>(67 663)</b>
Net increase/(decrease) in cash and cash equivalents		24 536	(41 056)
Cash and cash equivalents at beginning of period		259 768	300 824
Unrealised gains and losses within cash and cash equivalents			
<b>Cash and cash equivalents at end of period</b>	<b>9</b>	<b>284 304</b>	<b>259 768</b>



<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
<b>1</b>	<p><b>Basis of preparation</b></p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b></p> <p>The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b></p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b></p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b></p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b></p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>

<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p>

	<p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<b>Aid Assistance</b>
<b>9.1</b>	<p><b>Aid assistance received</b></p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
<b>9.2</b>	<p><b>Aid assistance paid</b></p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
<b>10</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>11</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>&lt;Indicate when prepayments and advances are expensed and under what circumstances.&gt;</p>
<b>12</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
<b>13</b>	<p><b>Investments</b></p> <p>Investments are recognised in the statement of financial position at cost.</p>
<b>14</b>	<b>Financial assets</b>
<b>14.1</b>	<p><b>Financial assets (not covered elsewhere)</b></p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-</p>

	off.
<b>14.2</b>	<p><b>Impairment of financial assets</b></p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
<b>15</b>	<p><b>Payables</b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
<b>16</b>	<p><b>Capital Assets</b></p>
<b>16.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
<b>16.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. [</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>16.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p>

	Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
<b>16.4</b>	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>17</b>	<b>Provisions and Contingents</b>
<b>17.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>17.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>17.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>17.4</b>	<p><b>Capital commitments</b></p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
<b>18</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>19</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful</p>

	<p>expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>20</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>21</b>	<p><b>Changes in accounting estimates and errors</b></p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
<b>22</b>	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
<b>23</b>	<p><b>Principal-Agent arrangements</b></p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<b>24</b>	<p><b>Departures from the MCS requirements</b></p> <p><i>[Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]</i></p>
<b>25</b>	<p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<b>26</b>	<p><b>Recoverable revenue</b></p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial</p>

	<p>year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<b>27</b>	<p><b>Related party transactions</b></p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
<b>28</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<b>29</b>	<p><b>Public-Private Partnerships</b></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<b>30</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>
<b>31</b>	<p><b>Transfer of functions</b></p> <p>Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
<b>32</b>	<p><b>Mergers</b></p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>

**PART B: EXPLANATORY NOTES**

**1. Annual Appropriation**

**1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for

Programmes	2022/23			2021/22		
	Final Appropriation	Actual Funds Received	Funds not requested /not received	Final Appropriation	Appropriation received	Funds not requested/not received
	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	729 612	729 612	-	661 812	625 919	35 893
MINERALS AND PETROLEUM REGULATION	512 294	512 294	-	537 462	542,762	(5 300)
MINING, MINERALS AND ENERGY POLICY DEVELOPMENT	880 006	880 006	-	792 832	803,932	(11 100)
MINE HEALTH AND SAFETY INSPECTORATE	236 602	236 602	-	233 117	235,517	(2 400)
MINERAL AND ENERGY RESOURCES PROGRAMMES AND PROJECTS	6 917 057	6 917 057	-	5 881 640	5 922 140	(40 500)
NUCLEAR ENERGY REGULATION AND MANAGEMENT	1 171 966	1 171 966	-	1 134 601	1 111 194	23 407
<b>Total</b>	<b>10 447 537</b>	<b>10 447 537</b>	<b>-</b>	<b>9 241 464</b>	<b>9 241 464</b>	<b>-</b>

National Departments (Voted funds) and Provincial Departments:

*All funds budgeted in the current financial year were requested and received from National Treasury as per the drawing projection schedule.*



## 2. Departmental revenue

	Note	2022/23	2021/22
		R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	19 206	16 633
Fines, penalties and forfeits	2.2	2 404	1 716
Interest, dividends and rent on land	2.3	13 606	13 178
Sales of capital assets		-	-
Transactions in financial assets and liabilities	2.4	1 526	68 491
Transfer received		-	-
Total revenue collected		<b>36 742</b>	<b>100 018</b>
Less: Own revenue included in appropriation		-	-
<b>Departmental revenue collected</b>		<b>36 742</b>	<b>100 018</b>

*The department is in the process of updating its ICT system used for Petroleum Revenue to enable the of administration penalties. Parallel to this, the department is also revising underlying policies to enable levying of penalties. These business enhancements have resulted in the department not being able to administer Treasury Regulation 11.5 during the 2022-23 financial year. In terms of Section 92 of the Act, the finance minister, by notice may exempt any institution to which this Act applies, this application has been submitted to the Minister for consideration.*

### 2.1 Sales of goods and services other than capital assets

	Note	2022/23	2021/22
		R'000	R'000
Sales of goods and services produced by the department	2	19 206	16 633
Sales by market establishment		504	530
Administrative fees		17 538	15 094
Other sales		1 164	1 009
Sales of scrap, waste and other used current goods		-	-
<b>Total</b>		<b>19 206</b>	<b>16 633</b>

**2.2 Fines, penalties and forfeits**

	Note	2022/23	2021/22
	2	R'000	R'000
Fines		1 219	1 250
Penalties		1 185	466
<b>Total</b>		<b>2 404</b>	<b>1 716</b>

**2.3 Interest, dividends and rent on land**

	Note	2022/23	2021/22
	2	R'000	R'000
Interest		144	143
Rent on land		13 462	13 035
<b>Total</b>		<b>13 606</b>	<b>13 178</b>

**2.4 Transactions in financial assets and liabilities**

	Note	2022/23	2021/22
	2	R'000	R'000
Receivables		530	567
Other Receipts including Recoverable Revenue		996	67 924
<b>Total</b>		<b>1 526</b>	<b>68 491</b>

**3. Aid assistance**

	Note	2022/23	2021/22
		R'000	R'000
Opening Balance		-	36 710
Prior period error			
As restated		-	36 710
Transferred from statement of financial performance		4 284	9 562
Transfers to or from retained funds			
Paid during the year		-	(46 272)
<b>Closing Balance</b>		<b>4 284</b>	<b>-</b>

The Department received a total amount of R31.89 million and a total of R27.61 million was utilised as at 31 March 2023.

**3.1 Analysis of balance by source**

		<b>2022/23</b>	<b>2021/22</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Aid assistance from RDP	3	4 284	-
Aid assistance from other sources		-	-
<b>Closing balance</b>		<b>4 284</b>	<b>-</b>

**3.2 Analysis of balance**

		<b>2022/23</b>	<b>2021/22</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Aid assistance unutilised	3	4 284	-
<b>Closing balance</b>		<b>4 284</b>	<b>-</b>

**3.3 Aid assistance expenditure per economic classification**

		<b>2022/23</b>	<b>2021/22</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Current	3	27 606	-
<b>Total aid assistance expenditure</b>		<b>27 606</b>	<b>-</b>

**4. Compensation of employees**

**4.1 Salaries and Wages**

		<b>2022/23</b>	<b>2021/22</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Basic salary		676 042	648 998
Performance award		463	5 326
Service Based		909	740
Compensative/circumstantial		23 356	19 515
Periodic payments		457	221
Other non-pensionable allowances		180 343	174 595
<b>Total</b>	<b>4</b>	<b>881 570</b>	<b>849 5</b>

#### 4.2 Social contributions

	Note	2022/23 R'000	2021/22 R'000
<b>Employer contributions</b>			
Pension		87 560	84 377
Medical		44 318	42 601
UIF		-	1
Bargaining council		167	159
Insurance		1 753	1 422
<b>Total</b>	4	<b>133 798</b>	<b>128 560</b>
<b>Total compensation of employees</b>			
		<b>1 015 368</b>	<b>977 955</b>
Average number of employees		1 538	1 463

#### 5. Goods and services

	Note	2022/23 R'000	2021/22 R'000
Administrative fees		3 150	2 234
Advertising		5 329	4 962
Minor assets	5.1	637	71
Bursaries (employees)		2 690	3 211
Catering		965	813
Communication		17 998	20 086
Computer services	5.2	48 881	44 904
Consultants: Business and advisory services		619 165	503 227
Legal services		8 442	20 138
Contractors		1 131	623
Entertainment		-	1
Audit cost – external	5.3	9 158	11 323
Fleet services		5 369	2 809
Consumables	5.4	8 934	8 270
Operating leases		164 530	120 818
Property payments	5.5	28 365	20 907
Rental and hiring		444	377
Transport provided as part of the departmental activities		411	-
Travel and subsistence	5.6	109 675	73 536
Venues and facilities		11 654	7 199
Training and development		2 160	1 105
Other operating expenditure	5.7	12 995	5 205
<b>Total</b>		<b>1 062 083</b>	<b>851 819</b>

**5.1 Minor assets**

	Note	2022/23	2021/22
	5	R'000	R'000
<b>Tangible assets</b>			
Machinery and equipment		637	71
<b>Total</b>		<b>637</b>	<b>71</b>

**5.2 Computer services**

	Note	2022/23	2021/22
	5	R'000	R'000
SITA computer services		22 905	17 010
External computer service providers		25 976	27 894
<b>Total</b>		<b>48 881</b>	<b>44 904</b>

**5.3 Audit cost – External**

	Note	2022/23	2021/22
	5	R'000	R'000
Regularity audits		8 578	8 907
Performance audits		33	1 757
Computer audits		547	659
<b>Total</b>		<b>9 158</b>	<b>11 323</b>

**5.4 Consumables**

	Note	2022/23	2021/22
	5	R'000	R'000
Consumable supplies		2 803	4 217
Uniform and clothing		995	1 124
Household supplies		499	1 270
Building material and supplies		76	100
Communication accessories		-	1
IT consumables		751	382
Other consumables		482	1 340
Stationery, printing and office supplies		6 131	4 053
<b>Total</b>		<b>8 934</b>	<b>8 270</b>

**5.5 Property payments**

	Note	2022/23	2021/22
	5	R'000	R'000
Municipal services		11 029	4 958
Property management fees		95	4
Property maintenance and repairs		434	665
Other		16 807	15 280
<b>Total</b>		<b>28 365</b>	<b>20 907</b>

**5.6 Travel and subsistence**

	Note	2022/23	2021/22
	5	R'000	R'000
Local		103 257	71 579
Foreign		6 418	1 957
<b>Total</b>		<b>109 675</b>	<b>73 536</b>

**5.7 Other operating expenditure**

	Note	2022/23	2021/22
	5	R'000	R'000
Professional bodies, membership and subscription fees		496	1 457
Resettlement costs		1 297	715
Other		11 202	3 033
<b>Total</b>		<b>12 995</b>	<b>5 205</b>

**5.8 \*Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)**

	Note	2021/22	2020/21
	5	R'000	R'000
<b>Name of Commission / Committee</b>			
Audit Committee		473	321
Risk Committee		63	38
Commission of Examiners		16	11
<b>Total</b>		<b>552</b>	<b>370</b>

**6. Payments for financial assets**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Debts written off	6.1	614	292
<b>Total</b>		<b>614</b>	<b>292</b>

**6.1 Debts written off**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Nature of debts written off</b>			
Staff debts		614	291
Dishonoured cheque for Prospecting Fees		-	1
<b>Total</b>		<b>614</b>	<b>292</b>
 <b>Total debt written off</b>		 <b>614</b>	 <b>292</b>

**7. Transfers and subsidies**

		<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
	<i>Note</i>		
Provinces and municipalities	31	2 342 872	2 223 031
Departmental agencies and accounts	<i>Annexure 1B</i>	604 265	565 439
Foreign governments and international organisations	<i>Annexure 1E</i>	25 057	29 452
Public corporations and private enterprises	<i>Annexure 1D</i>	5 043 051	4 241 871
Households	<i>Annexure 1G</i>	6 670	6 888
<b>Total</b>		<b>8 021 915</b>	<b>7 066 681</b>

**8. Expenditure for capital assets**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>18 604</b>	<b>6 790</b>
Buildings and other fixed structures	8.1	878	184
Machinery and equipment		17 726	6 606
<b>Total</b>		<b>18 604</b>	<b>6 790</b>

**8.1 Analysis of funds utilised to acquire capital assets – 2022/23**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>18 604</b>	-	<b>18 604</b>
Buildings and other fixed structures	878	-	878
Machinery and equipment	17 726	-	17 726
<b>Total</b>	<b>18 604</b>	-	<b>18 604</b>

**8.2 Analysis of funds utilised to acquire capital assets – 2021/22**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>6 790</b>	-	<b>6 790</b>
Buildings and other fixed structures	184	-	184
Machinery and equipment	6 606	-	6 606
<b>Total</b>	<b>6 790</b>	-	<b>6 790</b>

**9. Cash and cash equivalents**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General Account		283 964	258 486
Cash on hand		72	72
Investments (Domestic)		268	1 210
<b>Total</b>		<b>284 304</b>	<b>259 768</b>

**10. Prepayments and advances**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Travel and subsistence		9	56
Prepayments (Not expensed)	10.2	-	26 679
Advances paid (Not expensed)	10.1	373	382
<b>Total</b>		<b>382</b>	<b>27 117</b>

**Analysis of Total Prepayments and advances**

Current Prepayments and advances	382	27 117
<b>Total</b>	<b>382</b>	<b>27</b>



117

**10.1 Advances paid (Not expensed)**

Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
10					
National departments	382	(1 706)		1 697	373
Other entities	-	-	-	-	-
<b>Total</b>	<b>382</b>	<b>(1 706)</b>	<b>-</b>	<b>1 697</b>	<b>373</b>

**Advances paid (Not expensed)**

Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
10					
National departments	-	-	-	382	382
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>382</b>	<b>382</b>

**10.2 Prepayments (Not/Expensed)**

Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
10					
Goods and services	26 679	(26 709)	-	30	-
<b>Total</b>	<b>26 679</b>	<b>(26 709)</b>	<b>-</b>	<b>30</b>	<b>-</b>

Note	Balance as at 1 April 2021	Less: Less Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
10					
<b>Prepayments(Not expensed)</b>					
Goods and services	72 548	(45 651)	(218)	-	26 679
<b>Total</b>	<b>72 548</b>	<b>(45 651)</b>	<b>(218)</b>	<b>-</b>	<b>26 679</b>

### 10.3 Prepayments (Expensed)

	Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2023
		R'000	R'000	R'000	R'000	R'000
Goods and services	10	-	(167)	-	26 680	26 513
<b>Total</b>		<b>-</b>	<b>(167)</b>	<b>-</b>	<b>26 680</b>	<b>26 513</b>

### 11. Receivables

		2022/23			2021/22		
	Note	Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	11.1	1 601	-	1 601	722	-	722
Recoverable expenditure	11.2	135	-	135	81	-	81
Staff debt	11.3	928	318	1 246	956	702	1 658
Other receivables	11.4	-	-	-	4 707	-	4 707
<b>Total</b>		<b>2 664</b>	<b>318</b>	<b>2 982</b>	<b>6 466</b>	<b>702</b>	<b>7 168</b>

#### 11.1 Claims recoverable

	Note	2022/223 R'000	2021/22 R'000
National departments	11	1 601	-
Public entities		-	722
<b>Total</b>		<b>1 601</b>	<b>722</b>

**11.2 Recoverable expenditure (disallowance accounts)**

	Note	2022/23	2021/22
	11	R'000	R'000
Disallowance Damage & Losses		60	76
Sal: Tax Debt		16	1
Sal: Reversal Control		-	4
Sal: Medical Aid		6	-
Sal: GEHS Refund		53	-
<b>Total</b>		<b>135</b>	<b>81</b>

**11.3 Staff debt**

	Note	2022/23	2021/22
	11	R'000	R'000
Staff debtors		1 246	1 658
<b>Total</b>		<b>1 246</b>	<b>1 658</b>

**11.4 Other receivables**

	Note	2022/23	2021/22
	11	R'000	R'000
Disallowance Miscellaneous		-	4 707
<b>Total</b>		<b>-</b>	<b>4 707</b>

**11.5 Impairment of receivables**

	Note	2022/23	2021/22
		R'000	R'000
Estimate of impairment of receivables	11	74	355
<b>Total</b>		<b>74</b>	<b>355</b>

*The methodology followed considered all balances that were three years and older to calculate impairment of staff debts.*

**12 Investments**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Non-Current</b>			
<b>Shares and other equity</b>			
South African Nuclear Corporation Limited (NECSA)	12	2 205	2 205
<b>Total non-current</b>		<b>2 205</b>	<b>2 205</b>
<b>Analysis of non-current investments</b>			
Opening balance		2 205	2 205
<b>Closing balance</b>		<b>2 205</b>	<b>2 205</b>

**12.1 Impairment of investments**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Estimate of impairment of impairment		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

The Department holds 2 205 000 shares in its entity, the South African Nuclear Corporation Limited (NECSA). Investments are recorded at cost in terms of the accounting policy and was tested for impairment. Refer to Annexure 2A for the net assets value as at 31 March 2023.

**13 Voted funds to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		337 927	382 101
Prior period error			-
As restated		337 927	382 101
Transfer from statement of financial performance (as restated)		328 953	337 927
Paid during the year		(337 927)	(382 101)
<b>Closing balance</b>		<b>328 953</b>	<b>337 927</b>

**14 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		3 916	7 418
Prior period error			
As restated		<u>3 916</u>	<u>7 418</u>
Transfer from Statement of Financial Performance (as restated)		36 742	100 018
Paid during the year		<u>(39 324)</u>	<u>(103 520)</u>
<b>Closing balance</b>		<b><u>1 334</u></b>	<b><u>3 916</u></b>

**15 Payables – current**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Clearing accounts	15.1	1 618	1 905
Other payables	15.2	1 570	267
<b>Total</b>		<b><u>3 188</u></b>	<b><u>2 172</u></b>

**15.1 Clearing accounts**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Sal: Income Tax	15	1 361	1 905
Sal: Pension Fund		184	-
Sal: Reversal Account		73	-
<b>Total</b>		<b><u>1 618</u></b>	<b><u>1 905</u></b>

**15.2 Other payables**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Disallowance Miscellaneous	15	1 570	267
<b>Total</b>		<b><u>1 570</u></b>	<b><u>267</u></b>

**16 Net cash flow available from operating activities**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Net surplus/(deficit) as per Statement of Financial Performance		369 979	447 507
Add back non cash/cash movements not deemed operating activities		(327 094)	(413 520)
(Increase)/decrease in receivables		3 802	64 659
(Increase)/decrease in prepayments and advances		26 735	45 712
Increase/(decrease) in payables – current		1 016	1 212
Proceeds from sale of capital assets		-	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		18 604	6 790
Surrenders to Revenue Fund		(377 251)	(485 621)
Surrenders to RDP Fund/Donor		-	(46 272)
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
<b>Net cash flow generated by operating activities</b>		<b>42 885</b>	<b>33 987</b>

**17 Reconciliation of cash and cash equivalents for cash flow purposes**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General account	17	283 964	258 486
Cash on hand		72	72
Cash with commercial banks (Local)		268	1 210
<b>Total</b>		<b>284 304</b>	<b>259 768</b>

**18 Contingent liabilities and contingent assets**

**18.1 Contingent liabilities**

		<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
			<b>R'000</b>	<b>R'000</b>
<b>Liable to</b>	<b>Nature</b>			
Motor vehicle guarantees	Employees	<i>Annex 3A</i>	-	176
Housing loan guarantees	Employees	<i>Annex 3A</i>	48	84
Other guarantees		<i>Annex 3A</i>	20 000	20 000
Claims against the department		<i>Annex 3B</i>	391 392	415 880
Other		<i>Annex 3B</i>	1 337	-
<b>Total</b>			<b>412 777</b>	<b>436 140</b>

**18.2 Contingent assets**

	Note	2022/23 R'000	2021/22 R'000
<b>Nature of contingent asset</b>	18		
Possible rental overpayments for Matimba building		12 662	12 662
<b>Total</b>		<b>12 662</b>	<b>12 662</b>

*\*The possible overpayments for the Matimba building were revealed in a forensic investigation report which was concluded during the year 2019 and subsequently, the report was submitted to the lessor for confirmation of the findings. The department is disputing the current square meters of the Matimba building. During the engagements, DPWI advised that the Department should not pay the full lease amount but only pay square meters indicated in the forensic report which is in line with the "trite law", pay for services utilized. The department implemented the recommendation as outlined in the forensic report.*

*\*Subsequent payments were made in line with the square meters deemed to be correct as reported in the Forensic Report. DPWI has since facilitated a response to the department regarding their position and expression on the forensic report findings and recommendations. After careful consideration, the department wrote to DPWI disputing their response and SIU report which does not address our main concern about the actual square meters of the building.*

*\*Subsequently, on 25th August 2022 DPWI came on-site to conduct measurements of the building. On 03rd March 2023 DMRE received the outcomes/ feedback from DPWI which was inconsistent with the signed lease agreement. Therefore, DMRE took a decision to undergo a process of appointing an independent service provider to conduct the re-measurement of the Matimba building.*

**19 Capital commitments**

	Note	2022/23 R'000	2021/22 R'000
Machinery and equipment		617	-
<b>Total</b>		<b>617</b>	<b>-</b>

**20. Accruals and payables not recognised**

**20.1 Accruals**

	2022/23 R'000			2021/22 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	34 609	626	35 235	19 699
<b>Total</b>	<b>34 609</b>	<b>626</b>	<b>35 235</b>	<b>19 699</b>

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Programme 1: Administration		22 788	4 511
Programme 2: Minerals and Petroleum Regulation		249	5 979
Programme 3: Mining, Minerals and Energy Policy Development		12	582
Programme 4: Mine Health Safety Inspectorate		844	1 242
Programme 5: Mineral and Energy Resources Programmes and Projects		11 340	7 144
Programme 6: Nuclear Energy Regulation and Management		2	241
<b>Total</b>		<b>35 235</b>	<b>19 699</b>

## 20.2 Payables not recognised

		<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by economic classification</b>			
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>
			<b>Total</b>
Goods and services	6 078	439	6 517
Capital assets			80 052
Other			
<b>Total</b>	<b>6 078</b>	<b>439</b>	<b>6 517</b>

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Programme 1: Administration		1 382	1 879
Programme 2: Minerals and Petroleum Regulation		-	23 182
Programme 3: Mining, Minerals and Energy Policy Development		-	38
Programme 4: Mine Health Safety Inspectorate		-	-
Programme 5: Mineral and Energy Resources Programme and Projects		5 135	54 953
Programme 6: Nuclear Energy Regulation and Management		-	-
<b>Total</b>		<b>6 517</b>	<b>80 052</b>

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Included in the above totals are the following:</b>			
Confirmed balances with other departments	<i>Annex 5</i>	11 135	1 384
Confirmed balances with other government entities	<i>Annex 5</i>	-	-
<b>Total</b>		<b>11 135</b>	<b>1 384</b>



**21. Employee benefits**

	Note	2022/23	2021/22
		R'000	R'000
Leave entitlement		53 493	56 326
Service bonus		26 568	25 767
Performance awards		-	-
Capped leave		5 428	5 920
Other		1 453	1 171
<b>Total</b>		<b>86 942</b>	<b>89 184</b>

The leave entitlement does not include leave with credit balances. Leave with credit balances amounts to R588 thousand.

**22. Lease commitments**

**22.1 Operating leases**

2022/23	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	59 063	5 544	64 607
Later than 1 year and not later than 5 years	-	-	60 749	4 900	65 649
Later than five years	-	-	37 101	-	37 101
<b>Total lease commitments</b>	-	-	<b>156 913</b>	<b>10 443</b>	<b>167 356</b>

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	54 675	5 196	59 872
Later than 1 year and not later than 5 years	-	-	*68 041	8 591	76 631
Later than five years	-	-	*4 927	-	4 927
<b>Total lease commitments</b>	-	-	<b>127 643</b>	<b>13 787</b>	<b>141 430</b>

*\*The department discovered that lease commitments for buildings and fixed structures were not correctly disclosed in the respective categories in the prior year. The error has been corrected by increasing the later than 5 years category by R 4 926 557.97 from nil as opposed to disclosing the amount as part of Later than 1 year and not later than 5 years. The total lease obligation has remained the same overall.*

The department has month to month contracts and are in the process of requesting new contracts. The following offices are month to month basis. North West (Klerksdorp & Rustenburg), Western Cape (Cape Town: Atterbury house), Free State (Welkom), Eastern Cape (Umthata), KZN (Durban) and Head Office (Matimba House)

**23. Accrued departmental revenue**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Tax revenue		-	-
Sales of goods and services other than capital assets		12 452	10 926
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		261 620	263 911
<b>Total</b>		<b>274 072</b>	<b>274 837</b>

**23.1 Analysis of accrued departmental revenue**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		274 837	251 769
Less: amounts received		17 680	16 737
Less: services received in lieu of cash		-	-
*Add: amounts recognised		16 915	39 805
Less: amounts written-off/reversed as irrecoverable		-	-
Less: amounts transferred to receivables for recovery		-	-
Other ( <i>Specify</i> )		-	-
<b>Closing balance</b>		<b>274 072</b>	<b>274 837</b>

\*The amount recognized of R16,915 million comprised off newly issued contracts, licenses and current year receivables raised in the financial year 2022/23. The amount received for R 17,680 million comprises of R13,321 million of prospecting fees and R 4,359 million annual licences fees.

**23.2 Impairment of accrued departmental revenue**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Estimate of impairment of accrued departmental revenue		310 192	296 214
<b>Total</b>		<b>310 192</b>	<b>296 214</b>

The department has followed the approved receivables impairment methodology and additional factors were also considered, amongst them are cancelled contracts and debts that are older than three years.

**24. Unauthorised, Irregular and Fruitless and Wasteful Expenditure**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Unauthorised expenditure		-	-
Irregular expenditure		1 208	3 221
Fruitless and Wasteful expenditure		7 874	3 938
<b>Total</b>		<b>9 082</b>	<b>7 002</b>

*The Department disclosed only the current cases as per new reporting requirement issued in terms of National Treasury Instruction note 04 of 2022/23.*

**25. Related party transactions**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Payments made</b>			
Goods and services		227 973	216 334
<b>Total</b>		<b>227 973</b>	<b>216 334</b>

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Year end balances arising from revenue/payments</b>			
Receivables from related parties		-	722
Payables to related parties		-	4 464
<b>Total</b>		<b>-</b>	<b>5 186</b>

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
<b>Other</b>			
Guarantees issued – NECSA		20 000	20 000
Guarantees issued – CGS		22 500	-
<b>Total</b>		<b>42 500</b>	<b>20 000</b>

Central Energy Fund Group	State Owned Entity of Department
Nuclear Energy Corporation of South Africa Group	State Owned Entity of Department
National Energy Regulator of South Africa	State Owned Entity of Department
National Nuclear Regulator	State Owned Entity of Department
National Radioactive Waste Disposal Institute	State Owned Entity of Department
South African National Energy Development Institute	State Owned Entity of Department
Independent Power Producers Office (IPPO)	Joint Affiliation
Council for Geoscience	An entity under control of Minister
Mintek	An entity under control of Minister
South African Diamond and Metals Regulator	An entity under control of Minister
Mine Health and Safety Council	An entity under control of Minister
State Diamond Trader	An entity under control of Minister
Rehabilitation Trust Account	An entity under control of Minister

*\*The Department oversees the technical work done by the IPP Office as it implements on behalf of the department. The IPP Office has managed to stabilise its sources of funding and thus less reliant on the fiscal transfers. financial statements will be appended to the Annual Report and subject to its own independent audit.*

*The IPPO work remains critical in this phase of procurement endeavours to add additional MW into the grid pursuant to energy security owing to the latest development in the energy space in South Africa, a determination will be made at the right time to determine the nature and form of this office going forward.*

**26. Key management personnel**

	<b>2022/23</b>	<b>2021/22</b>
	<b>R'000</b>	<b>R'000</b>
Political office bearers	4 617	3 591
Officials:		
Level 15 & 16	18 050	20 031
Level 14	46 833	46 107
Family members of key management personnel	-	-
<b>Total</b>	<b>69 501</b>	<b>69 729</b>

*Key Management Personnel are officials having the authority and responsibility - level 14 to 16 including political office bearers, for planning, directing, and controlling the activities of the Department.*

**27. Impairment (other than receivables, accrued departmental revenue, loans and investments)**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
		<b>R'000</b>	<b>R'000</b>
Prepayments for training and warranty for Solar Water Heater units	Annexure 6	-	39
		-	-
<b>Total</b>		<b>-</b>	<b>39</b>

**28. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>HERITAGE ASSETS</b>	<b>222</b>	-	-	-	<b>222</b>
Heritage assets	222	-	-	-	222
<b>MACHINERY AND EQUIPMENT</b>	<b>147 729</b>	-	<b>17 737</b>	<b>3</b>	<b>165 077</b>
Transport assets	4 865	-	1 342	-	6 207
Computer equipment	82 858	-	15 077	220	97 715
Furniture and office equipment	46 312	-	929	16	47 225
Other machinery and equipment	13 694	-	389	152	13 924
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>147 951</b>	-	<b>17 737</b>	<b>388</b>	<b>165 299</b>

**Movable Tangible Capital Assets under investigation**

	Number	Value R'000
Heritage assets	-	-
Machinery and equipment	14	271
Specialised military assets	-	-
Biological assets	-	-

## 28.1 Movement for 2021/22

### MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	<b>222</b>	-	-	-	<b>222</b>
Heritage assets	222	-	-	-	222
<b>MACHINERY AND EQUIPMENT</b>	<b>153 332</b>	-	<b>6 597</b>	<b>12 200</b>	<b>147 729</b>
Transport assets	9 072	-	-	4 207	4 865
Computer equipment	84 589	-	4 089	5 819	82 858
Furniture and office equipment	45 246	-	2 382	1 317	46 312
Other machinery and equipment	14 425	-	126	857	13 694
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>153 554</b>	-	<b>6 597</b>	<b>12 200</b>	<b>147 951</b>

## 28.2 Minor assets

### MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2023

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	185	25 107	-	25 292
Additions	-	-	-	644	-	644
Disposals	-	-	-	2	-	2
<b>TOTAL MINOR ASSETS</b>	-	-	<b>185</b>	<b>25 749</b>	-	<b>25 934</b>
	<b>Specialised military assets</b>	<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	-	-	-	68	-	68
Number of minor assets at cost	-	-	83	14 848	-	14 931
<b>TOTAL NUMBER OF MINOR ASSETS</b>	-	-	<b>83</b>	<b>14 916</b>	-	<b>14 999</b>

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	185	25 979	-	26 164
Additions	-	-	-	67	-	67
Disposals	-	-	-	940	-	940
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>25 107</b>	<b>-</b>	<b>25 292</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	69	-	69
Number of minor assets at cost	-	-	83	15 074	-	15 157
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>83</b>	<b>15 143</b>	<b>-</b>	<b>15 226</b>

**28.3 Movable tangible capital assets written off**

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2023**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	226	-	226
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>226</b>	<b>-</b>	<b>226</b>

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	12 200	-	12 200
<b>TOTAL MOVABLE ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 200</b>	<b>-</b>	<b>12 200</b>

**WRITTEN OFF**

**29. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	10 986	-	263-	8	11 241
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>10 986</b>	<b>-</b>	<b>263-</b>	<b>8</b>	<b>11 241</b>

**29.1 Movement for 2021/22**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	140 564	-	4 208	133 786	10 986
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>140 564</b>	<b>-</b>	<b>4 208</b>	<b>133 786</b>	<b>10 986</b>

**30. Immovable Tangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>53 531</b>	<b>878</b>	<b>-</b>	<b>54 409</b>
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	53 531	878	-	54 409
<b>HERITAGE ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Heritage assets	-	-	-	-
<b>LAND AND SUBSOIL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL</b>	<b>53 531</b>	<b>878</b>	<b>-</b>	<b>54 409</b>



**ASSETS**

**30.1 Movement for 2021/22**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>53 347</b>	-	<b>184</b>		<b>53 531</b>
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	53 347	-	184	-	53 531
<b>HERITAGE ASSETS</b>					
Heritage assets	-	-	-	-	-
<b>LAND AND SUBSOIL ASSETS</b>					
Land	-	-	-	-	-
Mineral and similar non- regenerative resources	-	-	-	-	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>53 347</b>	-	<b>184</b>	-	<b>53 531</b>

**31 Non-adjusting events after reporting date**

**2022/23**

Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.

**R'000**

**Total**

**0**

Estimates of the financial effect of the subsequent events cannot be made due to non-financial implications in relation to the matter.

Powers previously vested to the DMRE Minister under Section 34(1) of the Electricity Regulation Act (Act 4 of 2006) have been transferred to the Minister of Electricity by the President in terms of proclamation number 121 of 2023 on the 24th May 2023.

Section 34(1) henceforth empowers the Minister of Electricity to “(a) determine that new generation capacity is required to ensure continued uninterrupted supply of electricity and (b) types of energy sources from which such electricity must be generated, including percentages of electricity that must be generated from such sources”.

The implications of the transfer of section 34(1) to the Minister of Electricity to the department is that the newly established ministry of electricity will henceforth make determinations in relation to new generation capacity to ensure uninterrupted supply.

The department will still be responsible for other aspects related ensuring new generation capacity is procured, as provided for under section 34 (2).

DMRE will thus continue to implement new generation capacity programme, including entering contracts, manage programme development activities related to such programme, amongst others

### 32 Prior period errors

32.1	Correction of prior period errors -other	Note	Amount bef error correction	Prior period error	Restated amount
			R'000	R'000	R'000
	Lease commitments				
	Accrued Departmental Revenue	30	289 552	-37 783	251 769
	Impairment of Accrued Departmental Revenue	30	296 214	-39 608	256 606
	<b>TOTAL</b>		<b>585 766</b>	<b>-77 391</b>	<b>508 375</b>

*\*\*The departmental accrued revenue opening balance of R 289 552 million has been adjusted to R251 769 million due DFI contract that was not signed; however, it was included on the accrued department revenue prior period in the financial 2021/22*

32.2	Correction of prior period errors -other	R'000	R'000	R'000
	Lease commitments			
	Later than 1 year and not later than 5 years	81 558	-4 927	76 631
	Later than five years	-	4 927	4 927
	<b>TOTAL</b>	<b>81 558</b>		<b>81 558</b>

*\*The department discovered that lease commitments for buildings and fixed structures were not correctly disclosed in the respective categories in the prior year. The error has been corrected by increasing the later than 5 years category by R 4 926 557.97 from nil as opposed to disclosing the amount as part of Later than 1 year and not later than 5 years. The total lease obligation has remained the same overall.*

**33 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
ABAQULUSI MUNICIPALITY	18 485	-	-	18 485	18 485	-	-	3 396	3 396
ALFRED DUMA MUNICIPALITY	13 752	-	(1 500)	12 252	12 252	-	-	17 100	17 100
ALFRED NZO DIST MUNICIPAL MUNICIPALITY	2 420	-	-	2 420	2 420	-	-	4 000	4 000
BA-PHALABORWA MUNICIPALITY	8 000	-	-	8 000	8 000	-	-	23 000	23 000
BEAUFORT WEST MUNICIPALITY	11 000	-	-	11 000	11 000	-	-	6 100	6 100
BELA BELA MUNICIPALITY	1 000	-	-	1 000	1 000	-	-	3 000	3 000
BERGRIVIER MUNICIPALITY	-	-	-	-	-	-	-	1 000	1 000
BIG FIVE/HLABISA LOC MUNICIPALITY	7 000	-	(1 000)	6 000	6 000	-	-	5 500	5 500
BITOU MUNICIPALITY	8 718	-	-	8 718	8 718	-	-	8 409	8 409
BLOUBERG MUNICIPALITY	34 138	-	(1 500)	32 638	32 638	-	-	-	-
BLUE CRANE ROUTE MUNICIPALITY	620	-	-	620	620	-	-	3 000	3 000
BREEDE VALLEY MUNICIPALITY	19 000	-	-	19 000	19 000	-	-	21 000	21 000

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
BUFFALO CITY MUNICIPALITY	-	-	-	-	-	-	-	9 000	9 000
BUSHBUCKRIDGE MUNICIPALITY	10 000	-	-	10 000	10 000	-	-	4 000	4 000
CAPE AGULHAS MUNICIPALITY	4 348	-	-	4 348	4 348	-	-	2 625	2 625
CEDERBERG MUNICIPALITY	24 000	-	(2 000)	22 000	22 000	-	-	17 000	17 000
CHIEF ALBERT LUTHULI MUNICIPALITY	10 000	-	7 800	17 800	17 800	-	-	11 968	11 968
CITY OF CAPE TOWN MUNICIPALITY	9 000	-	-	9 000	9 000	-	-	10 000	10 000
CITY OF EKURHULENI MUNICIPALITY	9 000	-	-	9 000	9 000	-	-	10 000	10 000
CITY OF JOHANNESBURG MUNICIPALITY	-	-	-	-	-	-	-	10 000	10 000
CITY OF MATLOSANA MUNICIPALITY	34 064	-	(2 000)	32 064	32 064	-	-	26 707	26 707
CITY OF MBOMBELA MUNICIPALITY	58 943	-	-	58 943	58 943	-	-	75 206	75 206
CITY OF TSHWANE MUNICIPALITY	9 000	-	-	9 000	9 000	-	-	10 000	10 000
COLLINS CHABANE MUNICIPALITY	5 000	-	4 734	9 734	9 734	-	-	15 000	15 000
DANNHAUSER MUNICIPALITY	5 040	-	(1 500)	3 540	3 540	-	-		

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

DAWID KRUIPER MUNICIPALITY	5 425	-	2 000	7 425	7 425	-	-	12 975	12 975
----------------------------	-------	---	-------	-------	-------	---	---	--------	--------

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
DIHLABENG MUNICIPALITY	-	-	-	-	-	-	-	5 570	5 570
DIKGATLONG MUNICIPALITY	3 000	1 000	-	4 000	4 000	-	-	1 000	-
DIPALESENG MUNICIPALITY	22 000	-	-	22 000	22 000	-	-	34 797	34 797
DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY	6 352	-	2 100	8 452	8 452	-	-	12 720	12 720
DRAKENSTEIN MUNICIPALITY	10 000	-	6 000	16 000	16 000	-	-	13 965	13 965
EDUMBE MUNICIPALITY	13 350	-	(1 500)	11 850	11 850	-	-	28 500	28 500
ELIAS MOTSOLEDI MUNICIPALITY	17 000	-	-	17 000	17 000	-	-	21 348	21 348
ELUNDINI MUNICIPALITY	14 400	-	-	14 400	14 400	-	-	19 740	19 740
EMADLANGENI MUNICIPALITY	16 693	-	-	16 693	16 693	-	-	8 075	8 075
EMAKHAZENI MUNICIPALITY	14 000	-	-	14 000	14 000	-	-	34 000	34 000
EMALAHLENI (EC)	27 200	-	-	27 200	27 200	-	-	19 440	19 440
EMALAHLENI MUNICIPALITY	54 100	-	-	54 100	54 100	-	-	47 500	47 500
EMFULENI MUNICIPALITY	42 066	-	(23 743)	18 323	18 323	-	-	22 244	22 244
EMTHANJENI MUNICIPALITY	2 400	-	(400)	2 000	2 000	-	-	7 000	7 000
ENDUMENI MUNICIPALITY	20 967	-	(2 800)	18 167	18 167	-	-	14 111	14 111

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
ENGCOBO MUNICIPALITY	10 560	-	-	10 560	10 560	-	-	10 000	10 000
ENOCH MGIJIMA LOCAL MUNICIPALITY	15 737	-	(6 000)	9 737	9 737	-	-	-	-
ETHEKWINI MUNICIPALITY	9 000	-	-	9 000	9 000	-	-	9 000	9 000
EPHRAIM MOGALE MUNICIPALITY	-	-	-	-	-	-	-	4 015	4 015
FETA KGOMO TUBATSE MUNICIPALITY	28 000	-	50 000	78 000	78 000	-	-	20 000	20 000
FEZILE DABI DIST MUNICIPALITY	-	-	-	-	-	-	-	4 000	4 000
GAMAGARA MUNICIPALITY	22 500	-	(12 500)	10 000	10 000	-	-	16 500	16 500
GARDEN ROUTE DISTRICT MUNICIPALITY	5 000	-	-	5 000	5 000	-	-	-	-
GA-SEGONYANA MUNICIPALITY	30 250	-	6 000	36 250	36 250	-	-	31 000	31 000
GEORGE MUNICIPALITY	40 536	-	-	40 536	40 536	-	-	15 100	15 100
GOVAN MBEKI MUNICIPALITY	15 000	-	7 300	22 300	22 300	-	-	11 850	11 850
GREAT KEI MUNICIPALITY	733	-	-	733	733	-	-	-	-
GREATER GIYANI MUNICIPALITY	20 584	-	15 000	35 584	35 584	-	-	18 000	18 000
GREATER KOKSTAD	35 000	-	(1 500)	33 500	33 500	-	-	23 538	23 538

MUNICIPALITY									
--------------	--	--	--	--	--	--	--	--	--

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
GREATER LETABA MUNICIPALITY	24 560	-	2 000	26 560	26 560	-	-	14 000	14 000
GREATER TZANEEN MUNICIPALITY	19 000	-	-	19 000	19 000	-	-	16 020	16 020
HANTAM MUNICIPALITY	-	-	-	-	-	-	-	3 000	3 000
HASSEQUA MUNICIPALITY	6 893	-	-	6 893	6 893	-	-	4 500	4 500
ILEMBE DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	3 000	3 000
IMPENDLE MUNICIPALITY	-	-	6 100	6 100	6 100	-	-	3 551	3 551
INKOSI ILANGALIBALELE MUNICIPALITY	27 070	-	-	27 070	27 070	-	-	-	-
INTSIKA YETHU MUNICIPALITY	9 980	-	-	9 980	9 980	-	-	6 300	6 300
INXUBA YETHEMBA MUNICIPALITY	4 500	-	-	4 500	4 500	-	-	-	-
JB MARKS MUNICIPALITY	45 936	-	(27 436)	18 500	18 500	-	-	4 200	4 200
JOE MOROLONG MUNICIPALITY	-	-	-	-	-	-	-	1 500	1 500
JOZINI MUNICIPALITY	6 600	-	-	6 600	6 600	-	-	8 980	8 980
KAI !GARIB MUNICIPALITY	6 420	-	(1 000)	5 420	5 420	-	-	5 111	5 111
KANNALAND MUNICIPALITY	-	-	-	-	-	-	-	2 699	2 699

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

KAREEBERG MUNICIPALITY	7 500	-	(1 000)	6 500	6 500	-	-	5 000	5 000
------------------------	-------	---	---------	-------	-------	---	---	-------	-------

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
KGATELOPELE MUNICIPALITY	-	-	-	-	-	-	-	3 000	3 000
KHAI-MA MUNICIPALITY	1 500	-	-	1 500	1 500	-	-	2 000	2 000
KING SABATA DALINDYEBO MUNICIPALITY	7 195	-	-	7 195	7 195	-	-	-	-
KOUGA MUNICIPALITY	-	-	8 100	8 100	8 100	-	-	7 800	7 800
KOU-KAMMA MUNICIPALITY	-	-	-	-	-	-	-	1 368	1 368
KNYSNA MUNICIPALITY	10 730	-	-	10 730	10 730	-	-	-	-
KWADUKUZA MUNICIPALITY	15 418	-	-	15 418	15 418	-	-	7 080	7 080
LANGEBERG MUNICIPALITY	-	-	-	-	-	-	-	2 890	2 890
LEJWELEPUTSWA DIST MUNICIPALITY	4 000	-	-	4 000	4 000	-	-	-	-
LEKWA MUNICIPALITY	7 000	-	(4 000)	3 000	3 000	-	-	10 000	10 000
LEPELLE-NKUMPI MUNICIPALITY	5 000	-	-	5 000	5 000	-	-	7 000	7 000
LEPHALALE MUNICIPALITY	24 000	-	(9 800)	14 200	14 200	-	-	26 500	26 500
LESEDI MUNICIPALITY	25 458	-	-	25 458	25 458	-	-	44 400	44 400
LETSEMENG MUNICIPALITY	23 500	-	-	23 500	23 500	-	-	5 882	5 882



Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

MADIBENG MUNICIPALITY	45 500	-	(25 000)	20 500	20 500	-	-	18 500	18 500
-----------------------	--------	---	----------	--------	--------	---	---	--------	--------

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
MAFIKENG MUNICIPALITY	5 000	-	-	5 000	5 000	-	-	-	-
MAFUBE MUNICIPALITY	10 231	-	-	10 231	10 231	-	-	8 705	8 705
MAKANA MUNICIPALITY	-	-	1 600	1 600	1 600	-	-	5 000	5 000
MAKHADO MUNICIPALITY	20 120	-	-	20 120	20 120	-	-	11 296	11 296
MAKHUDUTHAMAGA MUNICIPALITY	6 000	-	-	6 000	6 000	-	-	20 000	20 000
MALUTI-A-PHOFUNG MUNICIPALITY	32 000	-	-	32 000	32 000	-	-	30 000	30 000
MAMUSA MUNICIPALITY	6 068	-	7 500	13 568	13 568	-	-	18 190	18 190
MANDENI MUNICIPALITY	7 200	-	-	7 200	7 200	-	-	4 872	4 872
MANTSOPA MUNICIPALITY	2 800	-	2 200	5 000	5 000	-	-	-	-
MAPHUMULO MUNICIPALITY	30 750	-	-	30 750	30 750	-	-	16 250	16 250
MASILONYANA MUNICIPALITY	950	-	-	950	950	-	-	-	-
MATATIELE MUNICIPALITY	46 288	-	-	46 288	46 288	-	-	93 500	93 500
MATJHABENG MUNICIPALITY	4 380	-	-	4 380	4 380	-	-	-	-
MBHASHE MUNICIPALITY	4 500	-	18 400	22 900	22 900	-	-	-	-

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

MBIZANA MUNICIPALITY	-	-	-	-	-	-	-	28 453	28 453
MERAFONG CITY MUNICIPALITY	25 617	-	-	25 617	25 617	-	-	11 219	11 219

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
METSIMAHOLO MUNICIPALITY	35 631	-	-	35 631	35 631	-	-	30 400	30 400
MHLONTLO MUNICIPALITY	20 968	-	6 000	26 968	26 968	-	-	18 521	18 521
MIDVAAL MUNICIPALITY	28 775	-	-	28 775	28 775	-	-	22 072	22 072
MKHAMBATHINI MUNICIPALITY	15 000	-	5 800	20 800	20 800	-	-	18 110	18 110
MKHONDO MUNICIPALITY	11 420	-	-	11 420	11 420	-	-	36 360	36 360
MNQUMA MUNICIPALITY	7 320	-	-	7 320	7 320	-	-	9 135	9 135
MODIMOLLE/MOOKGOPONG LOCAL MUNICIPALITY	44 000	-	(1 000)	43 000	43 000	-	-	-	-
MOGALAKWENA MUNICIPALITY	7 000	-	(2 000)	5 000	5 000	-	-	25 000	25 000
MOGALE CITY MUNICIPALITY	4 600	-	-	4 600	4 600	-	-	18 513	18 513
MOSES KOTANE MUNICIPALITY	5 000	-	-	5 000	5 000	-	-		
MOHOKARE MUNICIPALITY	-	-	-	-	-	-	-	8 562	8 562
MOLEMOLE MUNICIPALITY	-	-	-	-	-	-	-	10 000	10 000
MOQHAKA MUNICIPALITY	-	-	1 923	1 923	1 923	-	-	1 500	1 500
MOSEL BAY MUNICIPALITY	13 061	-	4 000	17 061	17 061	-	-	10 026	10 026
MPOFANA MUNICIPALITY	12 590	-	-	12 590	12 590	-	-	-	-

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
MSUKALIGWA MUNICIPALITY	4 000	-	-	4 000	4 000	-	-	10 000	10 000
MSUNDUZI MUNICIPALITY	29 154	-	-	29 154	29 154	-	-	24 000	24 000
MTHONJANENI MUNICIPALITY	8 280	-	(1 000)	7 280	7 280	-	-	20 805	20 805
MTUBATUBA MUNICIPALITY	7 862	-	-	7 862	7 862	-	-	5 940	5 940
NALA MUNICIPALITY	4 000	-	-	4 000	4 000	-	-	4 500	4 500
NALEDI MUNICIPALITY	6 457	-	-	6 457	6 457	-	-	4 908	4 908
NAMA KHOI MUNICIPALITY	5 000	-	(3 000)	2 000	2 000	-	-	1 780	1 780
NDLAMBE MUNICIPALITY	15 500	-	(14 106)	1 394	1 394	-	-	15 000	15 000
NDWENDWE MUNICIPALITY	10 000	-	-	10 000	10 000	-	-	9 100	9 100
NELSON MANDELA BAY MUNICIPALITY	9 000	-	-	9 000	9 000	-	-	-	-
NEWCASTLE MUNICIPALITY	-	-	-	-	-	-	-	17 500	17 500
NGQUZA HILL MUNICIPALITY	8 064	-	(1 500)	6 564	6 564	-	-	-	-
NGWATHE MUNICIPALITY	25 000	-	(10 000)	15 000	15 000	-	-	10 000	10 000
NKANDLA MUNICIPALITY	16 000	-	(1 264)	14 736	14 736	-	-	6 027	6 027
NKETOANA MUNICIPALITY	504	-	-	504	504	-	-	-	-

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
NKOMAZI MUNICIPALITY	10 000	-	-	10 000	10 000	-	-	5 400	5 400
NONGOMA MUNICIPALITY	3 000	-	-	3 000	3 000	-	-	17 082	17 082
NQUTHU MUNICIPALITY	9 549	-	-	9 549	9 549	-	-	12 000	12 000
NTABANKULU MUNICIPALITY	7 026	-	-	7 026	7 026	-	-	-	-
NYANDENI MUNICIPALITY	-	-	8 000	8 000	8 000	-	-	16 067	16 067
OKHAHLAMBA MUNICIPALITY	7 100	-	-	7 100	7 100	-	-	13 400	13 400
OUDTSHOORN MUNICIPALITY	-	-	3 100	3 100	3 100	-	-	3 206	3 206
OVERSTRAND MUNICIPALITY	26 331	-	4 000	30 331	30 331	-	-	18 519	18 519
PHOKWANE MUNICIPALITY	15 000	-	-	15 000	15 000	-	-	5 000	5 000
PHUMELELA MUNICIPALITY	-	-	-	-	-	-	-	8 500	8 500
POLOKWANE MUNICIPALITY	38 000	-	(4 000)	34 000	34 000	-	-	39 000	39 000
PORT ST JOHNS MUNICIPALITY	17 680	-	(8 800)	8 880	8 880	-	-	8 034	8 034
RAMOTSHERE MOILOA MUNICIPALITY	-	-	-	-	-	-	-	6 775	6 775
RAND WEST CITY MUNICIPALITY	35 089	-	-	35 089	35 089	-	-	23 700	23 700
RAY NKONYENI MUNICIPALITY	12 026	-	(1 694)	10 332	10 332	-	-	13 600	13 600

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
RAYMOND MHLABA MUNICIPALITY	1 828	-	-	1 828	1 828	-	-	10 980	10 980
RICHMOND MUNICIPALITY	-		2 700	2 700	2 700	-	-	-	-
RUSTENBURG MUNICIPALITY	30 000	-	(4 000)	26 000	26 000	-	-	19 500	19 500
SAKHISIZWE MUNICIPALITY	10 332		-	10 332	10 332	-	-	4 804	4 804
SALDANHA BAY MUNICIPALITY	-	-	-	-	-	-	-	5 087	5 087
SETSOTO MUNICIPALITY	-	-	-	-	-	-	-	5 000	5 000
SIYANCUMA MUNICIPALITY	3 000	-	1 500	4 500	4 500	-	-	12 500	12 500
SOL PLAATJIE MUNICIPALITY	44 000	-	(15 600)	28 400	28 400	-	-	66 500	66 500
STELLENBOSCH MUNICIPALITY	28 350	-	-	28 350	28 350	-	-	18 000	18 000
STEVE TSHWETE MUNICIPALITY	14 400	-	5 000	19 400	19 400	-	-	15 000	15 000
SUNDAYS RIVER VALLEY MUNICIPALITY	10 512	-	7 036	17 548	17 548	-	-	21 000	21 000
SWARTLAND MUNICIPALITY	17 600	-	-	17 600	17 600	-	-	8 355	8 355
SWELLENDAM MUNICIPALITY	-	-	-	-	-	-	-	8 867	8 867
THABA CHWEU MUNICIPALITY	20 000	-	(2 000)	18 000	18 000	-	-	-	-
THABAZIMBI MUNICIPALITY	25 000	-	-	25 000	25 000	-	-	22 000	22 000

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustment s	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
THABO MOFUTSANYANE DIST MUNICIPALITY	5 000	-	3 000	8 000	8 000	-	-	4 000	4 000
THEEWATERSKLOOF MUNICIPALITY	-	-	-	-	-	-	-	10 620	10 620
THEMBELIHLE MUNICIPALITY	1 000	-	-	1 000	1 000	-	-	-	-
THEMBISILE MUNICIPALITY	16 000	-	2 000	18 000	18 000	-	-	4 500	4 500
THULAMELA MUNICIPALITY	22 200	-	-	22 200	22 200	-	-	23 000	23 000
TSANTSABANE MUNICIPALITY	20 000	-	-	20 000	20 000	-	-	1 500	1 500
TSWAING MUNICIPALITY	5 500	-	6 120	11 620	11 620	-	-	4 000	4 000
TSWELOPELE MUNICIPALITY	5 000	-	-	5 000	5 000	-	-	-	-
UBUHLEBEZWE MUNICIPALITY	6 994	-	-	6 994	6 994	-	-	10 000	10 000
UBUNTU MUNICIPALITY	10 000	-	-	10 000	10 000	-	-	10 000	10 000
ULUNDI MUNICIPALITY	10 000	-	(4 000)	6 000	6 000	-	-	5 005	5 005
UMFOLOZI MUNICIPALITY	3 000	-	-	3 000	3 000	-	-	-	-
UMHLABUYALINGANA MUNICIPALITY	-	-	6 000	6 000	6 000	-	-	12 500	12 500
UMHLATHUZE LOCAL	5 000	-	(3 000)	2 000	2 000	-	-	4 000	4 000

Annual Report for 2022/23 Financial Year  
Vote 34: Department of Mineral Resources and Energy  
Annexures to the Annual Financial Statements for the year ended 31 March 2023

MUNICIPALITY									
--------------	--	--	--	--	--	--	--	--	--

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
UMLALAZI MUNICIPALITY	4 175	-	-	4 175	4 175	-	-	5 325	5 325
UMNGENI MUNICIPALITY	22 855	-	-	22 855	22 855	-	-	18 486	18 486
UMSHWATHI MUNICIPALITY	13 425	-	(2 000)	11 425	11 425	-	-	8 600	8 600
UMSINGA MUNICIPALITY	16 440	-	-	16 440	16 440	-	-	4 420	4 420
UMUZIWABANTU MUNICIPALITY	15 919	-	(2 150)	13 769	13 769	-	-	8 000	8 000
UMVOTI MUNICIPALITY	18 400	-	(1 300)	17 100	17 100	-	-	19 237	19 237
UMZIMKHULU MUNICIPALITY	10 570	-	(500)	10 070	10 070	-	-	13 176	13 176
UMZIMVUBU MUNICIPALITY	-	-	-	-	-	-	-	33 000	33 000
UMZUMBE MUNICIPALITY	15 000	-	-	15 000	15 000	-	-	26 500	26 500
UPHONGOLO MUNICIPALITY	8 200	-	(3 920)	4 280	4 280	-	-	15 000	15 000
VICTOR KHANYE MUNICIPALITY	5 000	-	-	5 000	5 000	-	-	-	-
WALTER SISULU MUNICIPALITY	11 740	-	-	11 740	11 740	-	-	-	-
WINNIE MADIKIZELA-MANDELA MUNICIPALITY	16 400	-	-	16 400	16 400	-	-	-	-
WITZENBERG MUNICIPALITY	-	-	-	-	-	-	-	12 762	12 762

**TOTAL**

---

2 341 872	1 000	-	2 342 872	2 342 872	-	-	2 224 031	2 223 031
-----------	-------	---	-----------	-----------	---	---	-----------	-----------

---



**34. COVID 19 Response Expenditure**

	<i>Note</i>	<b>2022/23</b>	<b>2021/22</b>
	<i>Annexure 11</i>	<b>R'000</b>	<b>R'000</b>
Compensation of employees			-
Goods and services		1 844	1 737
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
<b>Total</b>		<b>1 844</b>	<b>1 737</b>

**ANNEXURE 1A**

**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	2022/23				2022/23			2022/23				Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Energy Efficiency and Demand Side Management (EEDSM)	223 204	-	-	223 204	223 204	-	223 204	223 204	107 773	-	48%	220 874	220 874
Integrated National Electrification Programme (INEP)	2 118 668	1 000	-	2 119 668	2 119 668	-	2 119 668	2 119 668	881 731	-	42%	2 003 157	2 002 157
<b>Total</b>	<b>2 341 872</b>	<b>1 000</b>	<b>-</b>		<b>2 342 872</b>	<b>-</b>	<b>2 342 872</b>	<b>2 342 872</b>	<b>989 504</b>	<b>-</b>	<b>42%</b>	<b>2 224 031</b>	<b>2 223 031</b>

**ANNEXURE 1B**

**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION 2022/23				TRANSFER 2022/23		2021/22	2021/22
	Adjusted budget	Roll Overs	Adjustments	Total Budget	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Chemical Industry SETA	-	-	-	-	-	-	612	-
Energy and Water SETA	911	-	-	911	-	0%	613	-
National Nuclear Regulator	47 308	-	-	47 308	47 308	100%	46 089	46 089
National Radioactive Waste Disposal Institute	50 304	-	-	50 304	50 304	100%	49 166	49 166
SA National Energy Development Institute	81 072	-	-	81 072	81 072	100%	75 182	75 182
Council for Geoscience	355 761	-	-	355 761	355 761	100%	326 243	326 243
South African Diamond and Precious Metal Regulator	62 894	-	-	62 894	62 894	100%	62 027	62 027
Mining Qualification Authority	2 209	-	-	2 209	2 209	100%	2 151	2 151
Mine Health and Safety Council	4 717	-	-	4 717	4 717	100%	4 581	4 581
<b>TOTAL</b>	<b>605 176</b>	<b>-</b>	<b>-</b>	<b>605 176</b>	<b>604 265</b>	<b>100%</b>	<b>566 664</b>	<b>565 439</b>

**ANNEXURE 1D**

**STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

	2022/23								2021/22	
	GRANT ALLOCATION				EXPENDITURE				Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	% of Available funds transferred	Capital	Current		
Name of public corporation / private enterprise	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
<b>Public Corporations</b>										
<b>Transfers</b>	<b>4 948 602</b>	-	-	<b>4 948 602</b>	<b>4 948 602</b>	100.0%	<b>4 616 186</b>	<b>332 416</b>	<b>4 143 281</b>	<b>4 143 281</b>
ESKOM (INEP & EEDSM)	3 588 162	-	-	3 588 162	3 588 162	100.0%	3 588 162	-	2 824 257	2 824 257
SA Nuclear Energy Corp LTD	1 008 192	-	-	1 008 192	1 008 192	100.0%	990 486	17 706	976 510	976 510
Mintek	324 955	-	-	324 955	324 955	100.0%	37 538	287 417	316 247	316 247
Industrial Dev Corporation SA	27 293	-	-	27 293	27 293	100.0%	-	27 293	26 267	26 267
<b>Subtotal: Public corporations</b>	<b>4 948 602</b>	-	-	<b>4 948 602</b>	<b>4 948 602</b>	<b>100.0%</b>	<b>4 616 186</b>	<b>332 416</b>	<b>4 143 281</b>	<b>4 143 281</b>
<b>Private Enterprises</b>										
<b>Transfers</b>	<b>101 076</b>	-	-	<b>101 076</b>	<b>94 449</b>	1	-	<b>94 449</b>	<b>99 694</b>	<b>98 590</b>
Non-grid Households	-	-	-	-	-	-	-	-	-	-
Petroleum SA	94 284	-	-	94 284	94 284	100.0%	-	94 284	93 076	93 076
Mining Companies	6 792	-	-	6 792	165	2.4%	-	165	6 618	5 514
<b>Subtotal: Private enterprises</b>	<b>101 076</b>			<b>101 076</b>	<b>94 449</b>	<b>93.4%</b>		<b>94 449</b>	<b>99 694</b>	<b>98 590</b>
<b>TOTAL</b>	<b>5 049 678</b>	-	-	<b>5 049 678</b>	<b>5 043 051</b>	<b>99.9%</b>	<b>4 616 186</b>	<b>426 865</b>	<b>4 242 975</b>	<b>4 241 871</b>

**ANNEXURE 1E**

**STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION 2022/23				EXPENDITURE 2022/23		2021/22	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
International Atomic Energy Agency (IAEA)- IRRS	22 460	-	-	22 460	14 040	63%	24 324	20 479
The African Petroleum Producer Association (APPA)	3 333	-	-	3 333	3 280	98%	3 247	-
Generation International Forum (GIF)	867	-	-	867	683	79%	836	593
International Renewable Energy Agency (IRENA)	1 747	-	-	1 747	1 724	99%	1 284	-
International Energy Forum	827	-	-	827	825	100%	381	344
International Partnership for Energy Efficiency Cooperation (IPEEC)	-	-	-	-	-	-	1 438	-
Association of African Diamond Producing Countries (AADPC)	4 481	-	-	4 481	4 505	101%	-	8 036
<b>TOTAL</b>	<b>33 715</b>	<b>-</b>	<b>-</b>	<b>33 715</b>	<b>25 057</b>	<b>74%</b>	<b>31 510</b>	<b>29 452</b>

**ANNEXURE 1G**

**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION 2022/23				EXPENDITURE 2022/23		2021/22	
	Adjusted Budget	Roll Overs	Adjustm ents	Total Available	Actual Transfer	% of Available funds transferr ed	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>HOUSEHOLDS</b>								
<b>Transfers</b>								
Leave gratuity paid to employees	4 401	-	-	4 401	4 678	106%	3 629	3 571
Severance package	1 000	-	-	1 000	934	93%	2 597	2 589
Donations and Gifts	186	-	-	186	186	100%	200	160
Claims against the State	405	-	-	405	872	215%	567	568
<b>TOTAL</b>	<b>5 992</b>	<b>-</b>	<b>-</b>	<b>5 992</b>	<b>6 670</b>	<b>111%</b>	<b>6 993</b>	<b>6 888</b>

**ANNEXURE 1H**

**STATEMENT OF GIFTS DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
<b>Received in cash</b>			
Global Women Network (GWNet) and GIZ	Air transport public transport accommodation and food for participants in the Energy Transition study tour held from 9 to 13 May 2022 in Munich Germany	29	-
International Atomic Energy Agency (IAEA)	Air transport for participants in International Conference on Nuclear Law (Global debate) host in Vienna Austria from 25 to 29 April 2022	56	-
International Atomic Energy Agency (IAEA)	Attendance of IAEA Symposium on Safeguards - financial grants 31 October to 4 November 2022 in Vienna Austria	38	-
DANIDA Fellowship Centre / Danish Ministry	Attendance of course on energy efficiency and energy management in buildings and industry - 15 to 26 August 2022. Cost for study fees, allowances, accommodation air transport and insurance	65	-
International Atomic Energy Agency (IAEA)	Consultancy meeting on further enhancing IAEA Nuclear Energy Management and Nuclear Knowledge Management schools - Vienna Austria 17 to 20 January 2023.	24	-
<b>TOTAL</b>		<b>212</b>	<b>-</b>

**ANNEXURE 11**

**STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE 01 April 2022	REVENUE	EXPENDI- TURE	PAID BACK BY 31 MARCH 2023	CLOSING BALANCE 31 March 2023
		R'000	R'000	R'000	R'000	R'000
<b>Received in cash</b>						
General Budget Support	Achieving a net zero energy wastewater treatment plants in South Africa	-	31 890	27 606	-	4 283
<b>TOTAL</b>		<b>-</b>	<b>31 890</b>	<b>27 606</b>	<b>-</b>	<b>4 283</b>



**ANNEXURE 1J**

**STATEMENT OF GIFTS DONATIONS AND SPONSORSHIPS MADE**

NATURE OF GIFT DONATION OR SPONSORSHIP	2022/23	2021/22
	R'000	R'000
<b>Made in kind</b>		
Purchase of gifts for long service awards	-	324
Procurement of consumables and gifts for ministerial events	-	283
Consumables for memorial service of a departed employee	-	1
Mineral and Energy workshops and awareness campaigns to facilitate and develop youth and persons with disability	109	-
Engraving and branding of Ex-EPSOC members awards / gifts	2	-
Energy and Mining Career Expos and exhibitions in Mpumalanga, North-West and Limpopo Province	29	-
Governments programme aimed at encouraging and providing required assistance to learners' educators and support staff	127	-
<b>TOTAL</b>	<b>267</b>	<b>608</b>

**ANNEXURE 2A**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES**

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 22/23	% Held 21/22	Number of shares held '000		Cost of investment R'000		Net Asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed Yes/No
				2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
<b>National/Provincial Public Entity</b>												
The South African Nuclear Corporation Limited	Schedule 2	100	100	2 205	2 205	2 205	2 205	217 600	(120 909)	(130 717)	(130 717)	No
Central Energy Fund Group	Schedule 2	100	100	1	1	-	-	9 564 366	9 809 415	(366 639)	(366 639)	No
<b>TOTAL</b>				<b>2 206</b>	<b>2 206</b>			<b>9 781 966</b>		<b>(497 356)</b>	<b>(497 356)</b>	
						<b>2 205</b>	<b>2 205</b>		<b>9 688 506</b>			

**ANNEXURE 2B**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)**

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000		R'000		R'000		R'000	
		2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
<b>Controlled entities</b>									
Central Energy Fund Group	Financing and promotion of the acquisition of research into and exploitation of energy related products and technology	-	-	-	9 809 415	-	-	-	-
<b>TOTAL</b>		-	-	-	9 809 415	-	-	-	-

**ANNEXURE 3A**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2022	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2023	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2023
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Motor vehicles</b>									
Standard Bank		176	176	-	176	-	-	-	-
	<b>Subtotal</b>	<b>176</b>	<b>176</b>	<b>-</b>	<b>176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Housing</b>									
Standard Bank		36	36	-	36	-	-	-	-
Old Mutual		48	48	-	-	-	48	-	-
	<b>Subtotal</b>	<b>84</b>	<b>84</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>48</b>	<b>-</b>	<b>-</b>
ABSA	NECSA	20 000	20 000	-	-	-	20 000	-	-
	<b>Subtotal</b>	<b>20 000</b>	<b>20 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20 000</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>		<b>20 260</b>	<b>20 260</b>	<b>-</b>	<b>212</b>	<b>-</b>	<b>20 048</b>	<b>-</b>	<b>-</b>

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 203 – LOCAL**

**ANNEXURE 3B**

**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023**

Nature of Liability	Opening Balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/cancelle d/reduced during the year	Liabilities recoverabl e (Provide details hereunder)	Closing Balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Claims against the department	415 880	15 540	40 028	-	391 392
<b>Subtotal</b>	<b>415 880</b>	<b>15 540</b>	<b>40 028</b>	<b>-</b>	<b>391 392</b>
<b>Other</b>					
Labour relation cases	-	1 337	-	-	1 337
<b>Subtotal</b>	<b>-</b>	<b>1 337</b>	<b>-</b>	<b>-</b>	<b>1 337</b>
<b>TOTAL</b>	<b>415 880</b>	<b>16 877</b>	<b>40 028</b>	<b>-</b>	<b>392 729</b>

**ANNEXURE 4**

**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding				Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23 *	
			2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Receipt date up to six (6) working days after year end	Amount
			R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>										
Department of Science and Innovation			1 600	-	-	-	1 600	-	-	-
Department of Employment and Labour			1	-	-	-	1	-	-	-
			<b>1 601</b>	-	-	-	<b>1 601</b>	-	-	-
<b>Other Government Entities</b>										
South Africa Post Office										
CEF Group			-	722	-	-	-	722	-	-
ESKOM			-	-	-	-	-	-	-	-
			1 601	722	-	-	-	722	-	-
<b>TOTAL</b>			<b>1 601</b>	<b>722</b>	-	-	<b>1 601</b>	<b>722</b>	-	-

**ANNEXURE 5**

**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department of Agriculture, Land Reform and Rural Development	2	2	-	-	2	2	-	-
Department of Justice and Constitutional Development	9 779	-	-	-	9 779	-	-	-
Gauteng Department of Transport (G -FLEET)	1 183	-	-	-	1 183	-	-	-
Department of Public Works and Infrastructure	116	1 382	-	-	116	1 382	-	-
Department of International Coordination	55	-	-	-	55	-	-	-
<b>TOTAL INTERGOVERNMENT</b>	<b>11 135</b>	<b>1 384</b>	<b>-</b>	<b>-</b>	<b>11 135</b>	<b>1 384</b>	<b>-</b>	<b>-</b>

## ANNEXURE 6

### INVENTORIES

#### Inventories for the year ended 31 March 2023

Quantity	Solar Water Geyser Unit	TOTAL
	R'000	R'000
Opening balance	40 663	304 775
Add/(Less): Adjustments to prior year balances	8 061	60 932
Add: Additions/Purchases – Cash	-	-
Add: Additions - Non-cash	-	-
(Less): Disposals	-	-
(Less): Issues	(6 556)	(49 138)
Add/(Less): Received current not paid (Paid current year received prior year)	-	-
Add/(Less): Adjustments	712	4 968
<b>Closing balance</b>	<b>42 880</b>	<b>321 537</b>

- *Through an independent assessment, a physical inventory count was conducted across the various warehouses across the country to ensure accuracy and usability of the geyser system. A total of 42 880 units were verified with a determined value of R321.537 million.*
- *The count also identified a total of additional 712 units of which 172 were damaged and 540 were found to be having missing key components, and a technical assessment will be conducted by the installation team to determine if there is probability of continued usage or disposed of. The full 712 units classified as damaged or having missing components has been impaired.*
- *The breakdown of closing inventory is held at various locations.*



**Inventories for the year ended 31 March 2022**

Quantity	Solar Water Geyser Unit		TOTAL
	R'000		R'000
Opening balance	56 002	420 471	420 471
Add/(Less): Adjustments to prior year balances	-	-	48 172
Add: Additions/Purchases – Cash	-	-	-
Add: Additions - Non-cash	-	-	-
(Less): Disposals	-	-	-
(Less): Issues	(15 339)	(115 696)	(115 696)
Add/(Less): Received current not paid. (Paid current year received prior year)	-	-	-
Add/(Less): Adjustments	-	-	-
<b>Closing balance</b>	<b>40 663</b>	<b>304 775</b>	<b>304 775</b>

*\*Department procured 87 206 solar water geyser units from various manufactures/suppliers from the financial years 2016/17 to 2017/18 and the expenditure was expensed in the same period/s. The solar geyser units in the custody of the Department are currently accounted for as inventory in the financial statements, pending installation of the units while being stored in government premises and various Municipalities.*

**INTER-ENTITY ADVANCES PAID (note 14)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
	R'000	R'000	R'000	R'000	R'000	R'000
<b>NATIONAL DEPARTMENTS</b>						
Department of International relation and cooperation	373	381	-	-	373	381
<b>TOTAL</b>	<b>373</b>	<b>381</b>	<b>-</b>	<b>-</b>	<b>373</b>	<b>381</b>

**ANNEXURE 11**

**COVID 19 RESPONSE EXPENDITURE**

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-	-
<b>Goods and services</b>	<b>1 108</b>	<b>556</b>	<b>180</b>	<b>-</b>	<b>1 844</b>	<b>1 737</b>
Consumables	1 108	556	180	-	1 844	1 737
Minor Assets	-	-	-	-	-	-
Services	-	-	-	-	-	-
<b>TOTAL COVID 19 RESPONSE EXPENDITURE</b>	<b>1 108</b>	<b>556</b>	<b>180</b>	<b>-</b>	<b>1 844</b>	<b>1 737</b>