



THE PRESIDENCY

ANNUAL REPORT

2022/2023



THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

LEAVE **NO**
ONE BEHIND

VOTE NO. I



SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

To the President of the Republic of South Africa, His Excellency President Cyril Ramaphosa, I have the honour of submitting to you, in terms of Section 40 of the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999), the Annual Report of The Presidency for the period 1 April 2022 to 31 March 2023.

A handwritten signature in black ink, reading 'Phindile Baleni'.

Phindile Baleni (Ms)
Director-General and Secretary of the Cabinet





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VISION

Coordinate government
planning, monitoring &
evaluation to address
poverty, unemployment
& inequality

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I. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS:

Union Buildings
Government Avenue
Pretoria

POSTAL ADDRESS:

Private Bag x1000
Pretoria
0001

TELEPHONE NUMBER:

+27 (0) 12 300 5200

FAX NUMBER:

+27 (0) 12 323 8246

EMAIL ADDRESS:

COO@presidency.gov.za

WEBSITE ADDRESS:

www.thepresidency.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS



AFS	Annual Financial Statements
AU	African Union
B-BBEE	Broad-based Black Economic Empowerment
BEEAC	Black Economic Empowerment Advisory Council
BRICS	Brazil, Russia, India, China and South Africa
CFO	Chief Financial Officer
COO	Chief Operations Officer
DG	Director-General
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DIRCO	Department of International Relations and Cooperation
FOSAD	Forum of South African Directors-General
G20	Group of 20
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
HOD	Head of Department
HRDC	Human Resource Development Council
IMC	Inter-Ministerial Committee
LOGB	Leader of Government Business
MPAT	Management Performance Assessment Tool
MPSA	Ministry of Public Service and Administration
MRM	Moral Regeneration Movement
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NHTKL	National House of Traditional and Khoi-San Leaders
NPC	National Planning Commission
NYDA	National Youth Development Agency
OAU	Organisation of African Unity
OSD	Occupation Specific Dispensation
PCC	President's Coordinating Council
PRS	Policy and Research Services
PEP	Public Employment Programme
PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Coordinating Commission
PSR	Public Service Regulations
RMC	Risk Management Committees
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANAC	South African National AIDS Council
SAS	Special Audit Services
SCM	Supply Chain Management
SDG	Sustainable Development Goals
SMS	Senior Management Service
SOEs	State-Owned Enterprises
SOP	Standard Operating Procedure
SONA	State of the Nation Address
STI	Sexually Transmitted Infection
TB	Tuberculosis
TVET	Technical Vocational and Education Training
UN	United Nations
UNGA	United Nations General Assembly
YES	Youth Employment Services



Ms Khumbudzo Ntshavheni, MP
Minister in The Presidency

3. FOREWORD BY THE MINISTER

For a long time now, our country has had to endure a debilitating electricity shortage that has wrought immense damage to our economy, especially in this past year. This deepening challenge, which has sapped our energies and destabilised our plans, was aggravated by the COVID-19 pandemic, which started in early 2020 and which visited untold hardship and great loss of life in our country, killing well over a 100 000 people. The pandemic worsened an already grave situation of acute unemployment in the country by haemorrhaging 2 million jobs, thereby deepening poverty. The July 2021 unrest, which led to widespread crime, violence, massive loss of lives and social disorder, and significant closure of businesses with the attendant loss of jobs also compounded the situation. In April 2022, the widespread devastation resulting from severe flooding, mudslides and landslides in three of our provinces, resulted in almost 4 000 homes being destroyed and almost 500 persons losing their lives, and many more losing their livelihoods. Indeed, the last three years have seen our country face its worst test since the end of Apartheid.

However, in the face of all these challenges, the country and government stands unbowed. Despite the unrelenting load-shedding, which is unarguably, slowing down our recovery from these setbacks, our strenuous efforts to address challenges across all sectors, to grow the economy and restore employment to pre-pandemic levels, continues unabated.

In terms of the National Development Plan (NDP) objectives and government's five-year Medium Strategic Framework for the period 2019 to 2024 (MTSF 2019-2024), The Presidency has continued to focus on the implementation of the MTSF 2019-2024 (revised in 2020), which is the Sixth Administration's Programme of Action.

The MTSF encompasses government's priority commitments to instituting relief measures, reducing unemployment, poverty and inequality, and intensifying recovery efforts, as outlined in the Economic Reconstruction and Recovery Plan (ERRP),

announced by President Cyril Ramaphosa in October 2020. This national compact, agreed to between Government, business, labour and civil society, prioritises short-term measures to support the economy, alongside crucial structural economic reforms, so that the economy undergoes real GDP growth and creates employment. The Presidency's mission statement has taken its cue from these commitments: to effect economic transformation and job creation.

As I take this opportunity to look back on the preceding year, the following are some of the key highlights that defined the 2022/23 financial year's performance, that made a significant contribution to the achievement of the five strategic outcomes set out in the organisation's five-year Strategic Plan:

Outcome 1: Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.

Oversight over the implementation of the National Strategic Plan on Gender-Based Violence and Femicide (GBVF) across government and society

Despite the challenges, the Sixth Administration has remained seized with advancing human security and dignity, including fighting Gender-Based Violence, crime and corruption, among others to foster social coherence. A significant milestone to highlight from the past year was the Second Presidential Summit on Gender-Based Violence and Femicide took place on 1 November 2022. The Summit provided an important opportunity through which to strengthen accountability for the implementation of the National Strategic Plan on Gender-Based Violence and Femicide across government and society.

Leading up to the Summit a reflective review was prepared for Gender-Based Violence and Femicide Presidential Summit, which in the main was an assessment of delivery under each of the six pillars of the National Strategic Plan. A strong information



base relating to delivery spending, as well as a critical reflection on the challenges, obstacles and areas for strengthening is required for the aspirations of the Summit to be met.

Economic Empowerment of Persons with Disabilities

President Cyril Ramaphosa delivered a keynote address at the two-day Summit on Economic Empowerment of Persons with Disabilities, which took place on the 7 and 8 of December 2022, coordinated by the Department of Women, Youth and Persons with Disabilities. The Summit offered a critical opportunity for government to reflect on and improve the economic status of persons with disabilities, especially in the area of economic rights, focusing particularly on eliminating barriers in the economic landscape inhibiting funding for business opportunities as well as market access for persons with disabilities

Commemoration of national days and days of significance to mobilise society, promote social cohesion and accelerate social transformation.

As per the annual national calendar, strategic support was rendered to the President as part of the commemoration of national days and days of significance to mobilise society, promote social cohesion and accelerate social transformation. In total, in the year under review the President addressed seven national days' events as well as six other occasions of national significance with a view to enhancing social cohesion.

In the wake of the devastating floods in parts of the KwaZulu-Natal, Eastern Cape and North West Provinces in April last year, the President visited some of the affected areas to offer support to communities and to assess the response of government, including those from civil society formations to the situation. The President also addressed a special Joint Sitting of Parliament with respect to the ongoing interventions and those in the pipeline to address the repercussions of the disaster. These interventions were subsequently monitored through the monthly engagements the Director-General in The Presidency held with key provinces and departments to track the provision of relief and rebuilding efforts.

Support for the work of the South African National AIDS Council's (SANAC)

To strengthen partnerships and social compacts, Deputy President Mabuza, as the Chairperson of SANAC, coordinated and led sectoral engagements with traditional leaders, inter-faith leaders, traditional health practitioners, and people living with HIV to mobilise them to partner with government in the integrated response to HIV, TB, STIs and the COVID-19 response. These social partners have signed pledges of commitment to strengthen strategic partnerships with government.

The implementation of the National Strategic Plan for HIV, Tuberculosis (TB) and Sexually Transmitted Infections (STIs) 2017-22 has had a positive impact in combatting the dual epidemics of HIV/AIDS and TB in the last five years. The country's aim of achieving the national and the United Nations' 90-90-90 global targets, has largely been met by the latter part of 2022. In the country, 94% of all people living with HIV know their status, 76% of people with diagnosed HIV positive receive sustained antiretroviral therapy, and 90% of people who receive antiretroviral therapy are virally suppressed. There has been a special focus to accelerate prevention efforts, to provide treatment, and to reach key and vulnerable populations.

The Deputy President launched the new National Strategic Plan for HIV, TB and STIs 2023 – 2028 during World TB Day commemoration event on 24 March 2023, which was held in the North West Province.

Notable progress has been made in the HIV treatment programme, with about 5.8 million people on treatment and over 4.1 million people with suppressed viral load as at May 2023.

Support for the work of the Presidential Task Team on Military Veterans

The Presidential Task Team on Military Veterans, under the leadership of the Deputy President, engaged directly with military veterans in the various provinces, as part of the consultation process on matters affecting their livelihoods.

The work of the Task Team is highlighted in this report and includes amongst other areas the work done towards initiating and fast-tracking the review of specific provisions in the current Military Veterans Act 18 of 2011, that inhibit the creation of the prerequisite legal basis for the required reforms; the organisational re-design, which looked at aligning the structure of the Department of Military Veterans to its legislative mandate.

Outcome 2: Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.

One of the critical areas prioritised for the Sixth Administration was the leadership and coordination of efforts to enhance governance by repurposing the tools and instruments of the state, such as programmes, policies, systems as well as the collective human efforts to respond to urgent needs in our society. Key in this aspect is meaningful interventions in critical areas such as energy and infrastructure provision, as well as reconfiguration of state assets such as Eskom, which urgently needed to drive the economy and fulfil our constitutional obligations to the people.

3. FOREWORD BY THE MINISTER cont.

It is also important, in addition to overseeing programmes such as the Energy Action Plan, to revisit the regulatory tools, the laws enhancing effective and efficient governance, as well as the boards of the SOEs to ensure their optimum functioning. In addition, the fight against corruption and to protect those who are exposed to it is as urgent as ever, and the need to provide security and law and order are all important factors in addressing the threats to the urgent economic development and advancement that this country needs.

Also critical in this regard, is the strengthening of the capacity of the civil service to deliver on its mandate of serving the people of South Africa, as well as designing appropriate tools of appraisal from time to time, including accountability.

District Development Model (DDM) visits to assess performance of districts against the strategic indicators

For the year under review, President Ramaphosa undertook four DDM visits, accompanied by DDM District Champions, and Premiers with their respective MECs, to assess the implementation of the DDM to promote dialogue between citizens and government, as well as the active involvement of citizens in the implementation of government programmes.

Each District visit included a Presidential Imbizo, that allowed community members to raise issues affecting their daily lives, and for Ministers and the President to respond to the issues. The Presidential Izimbizos assisted in highlighting the challenges and the removal of obstacles to service delivery in line with the District Development Model (DDM). The Department of Planning Monitoring and Evaluation (DPME) monitors the progress in the implementation of government's responses to issues and complaints raised by community members.

Monitoring the implementation of the Presidential State-Owned Enterprises Council (PSEC) workplan

Government envisages the overhaul of the SOE model fundamentally to address not only the deficiencies of the past the requirements for future national development as well. To support the reform process, President Ramaphosa established a Presidential State-Owned Enterprises Council (PSEC) in June 2020, to advise on strategic reform, repositioning and revitalisation of State-Owned Enterprises (SOEs) with the view to improving their governance, their capacity, and thus enable them to better serve as instruments of economic transformation and development in the country. Building upon the proposals of the Presidential Review Committee on State-Owned Enterprises, the PSEC has sought to benchmark against international best practice. Accordingly, PSEC has made recommendations to the President in respect of shareholder governance of SOEs and their management to enable SOEs to better fulfil their mandate for growth and development.

Ministerial Performance agreements developed and assessed

In line with SONA commitments made in 2019 to realise the performance-driven ambitions of the Sixth Administration, 28 performance agreements for the term of the administration and the MTSF (2019-2024), were signed between the President and Ministers in the 2019/20 financial year.

Following a change in the portfolios in August 2021 and the appointment of new Ministers, nine new Ministers' performance agreements were signed in June 2022.

In the same period, the President also assessed the performance of Ministers, using a scorecard assessment tool, administered by the Department of Planning, Monitoring and Evaluation, which draws its information from the Bi-annual MTSF Implementation Reports submitted to Cabinet, as well as the Departmental Annual Reports.

Rapid response interventions on service delivery and troubleshooting in service delivery hotspots

On 22 April 2022, Eskom and the Maluti-a-Phofung Local Municipality in the Free State Province announced a breakthrough in this longstanding impasse, which had been bedevilling the delivery of electricity in the area. At a technical level, the Office of the Deputy President participated and engaged in consultative processes with stakeholders in the months of August and September 2022 to finalise the agreement between Eskom and the Maluti-a-Phofung Local Municipality, which was ultimately endorsed during the municipality's special council sitting on the 23rd September 2022.

The Office of the Deputy President furthermore intervened in the Jagersfontein dam disaster, to fast-track relief efforts and resolve ongoing delays. Deputy President Mashatile undertook to prioritise the Jagersfontein intervention in the Kopanong Local Municipality during a parliamentary question and answer session in the National Assembly.

Strengthening Executive and Parliamentary accountability

As Leader of Government Business (LOGB) in Parliament, the Office of the Deputy President ensured that members of the executive attended to their parliamentary responsibilities, by appearing before its Committees, and responding to questions for both oral and written replies within the stipulated periods. Linked to this role of monitoring executive accountability is the development of a Legislative Programme including identifying a list of priority Bills for tabling before Parliament. Subsequent to the approval by Cabinet on 29 March 2023, the 2023 Legislative Programme was submitted on 3 April 2023 for introduction to Parliament.



The Fight against corruption

On 1 February and 1 March 2022, the President received the second and third volumes, respectively, of the Report of the Judicial Commission of Inquiry into Allegations of State Capture (Zondo Commission), while the fourth volume was received on 29 April 2022, and the fifth on 22 June 2022.

On 22 October 2022, President Ramaphosa submitted to Parliament, Cabinet's response to the recommendations of the Zondo Commission, and addressed the nation on 23 October 2022, during which he outlined how government will address the Commission's findings and recommendations.

The establishment of the National Anti-Corruption Advisory Council

The National Anti-Corruption Advisory Council (NACAC), was appointed in August 2022, and comprises of representatives from across society, to advise on suitable mechanisms to stem corruption, including an overhaul of the institutional architecture for combatting corruption.

Outcome 3: Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.

Fundamental to resolving unemployment, poverty and the unaffordable high cost of living, is the need to grow the economy and create more jobs. To this end, The Presidency's mission, among others, is therefore economic transformation and job creation. For this reason, The Presidency leads and coordinates a range of programmes and stakeholders in various areas such as energy, broadband connectivity, infrastructure, employment stimulus initiatives and investment drive among others, so as to make a marked change in economic transformation and job creation.

Implementation of the Economic Reconstruction and Recovery Plan (ERRP)

Two reports have been produced in the year under review on the implementation of the ERRP. The reports include the highlights of the achievements and challenges in the implementation of the ERRP in the seven focus areas including energy security, supporting tourism recovery and growth, land reform, which includes strengthening food security, aggressive infrastructure investment, water infrastructure, micro-economic interventions, SMMEs and Localisation. These achievements have in the main been driven through massive resource mobilisation and regulatory changes.

Public employment and youth empowerment through the Presidential Employment Stimulus Programmes

The Presidency provides strategic oversight and support to departments responsible for implementing employment opportunities and livelihoods support through the Presidential Employment Stimulus (PES) and the Presidential Youth Employment Intervention (PYEI).

Between April 2022 and March 2023, The Presidency facilitated a total of 662 930 public funded employment opportunities, livelihoods support and placements into private sector jobs through the Presidential Employment Stimulus and the Presidential Youth Employment Intervention against a target set out in the ERRP of 500 000 employment opportunities to be facilitated.

Fast-tracking economic reforms through Operation Vulindlela

Operation Vulindlela was established in October 2020 as a joint initiative of The Presidency and the National Treasury to accelerate the implementation of structural reforms.

Working with a wide range of government departments and State-Owned Enterprises, Operation Vulindlela is driving a far-reaching economic reform agenda which will fundamentally transform South Africa's economy.

In the year under review, significant progress has been recorded in the implementation of priority reforms in eight focus areas including licensing threshold raised to enable private investment in electricity generation and create a competitive energy market; addressing the backlog of water use licenses cleared and license application system re-engineered, unlocking billions of Rands in investment; the spectrum auction concluded after a ten-year delay, enabling substantial new investment in telecommunications; a comprehensive review of the work visa system completed, with recommendations to overhaul the work visa system and attract skills and investment; the introduction of the new Critical Skills List published for the first time since 2014, with new occupations in IT and other sectors with a shortage of skills; as well as amongst others, the legislative reforms underway to create a transport economic regulator; reform the electricity sector; and establish a National Water Resources Infrastructure Agency.

In addition, through the Red Tape Reduction Programme, initiated by the President, The Presidency has embarked on a process to remove the congestion in the implementation of policy and delivery of services across various departments nationally. Working with government departments, such as Small Business Development, and Trade, Industry and Competition, The Presidency established a team under the leadership of Mr Siphon Nkosi to cut red tape across government and eliminate specific obstacles to investment and business growth.

3. FOREWORD BY THE MINISTER cont.

The achievement of these would bolster efficiency and productivity across government and society, which will in turn catalyse many economic activities and services, thereby creating new employment opportunities.

To date, the RTR Programme has worked on speeding up the issuing of tourism operator travel permits, the efficiency of the system for issuing and tracking mining and prospecting rights, and improving the administration of work permits and visas.

The RTR has also commenced work on two further focus areas, namely regulations inhibiting the development of the Early Childhood Development sector; and, with the National Planning Commission, the impediments to economic activity, especially, trading in the townships.

Driving and Investment promotion and growth through the annual investment drive

The investment drive was launched in April 2018 with the objective of raising R1.2 trillion in foreign and domestic investment over a period of 5 years. Invest SA is the main entity charged with coordinating the investment drive, together with The Presidency. The investment plan entailed a variety of engagements led by the President, Ministers and Investment Envoys, culminating in the annual SA Investment Conference. Despite the COVID-19 pandemic, four conferences have been held. In respect of the investment drive, R1.14 trillion, i.e. 95% of the target of R1.2 trillion was achieved by 31 March 2023. These cover 231 projects, of which 71 have been completed, 86 are under construction, and 40 being in the early stage of development.

Fast-tracking land reform and agricultural support programme

For government, land reform remains a key programmatic response to effecting restorative justice, and transforming the colonial land ownership patterns and reversing apartheid spatial planning. The Presidency oversees the fast-tracking of the land reform programme, as it relates to access and the beneficial use of land as a productive asset. The Land Reform programme is also aimed at empowering the beneficiaries, including rural communities, transforming their economic lives and advancing economic participation and inclusion.

As part of the work of the Inter-Ministerial Committee on Land Reform, issues of tenure security have been prioritised and addressed through legislation. For its part, the Presidential Advisory Panel on Land Reform and Agriculture following their review and analysis of what has been done since the advent of democracy, recommended that government should develop a land tenure system that recognised diverse tenure systems and rights.

A total of 700 000 hectares of state land were identified for redistribution, and advertisements were circulated to the public in October 2020. In addition, 659 602 hectares of land were considered and approved for allocation which translates to 1 459 farms.

Support the Work of the Human Resource Development Council

In the past year, the HRD Council focused on key interventions and support programmes within specific economic sectors to ensure concerted efforts are made towards addressing the challenges of youth unemployment, and youth not in employment, education or training. The economic sectors prioritised for the current term are: Agriculture and Agro-Processing; Mining and Minerals; Forestry; Tourism; and Manufacturing.

The 10-year review of the HRDC was also successfully completed, and subsequently, the Human Resource Development Strategy was reviewed in 2022 to ensure alignment and responsiveness to the needs of the 21st Century.

Outcome 4: Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.

Government's robust and independent foreign policy is an important instrument in advancing the country's national interests through meaningful partnerships in the African continent and beyond. The country's unbridled commitment to a better Africa and a better world and to strengthening south to south relations, is also best evidenced by our deepened relationship with the BRICS partners.

In the year under review, The Presidency provided support to the President and Deputy President to engage in multilateral and bilateral meetings, state visits, international obligations and peace-making in the continent.

In the past year, preparations commenced in earnest for South Africa to host the 15th BRICS Summit, taking place in August 2023, themed "BRICS and Africa: Partnership for mutually accelerated growth, sustainable development and inclusive multilateralism." The preparations includes engagements and consultations on the substantive foreign policy matters to be covered at the Summit.

In his various roles in the AU and in the SADC, President Ramaphosa has sustained a rigorous international programme to ensure that South Africa remains a persuasive voice on continental and multilateral issues. Through the leadership of the President, government supports continental initiatives and efforts that seek to mediate conflict and advance peace in Africa, so that war does not undermine progress on the continent. To this end, South Africa assumed a two-year membership



of the African Union Peace and Security Council in April last year. This came at a time when the African continent is faced with a myriad of challenges, including the rise in incidents of terrorism, violent extremism, and radicalism in all four regions of the continent, underscoring the magnitude of the challenges faced by the continent.

Government is committed to the growth, diversification and integration of African economies through the African Continental Free Trade Area. Furthermore, government contributes to fighting poverty, disease, malnutrition, natural disasters and Gender-Based Violence on the continent in furtherance of the aspirations of Agenda 2063.

It is also against this background that South Africa wants to use its position to ensure a larger footprint for the continent in the international economy and multilateral fora, and work towards the achievement of international objectives such as the reform of multilateral institutions.

South Africa will continue to expand trade and investment opportunities with global trade partners and will look to attract investment and financing to South Africa through participation in multilateral forums such as the G20, which will be held in South Africa in 2025.

Conclusion

I would like to express my sincere gratitude to the President and the Deputy President for their leadership, and to the Deputy Ministers in The Presidency, as well as to the National Executive as a whole for their support. I would also like to thank management and staff of The Presidency for their invaluable contribution to the progress made during this reporting period.

Ms Khumbudzo Ntshavheni, MP

Minister in The Presidency

30 August 2023



Phindile Baleni (Ms)
Director-General and Secretary of the Cabinet

4. FOREWORD BY THE DIRECTOR-GENERAL

The Presidency supports the President and the Deputy President in the execution of their constitutional responsibilities and duties as articulated in Chapter 5 of the Constitution. In practice The Presidency has the task of ensuring the realisation of outcomes envisaged by the sixth administration as outlined in its Programme of Action and 5-year Medium-Term Strategic Framework (MTSF) 2019-2024 (since revised, post the COVID-19 outbreak, in October 2021). In this report, we will provide an overview of the work undertaken in the penultimate year of the sixth administration.

In 2020, Cabinet adopted the National Anti-Corruption Strategy (NACS) 2020-2030, aligned to Chapter 14 of the National Development Plan (NDP). Premised on six strategic pillars, the NACS seeks to promote and emphasise the promotion of integrity, the prevention of corruption and strengthening of the work of the law enforcement agencies. At the heart of the NACS is the importance of mobilising society in the fight against corruption in a whole-of-government and society ethos. As part of the recommended interim arrangements, pillar five of the NACS calls for the establishment of a National Anti-Corruption Advisory Council (NACAC) to foster partnership between the state and non-state actors and to serve as an advisory body to the President. Accordingly, the President appointed a nine-person council in August 2022, which immediately began its work by submitting an independent advisory note to the President regarding the development of the implementation plan for recommendations of the State Capture Commission. Notwithstanding its short period of existence, the NACAC boasts a wide range of accomplishments, including a successful stakeholder engagement workshop that was hosted in January 2023, where government, civil society and business were in attendance, which is only a fraction of overall engagements that have already been held with civil society organisations, government departments, law enforcement agencies and other commissions/councils. Moreover, the NACAC has already conducted International benchmarking with Australia, Mauritius; the Nigerian equivalent of NACAC and they have also undertaken a study visit to Kenya in order to collate

information to ensure the adoption of best anti-corruption practice in the country.

The Presidency plays a critical role in coordinating and overseeing the anti-corruption reform process required in response to the governance weaknesses that were so painfully exposed by the Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State (SCC, popularly known as the State Capture Commission or the Zondo Commission,). The Presidency drafted the President's Response to the Recommendations of the State Capture Commission which was tabled in Parliament on 22 October 2022. The response is, in effect, the focused roadmap for implementing a large part of the National Anti-Corruption Strategy 2020-2030 (NACS). To this end The Presidency has established a Programme Management Office (PMO) in the Office of the DG to monitor and support the implementation of the actions set out in the President's Response, and to support a special committee of Directors-General and heads of law enforcement agencies which meets monthly to drive the government's anti-corruption agenda.

The PMO in the Office of the DG has also established an SIU touch-point to receive completed investigations by the Special Investigations Unit (SIU) and to ensure that the reports result in consequences for wrong-doers and in the implementation of measures to protect the state from future harm. To this end, The Presidency has established a system to track progress of individual referrals and recommendations across all the spheres of government and agencies. In this way disciplinary actions, black-listing of suppliers, criminal prosecution and the recommended systemic reforms arising from referrals are being tracked. The capability being built up is poised to deliver a step-change in the state's ability to prevent, detect and prosecute corruption and expose inaction, indifference or the enablement of corruption. In the 2022/23 financial year, The Presidency received 21 completed or interim SIU investigation reports, which have been referred to the responsible executives and accounting officers for implementation.



As part of his commitment to ensuring transparency and clean governance, President Ramaphosa in his SONA in February 2019, directed that the Director-General in The Presidency executes lifestyle audits on the Members of the Executive. By embarking on lifestyle audits, greater transparency is obtained in the government, which is a powerful deterrent against unethical and criminal behaviour, as it reminds officials and public office-bearers that their behaviour is subject to scrutiny, as the Constitution of the Republic of South Africa, 1996, Section 195 requires that a “high standard of professional ethics must be promoted and maintained”. It is anticipated that this project will be concluded by the end of this financial year. The process was institutionally initiated towards the end of 2022. Earlier this year the President sent letters to the Deputy President, Ministers and Deputy Ministers requesting their written consent to the process in order to ensure that the information is obtained in a legitimate and legal manner. The Members of the Executive including the President have submitted consent forms for the nationally-driven process of lifestyle audits. It is anticipated that this project will be completed by the end of 2023/24 financial year.

Energy Security is a key priority in government's Economic Reconstruction and Recovery Plan (ERRP). Progress on reforms in the electricity sector has been activated by the Energy Action Plan and the establishment of the National Energy Crisis Committee in July 2022. To date, government has procured an additional 3 583MW of electricity (from bid windows 5 and 6) of which 450MW is under construction. In addition, 9 000MW of electricity generation from 100 embedded generation projects by the private sector has been approved. A number of initiatives are underway to add new generation capacity in the short term, (including cross-border power purchases) and to increase battery storage. The Electricity Regulation Amendment Bill, which seeks to reform the electricity sector as a whole, was published for public comment in February 2021. Moreover, tax incentives for rooftop solar installations were announced and took effect from 1 March 2023. As part of strengthening the role of HOPA, and supported in this regard by the Department of Planning, Monitoring and Evaluation, the career incidents of Directors-General have been managed. This entails, in the main, the implementation of the Performance Management and Development System (PMDS) system for DGs comprising: the drafting of performance agreements, undertaking midterm reviews, receiving the annual performance assessments (PAs), and conducting performance evaluations. In respect of poor performance and other HR issues emerging from the administration of the PMDS, a number of mediation and disciplinary hearings were initiated, for which the President delegated responsibility to oversee the disciplinary processes to various Ministers with the support of the Office of the State Attorney. For all this, the process to execute the performance management system of government as it applies to DGs and HoDs is being further refined to establish lasting

measures in line with the National Development Plan proposals (Chapter 13) to address conflicts and tensions in the political-administrative interface between Ministers and their respective DGs.

In July 2022, the Forum of Directors-General (FOSAD) initiated a project for FOSAD leadership to engage eminent leaders in society in discussion, called Leadership Conversations. For the year under review, three sessions were held. These sessions have led to important insights and have raised important questions impacting on governance and administration. Yet, on another level, the granular discussions illuminated obstacles to building state capacity and efficient administration, the challenges facing the senior leadership corps of government, and areas requiring attention and reform.

The government of South Africa has been particularly active in respect of the concluding of international agreements with other countries and formations in order to advance national interests, national development and for the benefit of the country and its citizens. The Presidency has begun an International Agreements Monitoring Project to identify the opportunities that existing agreements present. This project will further contribute to The Presidency's ability to respond to policy needs, and to fulfil its mandate of coordinating policy development. To this end, it has obtained progress reports of 29 bilateral agreements from 8 Departments in respect of 2 countries to date, being the United Kingdom and Northern Ireland.

The Presidency engaged Productivity SA to undertake a culture survey and productivity assessment between 21 November 2022 to 26 May 2023 to analyse, measure and evaluate productivity and the work culture of The Presidency, with a view to improving business efficiency and productivity and promoting a culture of productivity in the workplace. In this regard, Productivity SA has made significant recommendations elaborated elsewhere in this report.

In line with the commitment made by President Ramaphosa in his SONA of February 2019, in October 2020 the President signed performance agreements with Cabinet Ministers for the period of the term of the sixth administration and linked to the objectives of the MTSF (2019-2024). Performance agreements for new or re-assigned Ministers were signed in June 2022. All current Ministers have signed performance agreements, which aim to increase accountability and have been made public so that citizens can hold elected officials to account.

For the duration of the joint Ministry between The Presidency and the Department of Planning, Monitoring and Evaluation, work was initiated in collaboration with the President's Office to develop an assessment tool that measures evidence against targets, and to create a basis from which twenty-six ministers

4. FOREWORD BY THE DIRECTOR-GENERAL cont.

were assessed. The Department of Planning, Monitoring and Evaluation will report on the Performance of Ministers for the year under review.

I wish to express my gratitude to the President Ramaphosa for his visionary, pragmatic and inspirational leadership, and for his unwavering commitment to establishing South Africa as an ethical and developmental state. Our Former Deputy President Mr DD Mabuza has served our country well, with great zeal and humility. His service is recognised and greatly appreciated. Towards the end of this financial year, the country and The Presidency had the honour of welcoming a new Deputy President; Mr PS Mashatile, to whom I wish to extend a warm welcome. I look forward to serving under his assured leadership and guidance.

Furthermore, we wish to express our appreciation to the former Minister in The Presidency Mr Mondli Gungubele, for his charismatic leadership, astute guidance and support for the greater part of the year under review. We wish to extend word of welcome to the new Minister in The Presidency Ms Khumbudzo Ntshavheni and the Deputy Ministers working closely with her; Deputy Ministers Kenny Morolong and Nomasonto Motaung, and to thank the Minister for her transformative leadership, steadfast and unwavering support. We also welcome the Minister of Electricity, Dr Kgosientsho Ramokgopa, and commend him for the strategic leadership in the implementation of the electricity crisis management plan. Furthermore, I would also like to express our indebtedness to the Deputy Director-General: Corporate Management, Ms Matsietsi Meko, who has acted as Acting Chief Operations Officer in The Presidency for much of the year. The Presidency's employees, without fail, have remained steadfast in their commitment to achieving the objectives of the organisation. I would like to thank all staff for their hard work, loyalty and commitment this past year.



Phindile Baleni (Ms)
Director-General and Secretary of the Cabinet



Ms M Meko
Acting Accounting Officer

5. OVERVIEW OF THE ACCOUNTING OFFICER

This Annual Report of The Presidency essentially covers the halfway point in the implementation of the five-year strategy of The Presidency for the Sixth Administration and 29 years since the advent of democracy. In this time, we have registered many accomplishments which are fêted the world over. Having said this, and being mindful of some of the persistent service delivery failures, the celebration of our successes and victories can only but be measured and judicious.

On the back of the distressing two years of the COVID-19 pandemic, the patent socio-economic challenges the country faces have been further exacerbated by multiple disasters, including the extreme flooding in various parts of the country, and more glaringly, the extreme energy crisis which has hampered our plans and the reaching of our objectives.

In this context, The Presidency took the opportunity during this year to reflect on its leadership and coordination role in assisting the Political Principals to think through the challenges facing the country, and implementing government's programme of action.

Having experienced the exigencies arising from the COVID-19 pandemic and having amassed the many lessons therefrom, institutions globally have begun to re-think the manner in which they execute their mandate. One trend has been to focus on disaster business resilience practices to prepare organisations for any eventuality or crisis. This rethink has led to innovation in ways of working, embracing in the main, two fundamental principles: Firstly, to see the time of crisis as an opportunity. In other words, to recognise the opportunities presented by a crisis, summarised in the slogan, "*building back better*"; Secondly, and secondly, embracing technological advancement in a changing and digitalised world.

The significance of this kind of thinking became particularly relevant with the burning of the parliamentary buildings at the beginning of 2022. Indeed, in my tenure as acting COO

and delegated Accounting Officer, the future-proofing of the organisation has been a priority and has underpinned all of my assignments.

The Presidency has in the past financial year prioritised the development of resilient operational processes and systems internally, and used the opportunity to recalibrate the efficiency of operations in the organisation. As we slowly adjusted to a "new normal", The Presidency has consciously leveraged the imposed institutional posture of the COVID-19 era, and mindful of the context of an increasingly digitally transforming world, to evolve ICT-enabled solutions in The Presidency.

Accordingly, a key focus in the past year was to oversee the implementation, in partnership with SITA, of the multi-year ICT Modernisation Strategy of The Presidency, which had commenced in the prior year. This includes the migration of The Presidency's website to a more secure hosting site, upgrading ICT infrastructure and security in The Presidency, and the automation of critical business processes within the organisation.

To better manage the oversight of the implementation of recommendations and referrals emerging from the investigations sanctioned by the President and conducted by the Special Investigations Unit (SIU), The Presidency commenced with the development of an ICT-based system in February 2022 to centralise and manage the coordination, processing and monitoring of SIU findings referred to entities for action, and, importantly, to ensure that they are acted upon.

In October 2022, The President submitted a response plan to Parliament which outlined the approach and steps of government to implement the Zondo Commission's recommendations. A key decision, as part of the intensified fight against corruption, was the establishment of the National Anti-Corruption Advisory Council (NACAC) announced by the President on 29 August 2022. The primary purpose of

5. OVERVIEW OF THE ACCOUNTING OFFICER cont.

the advisory NACAC is to monitor the implementation of government's National Anti-Corruption Strategy.

In the wake of the parliamentary buildings catastrophe, The Presidency fast-tracked the review of its business resilience and continuity strategic framework and architecture. In this regard, the organisation reviewed, finalised and tested several of its strategies – a process that had commenced in June 2021 - including the finalisation and testing of its Crisis Management Plan, its ICT Disaster Recovery plan and its over-arching Business Continuity Plan.

In the year under review, The Presidency prioritised measures to improve its supply chain environment and implemented steps to improve compliance monitoring and internal control across key areas. These have resulted in, for example, stricter consequence-management measures for non-performing contractors, which hamper our ability to delivery on our mandate.

In the past year The Presidency re-scoped the project to re-organise the service delivery model of the strategic centre of government. In this regard, The Presidency identified seven business areas that required optimisation within the organisation as part of the broader macro re-organisation and rationalisation of government departments, entities and programmes, as directed by the President in his SONA 2023. The directive of the President aimed to ensure that the structure and size of government is optimally suited to meet the needs of all South Africans and, secondly, to ensure the most efficient allocation and spending of public resources.

In the interest of remaining a high performance organisation, The Presidency partnered with Productivity SA to conduct a culture survey and productivity assessment to ensure that the productivity levels of staff and the organisation's performance standards are effectively measured and improvements are promoted within the organisation.

In March 2023, the President announced a number of changes to the National Executive. As a result of the changes we bade farewell to the former Deputy President, Mabuza, who resigned at the end of the financial year and welcomed the new Deputy President, Mr Paul Mashatile. The Presidency was also enlarged with two new ministers and two new deputy ministers, who were, together with their support staff, effectively on-boarded.


In line with the nation-building prerogative, The Presidency led a project to nominate the Union Buildings and its surrounds - part of the Resistance and Liberation Heritage Route project - as a UNESCO World Heritage Site. This entailed, together with other government departments, the preparation of the proposal document, culminating in a site visit by UNESCO in August 2023, which will precede the evaluation of the proposal and inscription by UNESCO.

Through consistent and painstaking work, The Presidency received a clean audit outcome from the Auditor-General, for a second year running. The Presidency is particularly gratified with this achievement and will continue its efforts to maintain this audit outcome.

I would like to thank the Director-General, Ms. Phindile Baleni, Top Management, Senior Management and all staff in The Presidency for their continued support over this period.

I endorse this Annual Report 2022/23, as an accurate and reliable report of the performance of The Presidency for the reporting year.

The performance of the organisation for the financial year 2022/23 is further elaborated in greater detail on pages 146 to 180 of this Annual Report.

M.A. 
Ms M Mekoa
Acting Accounting Officer

6. REPORT OF THE ACCOUNTING OFFICER

The Presidency plays a central place in the evolving policy and governance architecture of the state, tasked as it is with leadership, coordination, and oversight role within a broader social compact approach. The Presidency functions to ensure that government policies and programmes are effectively coordinated and implemented in an integrated way to deliver the desired impact on development and the quality of life for all citizens.

In the year under review, the country faced an energy crisis resulting in frequent load-shedding, with consequent significant damage to the economy. This has hindered government's efforts to create an inclusive economy aimed at reducing poverty and creating jobs. Given that a reliable power supply is fundamental to the country's economic recovery, government has made energy security its top priority. It is widely accepted that the energy crisis is a longstanding problem that cannot be resolved hastily. Needless to say, government has moved swiftly to put in place a series of measures to accelerate the energy challenge. It is in this context that I submit the Annual Report for 2022/23, which includes the audited financial statements for the financial year ended 31 March 2023.

In this regard, The Presidency has been overseeing the work of the National Energy Crisis Committee (NECOM), which was established by President Ramaphosa in July 2022. NECOM is tasked with overseeing the implementation of an Energy Action Plan to address the electricity supply shortfall and thereby ending load-shedding – thus achieving energy security for the country.

On 6 March 2023, following due process, the President announced a number of changes to the National Executive to ensure that government is properly capacitated and directed to give effect to the commitments made in the State of the Nation Address and the subsequent Budget Speech made in February 2023.

Particular to The Presidency is the establishment of two new ministries in The Presidency, namely:

1. A Minister in The Presidency responsible for electricity, tasked with overseeing and coordinating the implementation of the Energy Action Plan, and to reduce the severity of load-shedding in the coming months, and ultimately, to end load-shedding altogether.
2. A Minister in The Presidency responsible for oversight over The Presidency, Statistics South Africa (Stats SA), State Security Agency (SSA), and the Government Communication and Information System (GCIS) which includes the Media Development and Diversity Agency (MDDA) and Brand South Africa.

The budgets for these ministries are covered in separate government departmental votes.

The Presidency has implemented the Annual Performance Plan (APP) 2022/23, tabled on the 31 March 2022, and this Annual Report of the Accounting Officer represents the significant achievements and contributions made by the organisation in the implementation of the five-year Presidency's Strategic Plan 2020-2025.

It is therefore my pleasure to table the Accounting Officer's report, with the Annual Financial Statements for The Presidency for the fiscal year 2022/23.

The report reflects the contributions made by The Presidency in the 2022/23 financial year towards the achievement of the approved strategic outcomes for the period 2020-2025, these being:

1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.

5. REPORT OF THE ACCOUNTING OFFICER cont.

3. Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.
4. Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.
5. Functional, effective and integrated Presidency administrative systems towards an organisation enabled to achieve its outcomes.

THE PRESIDENCY ACHIEVEMENTS IN THE YEAR UNDER REVIEW:

The following section provides a brief overview of the performance of the organisation and significant achievements of the year under review, categorised under the five strategic outcomes for the period 2020-2025

1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.

In the year under review, The Presidency prioritised the following key policy/ programmes to make a contribution towards promoting social cohesion, national unity and social transformation:

1. The fight against Gender-Based Violence and Femicide;
2. Promotion of nation-building and social cohesion through the Presidential Social Sector Summit 2022;
3. Support for the work of the South African National AIDS Council (SANAC);
4. Support for the work of the Presidential Task Team on Military Veterans; and,
5. Support for the work of the Inter-Ministerial Task Team on matters raised by Traditional and Khoi-San Leaders.

Fight against Gender-Based Violence and Femicide

Despite concerted efforts by the state, civil society, business and the broader South African community to stamp out GBVF definitively, the scourge remains rampant.

Government intensified the fight against gender-based violence and femicide through implementation of the National Strategic Plan on Gender-Based Violence and Femicide (NSP on GBVF). The NSP on GBVF and other measures to promote the empowerment of women continued to be a priority, and during the financial year under review, The Presidency received regular reports from the Department of Women, Youth and Persons with Disabilities, as well as other departments, on their progress in implementing the NSP on GBVF.

Marking four years since the first Presidential Summit on GBVF in 2018, and two and a half years since the launch of

the NSP GBVF in 2020, the second Presidential Summit on GBVF was held on the 1 and 2 November 2022 to account on implementation of the NSP on GBV and assess the steps that still needed to be taken in response to GBVF in the country.

Promotion of nation-building and social cohesion through the Presidential Social Summit 2022

The Presidential Social Sector Summit was held on the 4th and 5th August 2022 and dealt with South Africa's triple challenge of poverty, unemployment and inequality, recognising that these challenges lead directly to increased levels of desperation, an increase in social ills and violence in our communities.

The Presidential Social Sector Summit laid the basis for a more responsive social compact and effective collaboration, especially with civil society to deliver on the promise of a better life for all South Africans by ensuring that commitments are clear and precise and that they strengthen existing initiatives to promote shared values.

The Presidential Social Sector Summit produced a framework agreement, which highlighted two critical strategies to address social ills in South Africa, namely: implementing development interventions with civil society; and, strengthening civil society as a delivery agent for development interventions.

During the Summit, the President signed the framework agreement with civil society organisations, which will form part of the social compact to be signed between the state and civil society as part of the building of a national consensus. The social compact will institutionalise priorities in the form of a Programme of Action that would be developed on the basis of the resolutions of the Summit.

Support for the work of the South African National AIDS Council (SANAC)

To strengthen partnerships and social compacts, Deputy President Mabuza, as Chairperson of SANAC, coordinated and led sectoral engagements with traditional leaders, inter-faith leaders, traditional health practitioners, people living with HIV, and other SANAC sectors.

The coordinating structures of SANAC, i.e. the Civil Society Forum, the Government Task Team, the Inter-Ministerial Committee, the Programme Review Committee, the Resource Mobilisation Committee, and the SANAC Plenary, met regularly to process matters relevant to the national response to HIV/AIDS, TB and STIs.

At the Extended SANAC Plenary of 15 July 2022, hosted by the North West Province, the provincial report as presented by the Premier of the province and supported by civil society



leadership, confirmed that significant progress had been made in terms of the functionality of the North West Provincial Council on AIDS.

In light of the high HIV prevalence among the youth, especially adolescent girls and young women, SANAC launched the Youth HIV Prevention Strategy during Youth Month on 30 June 2022 in Vhembe District Municipality, Limpopo Province. The strategy seeks to reduce HIV infection among young people between 15 – 24 years of age, through a combination of integrated health and social services, youth development programmes, and social mobilisation.

A South African delegation under the auspices of SANAC, participated in the 24th International AIDS Conference in Canada held from 29 July to 2 August 2022. The conference reaffirmed the commitment of the international community to ending AIDS as a public health threat by 2030

The review of the implementation of the National Strategic Plan for HIV, Tuberculosis and Sexually Transmitted Infections 2017-2022 noted that the strategy has had a positive impact on combating HIV and AIDS in the last five years. To date, South Africa has the largest antiretroviral treatment program in the world, which has resulted in a significant increase of people who are living longer. As at August 2022, 94% of the estimated number of people living with HIV know their status, 76% of the people who know their status are on anti-retroviral treatment, and 90% of those on treatment have suppressed viral loads.

However, the review conducted also identified disproportionate HIV infection rates among adolescent girls and young women in the country that result from social and structural drivers such as poverty, limited educational opportunities, unemployment, gender inequality, patriarchy and harmful cultural norms and practices, all of which contribute to the vulnerability of adolescent girls and young women to HIV infection. Consequently, SANAC developed a new strategic plan (National Strategic Plan for HIV, Tuberculosis and Sexually Transmitted Infections 2023-2028) with targeted interventions aimed at adolescents and young people, with a specific focus on reducing the vulnerability of girls and women.

The Deputy President will continue to oversee the implementation of the new strategic plan which was launched in March 2023, working with SANAC sectors and partners to strengthen efforts and campaigns to reduce the negative effects and burden of the HIV and TB epidemics.

Support for the work of the Presidential Task Team on Military Veterans

In the past year Deputy President Mabuza had the task of forging and strengthening partnerships with government's social partners to give dignity to military veterans and to secure their continued contribution to democracy.

The Presidential Task Team on Military Veterans, under the leadership of the Deputy President, oversaw the finalisation of the pension policy for military veterans. During the year under review, the Task Team on Military Veterans also engaged directly with military veterans in the various provinces, as part of the consultation process on matters affecting their well-being.

The Presidency continues to work with the Department of Defence and Military Veterans to enhance the quality of services provided by the department. Further, an agreement has been reached on the necessity of developing a coordination framework which will be operational within the offices of the Premiers, to expedite efforts to improve the services provided to as well as the welfare of military veterans in accordance with the law.

Support for the work of the Inter-Ministerial Task Team on matters raised by Traditional and Khoi-San Leaders

Traditional and Khoi-San Leaders have, over a period of time and through a variety of platforms, raised a number of issues of concern on numerous matters. In the main, these issues relate to land ownership and tenure rights, socio-economic development of rural communities, institutional capacity, infrastructure, tools of trade, policy and legislation, and the promotion of social cohesion and unity. These issues and challenges brought to the fore the need for a closer working relationship between government and Traditional and Khoi-San Leaders.

The Inter-Ministerial Task Team (IMTT) on Traditional and Khoi-San Leaders was established under the leadership of Deputy President Mabuza in February 2022, to ensure government's coordinated and integrated response to the issues that have been raised over time. In the past year the Deputy President met with Traditional Leaders in the Free State, North West, Mpumalanga, KwaZulu-Natal, Northern Cape and the Eastern Cape provinces.

2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.

In the year under review, The Presidency, focused on initiatives that contribute to enhancing governance, state capacity and service delivery challenges in the country in furtherance of the MTSF 2019-2024 goal of building a capable, ethical and developmental state. The following are the key initiatives that were implemented in the 2022/23 financial year:

1. Fight against Fraud and Corruption;
2. The District Development Model (DDM);
3. Support of the Political Task Team on Eskom;
4. Rapid Response Interventions on Service Delivery and troubleshooting in Service Delivery Hotspots;
5. Presidential State-Owned Enterprises Council (PSEC);

5. REPORT OF THE ACCOUNTING OFFICER cont.

6. Enhancing policy coordination; and,
7. Strengthening the implementation of government's Legislative Programme and strengthening Executive Accountability.

Fight against Fraud and Corruption

The aim of government to build a capable, ethical and developmental state, is indicative of its intention to stamp out corruption. Accordingly, The Presidency continues to support the work of the Investigating Directorate of the National Prosecuting Authority, the Special Investigating Unit (SIU) and its Special Tribunal, the Fusion Centre and all state entities involved in the fight against corruption. The Presidency ensured that the recommendations contained in all SIU reports are systematically processed and referred the respective entities against which findings were made, and ensured that they were acted upon. The Presidency promptly considered requests for the issuing of Presidential Proclamations.

Work has begun on the large number of recommendations made in the parts of the State Capture report received in 2022. In October 2022, the President submitted to Parliament, Cabinet's response to the recommendations made by the Judicial Commission of Inquiry into allegations of state capture, corruption and fraud in the public service.

Cabinet adopted the National Anti-Corruption Strategy (NACS) in October 2020. The institutional arrangements to oversee the implementation of the strategy were put in place and the National Anti-Corruption Action Committee (NACAC) was announced by the President in August 2022, for a term of three years commencing 1 September 2022.

The primary purpose of NACAC is to be an advisory body, which will monitor the implementation of the National Anti-Corruption Strategy (NACS). The establishment of NACAC suggests that a new impetus has been given to the fight against corruption in government structures. The next step is to review the existing anti-corruption architecture, and to strengthen law enforcement agencies and other bodies which have anti-corruption mandates.

The District Development Model

In his 2019 SONA, the President committed government to a district-based approach to government service delivery and development, known as the District Development Model (DDM), in order to speed up service delivery and ensure that municipalities are properly supported and adequately resourced. The DDM, which is an initiative of The Presidency, aims to improve the coherence and impact of government service delivery by rolling out the District Development Model to all the country's 44 districts and 8 metros. The Presidential Izimbizo was the means through which The Presidency exercised

oversight over the progress of the District Development Model. Consequently, in the 2022/23 financial year the President undertook four DDM Izimbizos accompanied by DDM District Champions, Premiers with their MECs, to assess the implementation of the DDM and to engage with communities and stakeholders on ways to improve service delivery, foster local economic development and job creation in their districts. The Presidency facilitated interventions in municipalities which were identified as having governance deficits and service delivery failures.

Support for the Political Task Team on Eskom

The Political Task Team on Eskom provided political leadership support to ensure that Eskom is able to meet its obligation to provide electricity, and ensure that the utility is able to resolve key challenges that it is confronting, including debt, liquidity, long-term financial stability and governance challenges.

On the 25th of July 2022 the President announced the establishment of the National Energy Crisis Committee (NECOM) to oversee the implementation of an Energy Action plan to end load-shedding and achieve energy security. NECOM supplants the work of the Eskom Political Task Team and will build on the solid foundation set by it.

Rapid Response Interventions on Service Delivery and troubleshooting in Service Delivery Hotspots

In line with the delegated responsibility to resolve service delivery challenges, and consequent to concerns raised during Parliamentary Replies, the Deputy President intervened in Maluti-a-Phofung Local Municipality, to address electricity, water and service delivery related challenges. Maluti-a-Phofung's Local Municipality's failure to honour its debt obligations resulted in a series of litigations against the municipality by various service providers, including Eskom. An intergovernmental process, that entailed a series of engagements by the three spheres of government to mitigate service delivery challenges in Maluti-a-Phofung, was instituted. On 22 April 2022, Eskom and Maluti-a-Phofung Local Municipality announced a breakthrough in the longstanding impasse with respect to the delivery of electricity in the area. Subsequently, the Office of the Deputy President formed part of consultative processes and engagement with stakeholders (NEDLAC, Labour, Civil Society and Community Representatives) in the months of August and September 2022 to finalise an agreement between Eskom and Maluti-a-Phofung Local Municipality. On 23 September 2022, the Maluti-a-Phofung Local Municipality, during a Special Council Sitting, endorsed the signing of the Distribution Agency Agreement with Eskom. This intervention by the Deputy President, in his capacity as the Leader of Government Business, and his delegated responsibilities in leading the Eskom Political Task Team, IMC on Service Delivery and the IMC on Water and Sanitation.



More recently, in the final days of the financial year under review, following a parliamentary question to Deputy President Mabuza regarding the Jagersfontein dam disaster, the then Deputy President committed to visit the Kopanong Local Municipality and intervene in the ongoing delays in resolving the matter. Between 29 and 30 March 2023 a team of officials from the Office of the Deputy President conducted an initial assessment of the issues after meeting with key stakeholders in Bloemfontein and Jagersfontein as part of a rapid response intervention in surrounding communities falling within the Kopanong municipality.

Presidential State-Owned Enterprises Council (PSEC)

Building on the recommendation of the Review Committee for the need for urgent reform of the governance and performance of State-Owned Enterprises (SOEs) in South Africa, the Presidential Review Committee on State-Owned Enterprises (PSEC), made recommendations for a strong and focussed programme of reform the SOEs require. The programme of the PSEC, resulting from its own analysis and benchmarking against global best practice, addresses the issues raised by the Review Committee, reforms already in process by relevant government departments, and the proposals for oversight and governance raised in the Zondo Commission Report. Consideration will need to be given to the future of the PSEC itself.

Enhancing policy coordination

In the interests of a consistent assessment of the socio-economic impact of policy initiatives, legislation and regulations and to avoid unintended and unanticipated consequences, impact and costs of regulations, not least on the economy, since October 2015 all Cabinet Memoranda seeking approval for draft policies, bills or regulations are required to include an impact assessment. In practice, this has meant that the SEIAS (Socio-Economic Impact Assessment System) Unit in the DPME - which is responsible for the implementation, quality control and capacity support for the SEIAS system - reviews Cabinet Memoranda and provides feedback and an impact assessment, before being signed off for submission into the cabinet system. All Cabinet Memoranda has to include a summary of the main findings of the final impact assessment as well an annexure of the full SEIAS report before it is approved for submission to Cabinet.

For the period under review, a total of 128 SEIAS reports were received and the SEIAS unit provided feedback and analyses to Departments for 125 reports (98%) within an average turnaround time of 25 days, against the turnaround-time standard of 14 working days. Most first-time submissions were Policies (42), followed by Bills (36) and Regulations (23).

Strengthening Executive and Parliamentary accountability

In line with Section 91 (5) of the Constitution which provides for the Deputy President to assist the President in the execution of the functions of government, the Deputy President is delegated the role of the Leader of Government Business in Parliament (LoGB) to act as a conduit between the Executive and the Legislature (i.e. Parliament) on matters relating to executive accountability, as well as legislative and oversight processes.

During the period under review, then Deputy President Mabuza responded to twelve questions for written reply in the National Assembly, and twenty questions for written reply in the National Council of Provinces. The Deputy President also appeared four times before the National Council of Provinces

As LoGB, Deputy President Mabuza oversaw the development of government's Legislative Programme, ensured that Cabinet's legislative framework was underpinned by the strategic priorities of government, and monitored the processing of Bills introduced to Parliament by the Executive. The LoGB also ensured that Executive Bills are submitted to Cabinet for approval and that the strategic direction and stewardship of Executive Bills are provided by the President as the Head of Cabinet.

With respect to parliamentary oversight, and flowing from Parliamentary Questions to the Executive, the LoGB organised visits to communities to see for himself whether there were improvements in service delivery, thereby strengthening the monitoring of the Executive.

3. Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts

As the centre of an integrated government, The Presidency has led the drive to shift the nation's economy towards inclusivity, with the adage: 'leave no-one behind'. Accordingly, various Presidency-led interventions have been implemented, reported in this account under the following headings:

1. Red Tape Reduction;
2. Country Investment Strategy;
3. Presidential Employment Stimulus: Employment and Job creation;
4. Economic Reconstruction and Recovery Plan (ERRP);
5. Annual Investment Drive;
6. Operation Vulindlela;
7. Comprehensive Social Compact Programme;
8. Climate Change and the Just Transition;
9. Fast-tracking land reform and the agricultural support programme; and,
10. Human Resource Development Council.

5. REPORT OF THE ACCOUNTING OFFICER cont.

Red Tape Reduction Programme

In his 2022 SONA, President Ramaphosa expressed government's intention to reduce the regulatory burden on formal and informal businesses, by undertaking a review of legislation that affect Small, Medium and Micro Enterprises (SMMEs) starting with the review of Business Act No. 71 of 1991 by the Department of Small Business Development (DSBD). The President also appointed Mr Siphon Nkomo to lead a Red Tape Reduction Team (RTRT) to consider the removal of unnecessary bureaucratic and other impediments to the establishment and running of businesses. Overly bureaucratic processes and onerous impediments negatively impact on the optimal functioning of, especially, informal, survivalist, and microenterprises. The RTRT would also look at other matters impacting business efficiency, including ensuring that government departments pay suppliers within the required 30 days, simplifying processes relating to property registration, addressing the impediments to cross-border trade, and delays in the issuing of construction permits.

The RTRT identified close to 100 potential red tape issues. Following engagement with the Department of Trade, Industry and Competition (the DTIC), the Department of Small Business Development (DSBD) and a number of stakeholders, these were refined to a shortlist of 12 areas that required attention. Three high-impact and importance focus areas were earmarked for material progress by the end of 2022, these being: the issuing of tourism travel permits; the mining and prospecting rights licensing system; and work permit and visa administration.

Tourism transport operators are correctly required to have operating licenses and, in some cases, accreditation in terms of the National Land Transport Act. However, many applications for operating licenses and for accreditation remain pending despite having been lodged years before. While the Department of Tourism has made good progress in addressing the backlog, a more comprehensive systems and process approach was required.

The growth of the mining industry in South Africa has been hindered by the lack of a modern system to administer mining and prospecting licenses applications. Through an RTRT intervention the Department of Mineral Resources and Energy (DMRE) agreed to procure a cadastre system. This system will address the long-standing challenge and its anticipation was widely welcomed by the industry.

The slow pace the Department of Home Affairs (DHA) to process work permit applications has negatively impacted on the ability of international companies to operate and for the country to attract critical skills that will ultimately grow the economy. Working with the RTRT and InvestSA, the Department of Home Affairs addressed the backlog in permit applications.

The DHA is implementing other recommendations to improve efficiency and the system to deal with new applications.

Country Investment Strategy

The draft Country Investment Strategy (CIS) was gazetted for public comments on 27 May 2022. Public consultations commenced on 6 June 2022, with the closing date for submission of written comments set for 27 July 2022. To complement the process of written comments, the Infrastructure and Investment Office (IIO) of the Policy and Research Service (PRS) branch of The Presidency held a series of public consultation sessions with various stakeholders in the infrastructure sector and with the investment promotion agencies from the three spheres of government. An online platform was created for civil society to comment on the draft CIS between May until September 2022.

Presidential Employment Stimulus: Employment and Job creation

Between April and March 2023, The Presidency facilitated a total of 662 930 public-funded employment opportunities, livelihood support and placements, into private-sector jobs through the Presidential Employment Stimulus (PES) and the Presidential Youth Employment Intervention (PYEI). Young persons were the beneficiaries of most of the PES opportunities and all the PYEI opportunities.

Economic Reconstruction and Recovery Plan (ERRP)

For at least the last decade, the South African economy has been in a state of stagnation. This has limited opportunities to tackle the historic structural inequalities, unemployment and poverty in the economy. There is general consensus between government and its social partners on the need for substantial structural change in the economy to unlock growth and allow for development. It has been government's conviction that all resources and efforts in economic activities be mobilised to put the economy on a sustainable recovery trajectory and stimulate equitable and inclusive growth. As the centre of an integrated government, The Presidency has led the drive to reconstruct the nation's economy, in the main through the Economic Reconstruction and Recovery Plan (ERRP).

In line with the ERRP, various Presidency-led interventions continue to be implemented, among them:

1. Operation Vulindlela which was established as a joint initiative of The Presidency and National Treasury. n, Operation Vulindlela continues to drive progress on the recovery agenda from the centre of government and reports to the President and the Minister of Finance.
2. The National Energy Crisis Committee was established to enable coordination of the Energy Action Plan. The Electricity Regulation Amendment Bill, which provides for



- the establishment of an independent transmission company and a competitive market for electricity, is being finalised for tabling in Parliament.
3. The National Water Resources Infrastructure Agency Bill was approved by Cabinet for public comment, and the backlog of bulk water-use licenses has been cleared.
 4. A comprehensive review of the Work Visa System is underway, as is the implementation of the eVisa System.
 5. The auction of high-demand broadband spectrum for telecommunications has been completed and a date for the long overdue switch-off of analogue broadcasting will be announced.

Annual Investment Drive

Since the first South African Investment Conference (SAIC) in 2018, a number of companies have expanded on or increased their original announcements of new investments to the value of R47.6bn. At the same time, some companies have had to cancel their projects or reduce the original investment values due to the impact of the COVID-19 pandemic and economic conditions, to an amount of R12.9bn. As at 15 September 2022, R12.1bn of investment had already flowed into the country.

In the year under review, 79 entities made announcements on new investments to the value of R332.2bn. The first tally for new investment for SAIC 2022 is 366,8bn, and collectively, the 5-year investment mobilisation drive commitments stands at R1.14 trillion. This amounts to 95% of government's investment target of R1.2 trillion.

Operation Vulindlela

Government has achieved several important milestones since Operation Vulindlela was established in October 2020. Inter alia, these are:

- The licensing threshold was raised substantially to enable private investment in electricity generation and create a competitive energy market;
 - The backlog of water-use licenses was cleared and the license application system re-engineered, thereby unlocking billions of Rands in investment;
 - The spectrum auction was concluded after a ten-year delay, enabling substantial new investment in telecommunications;
 - Private sector participation was introduced at port container terminals, to crowd-in investment and improve the efficiency of port operations;
 - A comprehensive review of the work visa system was completed, and recommendations to overhaul the work visa system and attract skills and investment is being implemented;
 - A New Critical Skills List was published for the first time since 2014, prioritising skills in short supply, such as in IT;
- A National Rail Policy has been adopted to guide the modernisation and reform of the rail sector, including the authorising of third-party access to the network;
 - Legislative reforms are underway to create a transport economic regulator; reform the electricity sector; and establish a National Water Resources Infrastructure Agency.

Comprehensive Social Compact Programme

In his SONA of February 2022, President Cyril Ramaphosa called on social partners to collaborate with government to address the immediate crises facing South Africa and to help it create conditions for long-lasting socio-economic development that leaves no one behind. To this end, the President called for a social compact in the country. Since then, the leadership of government has engaged with the leadership of organised business, labour and the community.

The negotiations towards a comprehensive social compact between Government, Labour, Business and Community are well underway in a seven-a-side forum. All parties have agreed on a draft *Framework for a Social Compact in South Africa* while several social compacts have been signed at a sectoral level including the Eskom Social Compact; Masterplans in Sugar, Poultry and other industries; and a Social Compact with Civil Society.

Nevertheless, there are a few challenges which have held up the signing of a comprehensive social compact.

Climate Change and the Just Transition

The Presidency has established a Presidential Climate Finance Task Team to secure funding for the just transition to a low-carbon energy-based economy in line with international commitments. The team works with the IMC responsible for overseeing the Cabinet Programme on Climate Change and Just transition. The Task Team secured US\$8.5 billion (R132 billion) of just energy transition partnerships at COP 26 held in Glasgow. Various entities and countries such as the EU, France, Germany, UK and the US have committed themselves to loans, grants and concessional finance to this amount over the next three to five years to support the implementation of South Africa's revised Nationally Determined Contribution to a just and sustainable energy transition.

The Presidential Climate Commission (PCC), which is an independent, statutory, multi-stakeholder body established and chaired by the President, finalised a just transition framework for South Africa. The framework was received by the President in July 2022 and adopted by Cabinet in August 2022. The framework sets out a shared vision for the just transition, principles to guide the transition, and policies and governance arrangements to give effect to the transition.

5. REPORT OF THE ACCOUNTING OFFICER cont.

Fast-tracking land reform and agricultural support programme

The ongoing program of land reform in South Africa is aimed at ensuring equitable access to land as is mandated in Chapter 2 (25) of the Constitution.. Land reform in South Africa is underscored by the historic impact of land dispossession and the importance of taking account of land ownership and tenure systems that have emerged over a period of time.

As part of the work of the IMC on Land Reform, issues of tenure security have been prioritised and addressed through legislation. For its part, the Presidential Advisory Panel on Land Reform and Agriculture, following their review and analysis of what has been done since the advent of democracy, recommended that government should develop a land tenure system that recognised diverse tenure systems and rights.

In May 2022, a key milestone was reached with the hosting of the Communal Land Administration and Tenure Summit. This was the culmination of work by government and a wide range of stakeholders from different sectors of society, and especially by Traditional and Khoi-San Leaders.

Human Resource Development Council

The work of the Human Resource Development Council (HRDC) serves as a platform for the institutional coordination of partnerships aimed at creating a skills pipeline and the human capital to meet the needs of industry for the economy to thrive and grow. The HRDC coordinates the human resource development efforts across all sectors of society, and monitors the implementation of the country's Human Resource Development Strategy.

To address the challenge of youth not in employment, education or training, the current HRDC was constituted to include representation from five priority economic sectors, namely, Agriculture and Agro-Processing; Mining and Minerals; Forestry; Tourism; and Manufacturing.

4. Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.

South Africa's foreign policy is guided and shaped by its own national interest. It was executed, in the main, through high-level multilateral and bilateral engagements aimed at cementing partnerships in the region, on the continent, with the Global South, and with the Global North. A core aim of The Presidency is to advance South Africa's international policy objectives on the world stage.

The Presidency provides support to the President in respect of his participation in multilateral and bilateral fora, as well as to the international initiatives chaired by the President. In addition, it gives support to the President, Deputy President and Ministers

in their work in bilateral and multilateral agreements, such as trade agreements, concluded with key partners, at regional and global level.

Accordingly, The Presidency provides support to the President for his role as the COVID-19 Champion for the African Union. In this capacity, the President worked towards the establishment of robust and resilient health systems, the improvement of pandemic preparedness, and the promotion of general access to primary health. In September 2020, President Ramaphosa, as AU representative, was elected as co-chair (with Norway) of the World Health Organization's (WHO) Facilitation Council of the Access to COVID-19 Tools Accelerator. The newly established Council aims to raise funding and champion equitable access to diagnostics, therapeutics, and vaccinations. The objective will be to spearhead the development and production of tests and vaccines through the establishment of the South Africa World Health Organization (WHO) Hub (vaccine manufacturing plant), and advocating for a regional and global health security architecture, which will lead to the establishment of an AU pandemic preparedness authority, and an African Epidemic Response Fund.

The Presidency also provides support for the President in his roles in the African Union and globally to fulfil all chairship and leadership roles in key continental and global bodies. These include the President's work in the areas of peace and security, in climate change and the just transition, and the GBV Circle of Champions.

The Presidency has established a Presidential Climate Finance Task Team to secure international funding for a just transition. The team works with the IMC on Just Transition to drive the cabinet programme.

The Deputy President, in his role as South Africa's Special Envoy to the Republic of South Sudan, continued to facilitate the peace process and support the Revitalised Transitional Government of National Unity, and assist with the finalisation of a new constitution and permanent institutional arrangements. The mandate of the Deputy President as Special Envoy is to support the process of national reconciliation and healing, and thereby assist South Sudan to realise the restoration of permanent and sustainable peace, security and stability.

September 2022 marked four years since the signing of the Revitalised-Agreement on the Resolution of Conflict in the Republic of South Sudan (R-ACSS), while 22 February 2023 marked the 3rd anniversary of the Revitalised Transitional Government of National Unity.



5. Functional, effective and integrated Presidency's administrative systems towards an organisation enabled to achieve its outcomes.

The Presidency has in the 2022/23 financial year focused on the following key issues:

1. Reconfiguration of The Presidency;
2. Clean audit outcome;
3. Information and Communication Technology Modernisation Strategy; and,
4. Efforts coordinated towards a successful implementation of SIU reports.

Reconfiguration of The Presidency

In the year under review, The Presidency prioritised consultations on the proposals made for an enhanced service delivery model for The Presidency as the strategic centre of government. These consultations with various stakeholders proved invaluable and pointed to the need for further work to be done on the comprehensive strategy and the approach underpinning the reconfiguration process to date. The reconfiguration will therefore be implemented in a phased manner, starting initially with identified quick wins to improve critical capacity required for the operations of The Presidency

The President had on 6 March 2023 announced a number of changes to the National Executive. Of specific relevance to The Presidency is the establishment of two new ministries within the centre of Government, namely:

- a. The Minister in The Presidency for Electricity, tasked with overseeing and coordinating the implementation of the Energy Action Plan, and to reduce the severity of load-shedding in the coming months and, ultimately, to end load-shedding altogether.
- b. The Minister in The Presidency, responsible for The Presidency, GCIS, SSA, and STATS SA, supported by two Deputy Ministers.

In October 2022, Cabinet delegated the Director-General in The Presidency to assume the role of administrative Head of the Public Administration (HOPA). At a national level, the HOPA would assist the President in the management of career incidents of national Heads of Departments. As part of overall efforts to stabilise government departments at the Head of Department (HOD) level by stemming the relatively rapid turn-over of HODs – whose tenure is to be increased to ten years – and thereby retaining institutional memory and ensuring greater continuity which will contribute to the capacity of government to deliver on public services. The HOPA will serve as the mediation mechanism at the political-administration interface.

The HOPA, together with the Public Service Commission (PSC), will henceforth be integrally involved in the processes to recruit, select, train, and develop HODs. The HOPA will also be involved in the performance management of HODs.

Clean Audit outcome

The Presidency last obtained a clean audit in 2014. Subsequent to the achievement of the clean audit, there was no clear strategy developed to ensure that it sustains its clean audit outcome. The Presidency regressed in the subsequent year (2015).

In 2020/21 The Presidency developed a Clean Audit Strategy to address identified control deficiencies which had led to failure to achieve a clean audit outcome in previous years. The new strategy, encompassing a consolidated approach, aimed for a clean audit outcome by the year 2022. The new strategy has resulted in The Presidency obtaining a clean external audit outcome (unqualified with no material findings) for the 2021/22 financial year.

Having achieved this outcome, The Presidency has now developed a Clean Audit Sustainability Plan in order to maintain this standard in coming years.

Information and Communication Technology Modernisation Strategy

The Presidency's Information and Communication Technology (ICT) Modernisation Strategy aims to digitalise and modernise business processes in the organisation, so as to promote efficiencies and effectiveness in the operations.

A key component of the modernisation project is the automation of business processes, the full roll-out of the e-Cabinet System, the upgrade of key ICT infrastructure, and the development of a data centre within The Presidency. The objective for the establishment of the data centre is to enable the use of near real-time data analytics to enable evidence-based policy and strategic decision-making. The Presidency is utilising the State Information Technology Agency (SITA) to undertake the implementation work in a phased approach. However, there have been a number of challenges which resulted in the delays in the finalisation of the project in the year under review. Accordingly, revamped plans have been adopted for the implementation of this project in the new year.

5. REPORT OF THE ACCOUNTING OFFICER cont.

Overview of the financial results of the department:

- Departmental receipts

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
Sale of goods and services other than capital assets	254	260	(6)	267	264	3
Interest, dividends and rent on land	30	26	4	15	37	(22)
Sale of capital assets	0	0	0	0	204	(204)
Financial transactions in assets and liabilities	570	457	113	320	302	18
TOTAL	854	743	111	602	807	(205)

The Presidency's revenue is generated from rental dwellings, staff parking, bus fares, commission on the garnishes, insurance fees and fees received from the Promotion of Access to Information Act (PAIA). The revenue collected is lower than the estimated revenue. The estimated revenue was R854 000 and the collected revenue is R743 000, with the under collection R111 000. The under collection is due to less settlement of outstanding debts (receivables) for the financial year under review.

Determination of Tariffs:

Rental dwellings – The rental dwelling tariffs are determined by the Department of Public Works;

- Programme Expenditure

Transport fee (Bus) – The tariffs is agreed upon by the employer (The Presidency) and the unions representing the bus users in The Presidency;

Parking fee – The parking fee tariff is determined the Department of Public Works;

Access to Information Act – The tariffs are determined by The Presidency in line with the Promotions of Access to information Act, 2000 (Act 2 of 2000);

Commission Insurance and Garnishee – The tariff is determined by the National Treasury.

PROGRAMME NAME	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	535 652	475 410	60 242	519 258	446 528	72 730
Executive Support	56 270	51 248	5 022	58 162	54 630	3 532
Policy and Research Services	26 361	16 036	10 325	27 159	17 053	10 106
Statutory Appropriation	7 704	5 870	1 834	7 542	5 706	1 836
TOTAL	625 987	548 564	77 423	612 121	523 917	88 204

Underspending in Programme 1 Administration: compensation of employees is due to vacant posts, posts vacated in the middle of the financial year, delay in filling key posts due to the departmental optimisation/reconfiguration process. Subsequent to year-end a list of critical posts has been approved to be filled in the coming financial year. Underspending in goods and services due to outstanding invoices not received at year end (accruals) and invoices received and not processed at year end (payables), cancelled/delayed trips not undertaken due to other commitments (e.g. President cancelling the DAVOS trip to focus on the Electricity crisis), clustering of engagements (convening combined sessions in particular areas of work). The use of virtual meetings also had an impact on communication and travel and subsistence expenditure. Underspending on transfer and subsidies is due to less spending on households/ leave pay-outs than anticipated based on previous trends.

Payment is dependent on officials who exit the department through resignation/death or retirement.

The underspending in Programme 2 Executive Support: compensation of employees is due to vacant posts, posts vacated in the middle of the financial year, delay in filling key posts due to the departmental optimisation/reconfiguration process. Subsequent to year-end a list of critical posts has been approved to be filled in the coming financial year. Underspending on transfer and subsidies is due to less spending on households/ leave pay-outs than anticipated based on previous trends. Payment is dependent on officials who exit the department through resignation/ death or retirement. Underspending on payment for capital assets is due to expiry of finance lease relating to photocopier machines.



The Underspensing in Programme 3 Policy and Research Services (PRS): compensation of employees is due to vacant posts, posts vacated in the middle of the financial year; delay in filling key posts due to the departmental optimisation/reconfiguration process. Subsequent to year-end a list of critical posts has been approved to be filled in the coming financial year. Underspensing on goods and services is due to planned meetings/workshops that were conducted virtually and programmes that could not be undertaken due to non-responsiveness from bidders for experts on certain projects (Policy experts for SEIAS, etc.). Underspensing on transfer and subsidies is due to less spending on households/leave pay-outs than anticipated based on previous trends. Payment is dependent on officials who exit the department through resignation/ death or retirement.

Underspensing in Statutory Appropriation: compensation of employees is due to a larger budget allocated to direct charges as compared to the expenditure incurred. Budget is directly allocated by National Treasury.

- **Roll overs**

No funds were rolled over to the 2022/23 financial year.

- **Virements**

R2,653 million was moved from Programme 1: Administration to Programme 2: Executive Support. This was to defray excess expenditure relating to the e-Cabinet system under Programme 2: Executive Support.

- **Unauthorised expenditure**

There is no unauthorised expenditure incurred in the 2022/23 financial year

- **Irregular Fruitless and Wasteful expenditure**

The irregular expenditure amount of R213 thousand was incurred in 2022/23 due to, expenditure exceeding 15% of the approved contract amount and deviation from normal procurement process as a result of the Department not being able to obtain three quotations.

National Treasury condoned the irregular expenditure amount of R37 thousand for prior years relating to contravening the requirements of the General Conditions of Contract.

The irregular expenditure amount of R12 million incurred in prior years due to expenditure that exceeded the R500 000 threshold for catering; overtime exceeding 30%; competitive bidding process not followed and non-compliance with cost containment measures were removed as guided by the National Treasury.

The fruitless and wasteful expenditure for the reporting period amounted to R5 thousand, which relates to officials who did not attend training scheduled and paid by the Department and a no-show for booked accommodation.

- **Strategic Focus Over the Short to Medium Term Period**
President Ramaphosa, in his State of the Nation Address (SONA), indicated that rather than presenting new plans, government would concentrate on issues of concern to the nation in six key areas:

1. Significantly reducing the frequency and severity of load-shedding, with a view to ending it altogether within the shortest possible time.
2. Reducing unemployment through inclusive growth and transformation.
3. Combating poverty and hunger by providing support and protection to poor households and creating opportunities for greater participation in the economy.
4. Improving the provision of services and the maintenance of infrastructure, specifically in water and sanitation, energy, and roads.
5. Tackling crime and corruption.
6. Ensuring an efficient, effective, and capable state, paying close attention to the state of municipalities.

In turn, it is The Presidency that is responsible for leading, coordinating, and overseeing the effective implementation of the SONA commitments by the responsible role-players. The Presidency achieves this through the mechanisms and interventions outlined in this Annual Report. The commitments made are thus trickled down to the work of The Presidency in the following manner:

Building a capable, ethical, and developmental state:

- Oversight and coordination of the Cabinet and Cluster System, and the FOSAD.
- The oversight over and coordination of the Legislative Programme including the priority bills referenced in SONA, and the work of the Leader of Government Business.
- Strengthening policy coherence through research and advisory services to principals, and the strengthening of the Socio-Economic Assessment System.

Leadership and oversight of the Economic Reconstruction and Recovery Plan:

- Apart from overall leadership and coordination through the various advisory councils and working groups, The Presidency's direct responsibilities in terms of the ERRP and responding to SONA are threefold, namely:
- Economic reforms through The Presidency's Operation Vulindlela, include reforms related to energy, rail and ports, visa reforms, telecommunications, title deeds, regulatory reforms, and the SAPS call centre.
- Promoting infrastructure and investment through the investment drive to close out the 2018-2023 target of R1.2 trillion, and to prepare for the new 2029 target of R2 trillion, and the work on finalising the National Infrastructure Plan and the Country Investment Strategy.

5. REPORT OF THE ACCOUNTING OFFICER cont.

- Employment stimulus and supporting livelihoods through oversight and coordination of the Presidential Employment Stimulus and the Presidential Youth Employment Intervention, and support to small-scale farmers.

Addressing load-shedding and the energy crisis:

- Oversight and coordination of the response to the electricity crisis through the National Energy Crisis Committee under Operation Vulindlela.
- Providing administrative support to the new Minister of Electricity as may be required.
- Oversight of the implementation of the workplan of the Presidential Climate Commission.

Tackling crime and corruption:

- Oversight of the implementation of the workplan of the National Anti-Corruption Advisory Council.
- Tracking of SIU proclamations and State Capture Commission recommendations.

Promoting social cohesion and nation building:

- Public and stakeholder engagements aimed at promoting nation-building and social cohesion.
- Oversight of the implementation of the National Strategic Plan on Gender-Based Violence and Femicide, and other social compacting.

Building a better Africa and world:

- Expanding trade and investment opportunities with global partners through participation in multilateral forums, such as SADC, BRICS, and the G20.

Preparations as South Africa assumes the chairship of the BRICS group of countries in 2023, and the hosting of the G20 in 2025.

- **Public Private Partnerships**
There were no Public Private Partnerships entered into during the year under review
- **Discontinued key activities/activities to be discontinued**
In the year under review the following key activities or programmes were discontinued:

The Inter-Ministerial Committee on COVID-19 Vaccines

The Inter-Ministerial Committee on COVID-19 Vaccines was established by the President on 19 January 2021, and delegated the Deputy President, to chair and provide political oversight and ensure quick decision-making by all relevant departments to effect smooth implementation of the country's COVID-19 vaccination programme.

In June 2022, the country repealed all regulations that were established to address the pandemic, and the DGs Task Team, that supports the Inter-Ministerial Committee on COVID-19 Vaccines has compiled a close out report that has directed that the vaccination programme be integrated into the traditional health services of the country under the coordination of the National Department of Health.

Flood Task Team

Much of KwaZulu-Natal was affected adversely by the floods and landslides in April 2022. More than 400 persons lost their lives and much destruction of property was occasioned by the ensuing flooding. On the 17th of April 2022, the National Executive (Cabinet) declared a National State of National Disaster due to the impact of severe weather events (flooding) in KwaZulu-Natal and parts of the Eastern Cape, North West and Northern Cape provinces.

Even though the entire government response plan was coordinated by the Department of Cooperative Governance (DCOG) and operationally managed by the National Disaster Management Centre (NDMC), the Oversight Committee for the National State of National Disaster (OCNSD) on the Impact of Severe Weather Events was established within The Presidency, and chaired by the Director-General in The Presidency. FOSAD appointed the Director General of The Presidency as Chairperson of the Oversight Committee on the National State of National Disaster on the impact of the Severe Weather Events.

The main purpose for the establishment of the OCNSD was to ensure accountability for the use of public funds for their intended purpose of implementing projects related to the National Disaster.

It was initially planned that the Annual Performance Plan for The Presidency would be adjusted, to incorporate this work however this work was later transferred to DPME and DCOG.

The Political Task Team on Eskom

The Political Task Team on Eskom provided political leadership support to ensure that Eskom is able to meet its obligation of providing electricity to the country, and ensuring that the utility is able to resolve key challenges that it is confronting, including debt, liquidity, long-term financial stability and governance challenges.

On 25 July 2022 the President announced measures, including the establishment of the National Energy Crisis Committee (NECOM) to oversee the implementation of an action plan to end load-shedding and achieve energy security. NECOM supplants the work of the Eskom Political Task Team.



- **New or proposed key activities**

New initiatives /programmes that were introduced in the year under review:

- The Presidency has been overseeing the work of the National Energy Crisis Committee (NECOM), which was established by President Ramaphosa in July 2022. NECOM is tasked with overseeing the implementation of an action plan to address the electricity supply shortfall and thereby ending load-shedding and achieving energy security.
- On 6 March 2023, following due processes, the President announced a number of changes to the National Executive to ensure that government is properly capacitated and directed to
- give effect to the commitments made in the State of the Nation Address and the subsequent Budget Speech. Specific to The Presidency is the establishing of two new ministries within the centre of Government, namely:
 - 1) The Minister for Electricity, tasked with overseeing and coordinating the implementation of the Energy Action Plan, and to dramatically reduce the severity of load-shedding in the coming months and ultimately to end load-shedding altogether.
 - 2) The Minister in The Presidency supported by two Deputy Ministers, responsible for Vote 1: The Presidency, GCIS, SSA, and STATS SA.
- Red tape reduction programme- to reduce the regulatory burden on formal and informal businesses.
- The Presidential Climate Change Commission, under the Secretariat of the Department of Forestry, Fisheries and the Environment, seeking to mobilise all of society towards a low carbon, green economy and pathways towards just transition.
- National Anti-Corruption Advisory Council to oversee the implementation of the National Anti-Corruption Strategy.

- **Supply chain management**

- There were no unsolicited bids or proposals concluded for the year under review.

SCM processes and systems are in place to prevent irregular expenditure

SCM policy is revised to ensure alignment to Preferential Procurement Regulation 2022. There is a continuous enforcement of internal controls to improve compliance and to maintain the clean audit outcome.

Challenges experienced in SCM

The Supply Chain Management unit is under-capacitated which results in delays in the conclusion of procurement of goods and service. The challenge is mitigated through contract appointments. Furthermore, permanent positions have been approved and are in the process of being filled.

- **Gifts and Donations and Sponsorship received in kind**

NAME OF THE ORGANISATION	NATURE OF THE GIFT, DONATION OR SPONSORSHIP	VALUE
Received in kind		R'000
The International Labour Organization (ILO)	The International Labour Organization (ILO) Sponsorship for Flights, accommodation and shuttle in Cape Town for two staff members from PRS Branch	5
Auwal Socio-Economic Research Institute	Donation of professional services of four (4) researchers	Not stated
Tricontinental: Institute for Social Research	Donation of professional services one researcher	Not stated
Masimanyane Women Rights International	Donation of professional services two gender specialists and two researchers	Not stated
The International Labour Organization (ILO)	Accommodation for PRS Acting Head	3
Industrial Development Corporation (IDC)	Donation of professional services of one technical expert to work on Operation Vulindlela under PMO Office	Not stated
The GIZ Sustainable Development Goals Initiative	Sponsorship of Accommodation, Ground Transport and subsistence for study tour to Denmark on digital transformation in the Public Service	143
Financial and Fiscal Commission (FFC)	Financial and Fiscal Commission (FFC) sponsorship for participation in its strategic workshop in Cape Town. Sponsorship covered Air travel, shuttle service and hotel accommodation	18

The Ford Foundation approved a grant to The Presidency for the period 1 January 2022 to 31 December 2022 in support for The Presidency's key priority of ending gender-based violence across national, regional and global levels. National Treasury advised that the funding be redirected to a Non-Governmental Organisation (NGO). The funding was redirected to Masimanyane Women's Rights International. The NGO operated as the fiscal host and deployed four gender experts to The Presidency as professional services.

The GIZ sponsorship was converted from Euros to South African Rands using 01 December 2022 closing currency exchange rates.

Generally, donations of professional services are not costed as the benefactors/organisations making the donations are seconding professionals to assist with specific projects utilising their skills, experience, contacts. The organisations absorb the cost of the skilled resource being seconded to The Presidency for a defined time-frame.

5. REPORT OF THE ACCOUNTING OFFICER cont.

- Gifts and Donations and Sponsorship made in kind

NATURE OF GIFT, DONATION OR SPONSORSHIP	VALUE
Made in Cash	R'000
Donation made to the late Ms Sophia Dhlamini's family	10
Made in Kind	
Spray flower sympathy arrangement for Mr Nosi Molepo's Father	1
Spray flower sympathy arrangement for Ms Johana Lefifi's Father	1
Spray flower sympathy arrangement for Ms Ntombikayise Marothi's Father	1
Spray flower sympathy arrangement for Ms Nomusa Zondi's Mother	1
Spray flower sympathy arrangement for The Late Ms Sophia Dhlamini	1
Spray flower sympathy arrangement for Ms Phumzile Binda's Father	1
Spray flower sympathy arrangement Ms Xoliswa Boqwana's daughter	1
Spray flower sympathy arrangement for the late Ms Christine Masombuka	1
Donations of office furniture and computer equipment	
Sivile Primary School	68
Phakamonolo Primary School	98
Mafumbuka Primary School	54
Kondelelani Primary School	36
Ubuhlebezwe Primary School	30
Atlegang Gender Justice NGO	21

The donation of R10 000 was made in compliance with the Funeral and Bereavement Policy as a gesture of goodwill made to the families of employees.

Office furniture and computer equipment was donated to five (5) schools and a Non-Governmental Organisation.

- Exemptions and deviations received from the National Treasury

There was no exemption from the PFMA or TR or deviation from the financial reporting requirements received for the current and/or previous financial year.

- Events after the reporting date.

There are no events after reporting date.

M.A. 

Ms M Mekoa
Acting Accounting Officer



7. 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 is 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 the 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.

Yours faithfully

M.A. Meko

Ms M Meko
Acting Accounting Officer





8. STRATEGIC OVERVIEW

8.1 Vision

Excellence in governance and in providing leadership to the state and society

8.2 Mission

As the apex of government in South Africa, The Presidency strives to fully realise the strategic agenda of government and to lead:

- Efforts to support economic transformation and job creation;
- Efforts to improve access to education, skills and health;
- Efforts to consolidate the social wage through reliable and quality basic services;
- Efforts to enhance spatial integration and local government service delivery;
- Efforts to mobilise society, and build social cohesion and safe communities;
- Efforts to build a capable, ethical and developmental state; and
- Efforts to advance South Africa's national interests and to build a better Africa and better world.

8.3 Values

VALUES	
Dedication	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Demonstrate commitment; • Do what is needed to get the work done; and • Be selfless, resolute, purposeful and steadfast.
Discipline	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Exercise self-control and work with decorum; • Display punctuality, reliability, dependability and a commitment to meet deadlines; • Work with courtesy and respect; and • Seek to make all stakeholders feel valued.
Ethical Leadership/ Integrity	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Value openness, honesty, consistency and fairness; • Act in good faith in all day to day activities and display humility; • Have a commitment to ethics, and focus on justice and fairness; and • Exercise care not to disclose confidential information.
Accountability	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Take responsibility and act in a transparent manner; and • Create communication channels for stakeholder engagement.
Diligence	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Demonstrate commitment • Do what is needed to get the work done; and • Be selfless, resolute, purposeful and steadfast
Service Excellence	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Be results-oriented and cost effective in its work; • Understand customer needs, respond timeously, efficiently and effectively to customer queries and requests; and • Strive for quality and high performance.
Innovation	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Be creative and provide new ideas

VALUES	
Responsiveness	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Take initiative in providing solution • Adopt to change realities • Be creative and provide new ideas
Professionalism	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> • Exhibit competency in discharging duties and responsibilities • Demonstrate ethical values and honesty

9. LEGISLATIVE AND OTHER MANDATES

9.1 CONSTITUTIONAL MANDATE

Section 83 of the Constitution states that the President:

- a) is the Head of State and head of the national executive;
- b) must uphold, defend, and respect the Constitution as the supreme law of the Republic; and
- c) promotes the unity of the nation and that which will advance the Republic.

Section 84 of the Constitution outlines in more detail the powers and functions of the President:

The President has the powers entrusted by the Constitution and legislation, including those necessary to perform the functions of Head of State and head of the national executive.

The President is responsible for:

- a) assenting to and signing Bills;
- b) referring a Bill back to the National Assembly for reconsideration of the Bill's constitutionality;
- c) referring a Bill to the Constitutional Court for a decision on the Bill's constitutionality;
- d) summoning the National Assembly, the National Council of Provinces or Parliament to an extraordinary sitting to conduct special business;
- e) making any appointments that the Constitution or legislation requires the President to make, other than as head of the national executive;
- f) appointing commissions of inquiry;
- g) calling a national referendum in terms of an Act of Parliament;
- h) receiving and recognising foreign diplomatic and consular representatives;
- i) appointing ambassadors, plenipotentiaries, and diplomatic and consular representatives;
- j) pardoning or relieving offenders and remitting any fines penalties, or forfeitures; and conferring honours.

Section 85 of the Constitution sets out the responsibilities of the President as head of the national executive. It states that the executive authority of the Republic is vested in the President and that the President exercises this executive authority, together with the other members of the Cabinet, by;

- a) implementing national legislation except where the Constitution or an Act of Parliament provides otherwise;
- b) developing and implementing national policy;
- c) co-ordinating the functions of state departments and administrations;
- d) preparing and initiating legislation; and
- e) performing any other executive function provided for in the Constitution or in national legislation.

In accordance with **Section 91** of the Constitution, the Cabinet consists of the President, as head of the Cabinet, a Deputy President, and Ministers. The President appoints the Deputy President and Ministers, assigns their powers and functions, and may dismiss them.

The President must select the Deputy President and must appoint a member of the Cabinet to be the leader of government business in the National Assembly. At the moment, the practice is that the Deputy President is appointed as the leader of government business. Furthermore, the Deputy President must assist the President in the execution of the functions of government.

Section 92 of the Constitution sets out the accountability and responsibilities of the Cabinet. It states that the Deputy President and Ministers are responsible for the powers and functions of the executive assigned to them by the President. Members of the Cabinet are accountable collectively and individually to Parliament for the exercise of their powers and the performance of their functions.

There are other provisions in the Constitution that have implications for the functions of the President, and the capabilities required to support him/her, such as Section 97 (Transfer of functions) and Section 100 (National supervision of provincial administration).

9.2 LEGISLATIVE MANDATE

The legislation that further outlines the powers and functions of the President are:

- a) Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (Act 92 of 1997).
- b) The Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998, as amended) provides a framework for determining the salaries, benefits, and allowances of public office bearers. The secretariat to the Independent Commission is located within The Presidency.
- c) Executive Members Ethics Act, 1998 (Act 82 of 1998), including the Executive Ethics Code. On the 5th August 2021, the President announced the decision to have the State Security Agency (SSA) reporting to The Presidency. Subsequent to this decision, the President on 14 January 2022 designated political responsibility over the State

Security Agency, in terms of Section 209(2) of the Constitution of the Republic of South Africa, 1996, to the Minister in The Presidency.

The Minister in The Presidency has since been delegated/assigned all powers/duties/functions/responsibilities of Minister/Executive Authority over SSA in terms of all SSA specific legislation. Henceforth, to give effect to the assignment and transfer of this role, the Minister in The Presidency also administers the following legislation:

1. Intelligence Services Act, 2002 (Act 65 of 2002),
2. National Strategic Intelligence Act, 1994 (Act 39 of 1994),
3. Intelligence Oversight Act, 1994 (Act 40 of 1994),
4. General Intelligence Laws Amendment Act, 2013 and relevant Regulations promulgated under some of these legislations,
5. Security Services Special Account Act, 1969 (Act 81 of 1969),
6. Regulation of Interception of Communication and Provision of Communication-related Information Act, 2002 (Act No.70 of 2002); and
7. Financial Intelligence Centre Act 2001, (Act No.38 of 2001)

Furthermore, there are acts administered by other members of the Cabinet that however have a direct bearing on the work of The Presidency, such as:

- a) The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) – the “IGR Act”, which establishes a framework for the national government, provincial governments, and local governments to promote and facilitate intergovernmental relations and to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes. The “IGR Act” further seeks to promote cooperative governance as espoused by Chapter 3 of the Constitution of South Africa and informed the formation of the Presidential Coordinating Council (PCC), the Cabinet Cluster System, the Forum of South African Directors-General (FOSAD) and the formation of Inter-Ministerial Committees (IMCs) that are also specifically aimed at enhancing coordination and integration across government.
- b) The legislation that governs the formation and work of the Statutory Bodies, e.g., Infrastructure Development Act which establishes the Presidential Infrastructure Coordinating Commission (PICC), the Broad Based Black Economic Empowerment (BBBEE) Act as amended which establishes the BBBEE Advisory Council.



9.3 POLICY MANDATE

The National Development Plan, Vision 2030 (NDP)

The National Development Plan (NDP) Vision 2030, adopted by Cabinet in 2012, continues to be the country's long-term development plan, which cuts across all sectors of society, identifies the critical trade-offs and challenges to be addressed by the country over the period to 2030.

It sets out the key South African priorities, which is to eradicate poverty by 2030 and to substantially reduce unemployment and inequality. The NDP aims to integrate planning and ensure greater policy coherence in government, thus building a common vision of what South Africa could look like in 2030.

The NDP was reviewed, by the National Planning Commission in 2020 to determine the progress made in implementing the plan's critical targets since its inception in 2012; to consider and learn from its successes and some of the failures being experienced; assesses gaps in delivery, and recommend course correction to get back to the trajectory outlined by the NDP.

The review indeed revealed that despite significant progress being made since the NDP's adoption, many developmental challenges still remained, that need to be addressed in the remaining 10 years taking us to 2030.

Revised Medium-Term Strategic Framework 2019-2024

The MTSF 2019-2024 is an implementation plan for the NDP Vision 2030 and the electoral mandate of the Sixth Administration of government. Cabinet adopted the MTSF 2019-2024 in October 2019 and it was released with the 2020 State of the Nation Address (SONA). The two major interruptions, the COVID-19 pandemic and the July 2021 unrest, impacted on the implementation of the MTSF 2019-2024, and related plans and budgets had to be reprioritised towards relief and socio-economic recovery efforts, including identifying priorities for the last two years of the Sixth Administration – 2022/23 and 2023/24.

The revised MTSF 2019-2024, published in October 2021, therefore emphasises in the main the following key pillars which the revised MTSF 2019-2024 is anchored on:

1. Managing the pandemic;
 - Interventions that save lives and support the health sector;
 - Rollout of the National COVID-19 vaccination programme;
 - Support food security within households.
2. Drive economic recovery;
 - Implement ERRP priorities,

- Network industries reforms, especially energy, water, transport, telecoms,
 - Localisation, empowerment, inclusion, and job creation,
 - Skills strategy to support economic recovery and Master Plans.
3. Employment support and relief;
 - Given unemployment levels, public employment programmes should continue to support household incomes while the economy recovers.
 4. Enhance state capacity to deliver;
 - Supporting implementation capacity and capability for reforms,
 - Reforms and restructuring of key SOEs,
 - Combatting corruption and fraud,
 - Managing the public sector wage bill.

The Presidency provides specific support and also leads in the following commitments, outlined in the revised MTSF 2019-2024:

The National Annual Strategic Plan (NASP) 2022/23

The National Annual Strategic Plan (NASP) has been introduced as a new planning instrument in the country's planning system, which will be piloted in the 2022/23 financial year.

The development of a National Annual Strategic Plan was proposed at the FOSAD Lekgotla in July 2021 and was later adopted at the Cabinet Lekgotla in September 2021.

The purpose of the National Annual Strategic Plan (NASP) is to improve the implementation of the MTSF, because a gap identified in the planning system was the absence of an annual government-wide plan, which identifies the priorities of government for the year ahead.

Taking into account 2024 commitments, the NASP prioritises specifically the stabilisation and recovery for better delivery and results by 2024 planning phases adopted by government and reverse the impact of the pandemic, and economic decline caused by the July 2021 unrest.

The NASP has therefore prioritised the acceleration of programmes and interventions that will deliver tangible results in the two years to 2024. The NASP 2022/23 has identified 50 such annual priorities and interventions from the revised MTSF 2019-2024, to ensure closer monitoring.

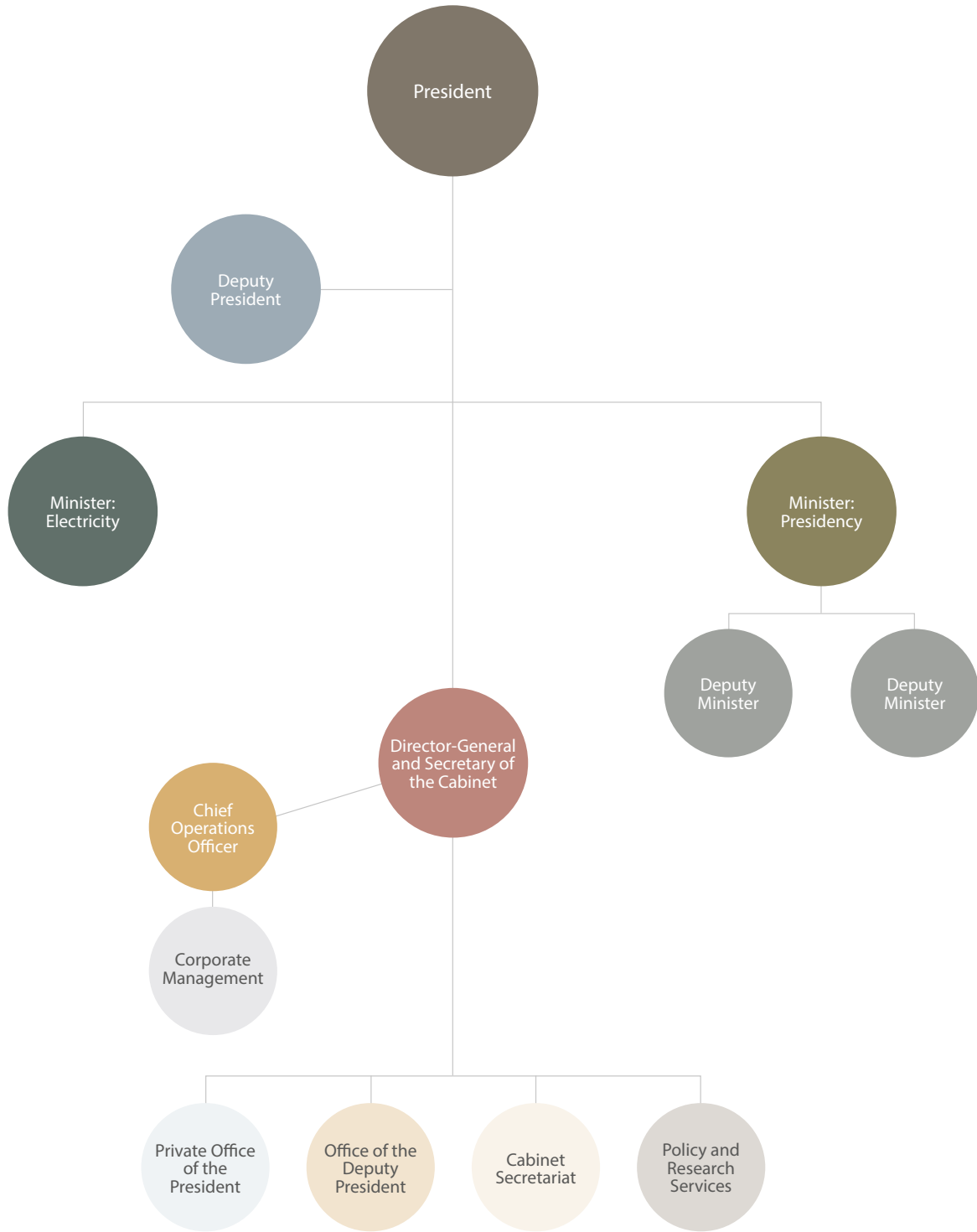
However, from this list of 50 annual priorities, the NASP has also selected the top ten critical priorities, which will be monitored to ensure desired results are achieved. These 10 areas will therefore receive a high level of oversight to track and ensure that they are firstly adequately resourced and that they perform, as well as unblocking any challenges to delivery.

The ten areas selected were largely premised on the projects that have a high contributory factor to the stabilisation and recovery pathway. The Top 10 critical areas identified are:

1. Job creation.
2. Ease of doing business to stimulate private sector investment and grow productive sectors of the economy as part of recovery and addressing the jobs crisis in South Africa.
3. Using Preferential procurement - utilising public procurement to empower enterprises owned by black people, women, and persons with disabilities as well as SMMEs and cooperatives.
4. Modernisation and digitalisation of the public service and the economy, in general, will contribute to economic recovery.
5. Interventions to immediately address household food insecurity and hunger.
6. The full rollout of the vaccination programme as a critical intervention to save lives, stabilise public health and enable stabilisation, recovery, and rebuilding of the economy.
7. Addressing water and sanitation backlogs in schools and communities.
8. Addressing the title deeds backlog.
9. Interventions to reduce violent crimes, including Gender-Based Violence.
10. Dealing with corruption and bringing perpetrators to book.



10. ORGANISATIONAL STRUCTURE



11. ENTITIES REPORTING TO THE MINISTER

No entities report to The Presidency under Vote 1.





1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently does certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report. Refer to page 133 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

After contracting by 0.7% in the second quarter of 2022, the economy expanded by 1.6% in the third quarter of 2022, driven mainly by the agriculture, finance, transport and manufacturing industries on the supply side of the economy. The demand side of the economy was raised by increasing exports and government consumption. By the third quarter in 2022, the size of the economy had hit and exceeded pre-pandemic levels, with the GDP being at R1 161 billion.

However, with the rising inflation, interest rates and the depreciating currency, the 2023 economic prospects still show a bearish outlook with rather subdued growth possibilities, necessitating more work to return the economy to bullish levels. Returning growth to the pre-pandemic levels seems by now still a daunting challenge, with deceleration of growth still predicted in some significant quarters.

The country has been facing an energy crisis, resulting in frequent load-shedding and significant damage to the economy, hindering the country's efforts to create an inclusive economy that reduces poverty and creates jobs. As a result, government has made energy security its top priority, given that restoring a reliable power supply is crucial to the country's economic recovery. The energy crisis is a long-standing problem that cannot be resolved quickly, but government is taking a series of measures to address it. To immediately reduce the severity of load-shedding and ultimately to end it, government has developed an action plan that outlines five key interventions, including fixing existing power stations, accelerating private investment in generation-capacity, procuring new capacity from renewables, gas, and battery storage, promoting the use of rooftop solar, and transforming the electricity sector to achieve long-term energy security.

These efforts to turn around the energy situation and prevent frequent power cuts are yet to bear any fruit and discernible economic growth is still out of sight, at least in the short-term. Business continuity is affected by the frequent power outages,

which also affect private sector profitability, and possibly the fiscus with lower corporate income tax revenue. Price hikes in almost every consumer product, including fuel, are still excessive. The unforgiving geopolitical climate of tensions and conflict in Ukraine, for example, is still taking its toll in both the global and domestic economy.

Having said this, we are neither deflected nor daunted, and are still seized with the priorities that the President outlined in the State of the Nation Address (SONA) 2022, to which we are resolutely committed.

As the President emphasised in the recent budget vote, the sensible approach is to focus on the interventions that will make the greatest impact, that will both make a difference in the short term and lay the basis for sustainable progress into the future. These concerns, include the impact of load-shedding on households, businesses, hospitals, water provision, food production, unemployment, poverty and the rising cost of living.

The following are the priorities outlined by the President in the 2022 SONA address:

1. Load-shedding.
2. Unemployment, poverty and the rising cost of living.
3. Crime and corruption.
4. Overcoming the COVID-19 pandemic.
5. A massive rollout of infrastructure.
6. A substantial increase in local production.
7. An employment stimulus to create jobs and support livelihoods.
8. The rapid expansion of our energy generation capacity.
9. Rehabilitation of the passenger rail network.

Government together with social partners are working hard to address these priorities.

The following section of this report reflects on the achievement for the period 2022/23 on the implementation of key actions to contribute to the strategic outcomes outlined in The Presidency's Strategic plan 2020-2025, with particular reflection on the organisation's role in working towards the achievement of the priorities outlined in SONA.

Outcome 1: Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts

In the 2022/23 financial year The Presidency prioritised the following key areas of focus as part of its programme to foster and promote national unity, as well as social transformation towards social cohesion. The programme focussed on seven critical elements:

1. The fight against the COVID-19 Pandemic.
2. Support for the work of the Flood Task Team.
3. The Presidency's oversight role in the implementation of the National Gender-Based Violence and Femicide Strategic Plan across government and society.
4. Leading the South African National AIDS Council and the country's integrated response to the challenges of HIV and AIDS.
5. Commemoration of National and Special Days.
6. Support for the work of the Presidential Task Team on Military Veterans.
7. Support for the work of the Inter-Ministerial Task Team on Matters raised by Traditional and Khoi-San Leaders.

The fight against the COVID-19 Pandemic

Under the guidance of the National Coronavirus Command Council, the country had implemented a risk adjusted COVID-19 Response Plan to, in the first instance, to reduce the spread of the virus to give time and space for the country's health sector to prepare for the pandemic onslaught. With the development of COVID-19 vaccines, in January 2021 the President established the Inter-Ministerial Committee on COVID-19 Vaccines under the leadership of Deputy President David Mabuza, to oversee and monitor a nation-wide vaccination programme. The IMC provided periodic updates to the National Coronavirus Command Council and ensure alignment with the country's COVID-19 Strategy.

The IMC on COVID-19 Vaccines oversaw a national public awareness campaign to promote non-pharmaceutical interventions to combat the spread of the virus. Under the leadership of the Deputy President, the IMC proceeded to collaborate with all provinces to boost support for the uptake of vaccines now available in the COVID-19 Vaccination programme.

By 23 June 2022, the country had been implementing the risk-adjusted strategy for two years and three months. On this day, South Africa reached a turning point when it repealed all the regulations in place to combat the pandemic. The vaccination programme henceforth was integrated into the normal health services of the country under the coordination of the Department of Health. This point was reached through the collective leadership in the country, including from: government (at all three levels); organised labour; faith-based organisations; civil society; traditional leaders; traditional health practitioners; the business sector; academia; youth formations; and the women's movement.

Although the goal of vaccinating at least 70% of the adult population was not attained, as at 22 June 2022, 36.7 million vaccine doses had been administered, to just over 20.09 million adults and about 1.9 million children (from 12 to 17 year old). In total, 50.48% of the country's population had received at least

one dose of the COVID-19 vaccine. A particular success of the vaccination campaign was the take-up rate of vaccinations by the two age groups most vulnerable to the virus, namely, the 60+ age group of which 70.5% were vaccinated, and the 50 to 59 years old age group of which 66.17% were vaccinated. The take-up rates in these vulnerable groups contributed significantly to the reduced hospitalisations, the severity of people that were hospitalised, and to the mortality rate. Although there is no proof that the COVID-19 virus has been totally eradicated, behavioural change and the vaccination programme have assisted the country to be in a better place than when the pandemic first emerged.

Support for the work of the Flood Task Team

Much of KwaZulu-Natal, Eastern Cape and North West were affected adversely by flooding at the beginning of the 2022/23 financial year. The National Disaster Management Centre classified the flooding as a provincial disaster. Drawing on the experience of the management of the COVID-19 pandemic, Government pulled together various stakeholders into an oversight structure to ensure all funds disbursed in response to the disaster were properly accounted for and that the state received value for money in the procurement of goods and services for the relief efforts to be undertaken. The Presidency, as the centre of government, played its leadership and oversight role, to guide the work of coordinating and operational structures.

FOSAD appointed the Director-General in The Presidency as Chairperson of the Oversight Committee on the National State of National Disaster on the impact of Severe Weather Events (Oversight Committee). The mandate of the Oversight Committee was:

- To oversee at a strategic level, the three-phased response to the disaster, being:
 - Immediate humanitarian relief, ensuring the safety of affected persons, and the provision of basic needs;
 - Stabilisation and recovery, rehousing people who have lost homes and restoring provision of services; and,
 - Reconstruction and rebuilding, that is, monitoring the amount and sources of public funds being committed to the National State of National Disaster on an ongoing basis.
- To have line-of-sight of sources and donor funds committed to the disaster.
- To engage organs of the state and other oversight bodies to activate their control, oversight and accountability mechanisms over the funds committed to the disaster.
- To receive regular reports from the disaster management structures on the use of funds.
- To receive regular reports from the disaster management structures on the quantity and quality of service delivery of various projects of the disaster.



- To use the reports to guide the work of the coordinating and operational structures as the need arises.
- To draw on research, and other evidence based on local and international best practice, to ensure that its oversight work is effective and mitigates any unintended consequences.

Oversight role in the implementation of the National Gender-Based Violence and Femicide Strategic Plan across government and society.

Intensifying the fight against Gender-Based Violence and femicide through implementation of the National Strategic Plan on combating Gender-Based Violence and Femicide (NSP), and other measures to promote the empowerment of women continued to be a priority for The Presidency in 2022/23.

In the 2022/23 financial year a Social Sector Summit on Gender-Based Violence and Femicide was convened to further strengthen social compacts towards building a national consensus on the plan to fight Gender-Based Violence and femicide.

Leading up to the Summit, The Presidency played an oversight role over the work of the Department of Women, Youth and People living with Disabilities (DWYPD) in the implementation of the NSP, working with different stakeholders across government and society.

In this regard, The Presidency reviewed monthly reports from the DWYPD, from which the annual Reflective Review report was prepared for the GBVF Presidential Summit 2. Between from 1 April 2022 and 31 March 2023, reviews of the twelve reports received from the DWYPD were developed. The reviews assessed the implementation and provided analytical commentary on NSP delivery, including recommendations for improving performance.

The Annual Report of the NSP provides an analysis of:

- (i) Compliance over the 2022/2023 F/Y;
- (ii) Delivery under each pillar of the National Strategic Plan;
- (iii) Overall reflections; and,
- (iv) Recommendations to strengthen reporting.

Despite strengthened accountability, significant work is still required to embed the NSP across the different spheres of government in ways that facilitate programming and resource allocation.

Whilst financial reporting on NSP expenditure has improved, it continues to be an area that requires strengthened reporting.

Progress towards the establishment of the National Council on GBVF has been slow and requires acceleration in the period ahead.

Overall, the review of the six pillars of the NSP show different levels of achievement across the respective pillars. And in some instances, there has been progressive movement towards achieving outcomes.

Given that the country is in its third year of implementation, it is imperative that systemic barriers to implementation of the NSP are addressed to ensure strengthened accountability from respective role-players. It is clear that the pace and scale of implementation of the NSP are not in alignment with the enormity of the challenge and requires acceleration.

A key observation was that there is significant progress towards developing a more complete understanding of the extent and nature of GBVF, particularly through the prevalence study that was completed. A follow-up study is currently in progress.

The GBVF Presidential Summit 2 provided an opportunity for multi-sectoral stakeholders to engage in robust discussions to hold government and others accountable, identify areas for acceleration and amplification and develop customised responses to key challenges impeding the national response to GBVF.

The Summit Resolutions on acceleration across all six pillars were finalised and categorised as part of a six-month plan and a two-year plan. These resolutions have served to identify important outputs that need to be strengthened further, such as the establishment of Rapid Response Teams, expansion of the ambit of psychosocial services, strengthening programmes involving men and boys, and accelerating and strengthening the 40% preferential procurement policy for women-owned businesses.

To date it was reported that 63% of national departments have fully integrated the NSP on GBVF into their Annual Performance Plans. The DWYPD has disseminated the summit resolutions widely, as part of mainstreaming into government departments. The integration of the NSP goals into departmental reporting is now mandatory in the new financial year. Areas of work that fall within the six-month acceleration, will now require immediate focus and attention.

The GBVF Response Fund 1, which raised R162 million for civil society organisations combating GBV, was also launched. Around R21 billion has been earmarked over the medium-term for the implementation of the six pillars of the plan, including the economic empowerment of women.

President Ramaphosa addressed the 2nd Women Economic Assembly (WECONA) on 6 October 2022, having launched the inaugural WECONA in October 2021. WECONA arose from a pillars of the NSP which advocates for the economic empowerment of women as a means to bring an end to GBVF in South Africa.



Leading the South African National AIDS Council and the country's integrated response to the challenges of HIV and AIDS.

SA has one of the largest HIV and TB burdens in the world but also one of the largest, if not the largest, treatment programmes, which has been active for more than 2 decades now.

In further advancing the response to HIV, TB and STIs, the country recently launched the fifth iteration of its National Strategic Plan for HIV, TB and Sexually Transmitted Infections, in partnership with representatives of sectors of civil society. Due to the negative impact of the COVID-19 pandemic on HIV and TB services provision, the South African National AIDS Council (SANAC) decided to extend the operation of the previous NSP for an additional year while it addressed the need for accelerated services in the new NSP in order to meet both national and global targets in the fight against these epidemics. Deputy President Mashatile launched the new National Strategic Plan for HIV, TB and STIs 2023 – 2028 during the World TB Day commemoration on 24 March 2023.

The National Strategic Plan for HIV, TB and STIs (NSP) 2023 – 2028 places communities at the centre of the AIDS response, and seeks to break down barriers, and to maximise equitable access to HIV, TB and STI services. As part of its catch-up strategy, SANAC launched the TB Recovery Plan which focuses on finding people with TB and placing them on treatment. TB remains one of the main causes of death globally.

In addressing the various social and structural factors driving the epidemics of HIV/AIDS and TB, SANAC sector sub-structures continue to collaborate with a broad range of social partners to mobilise communities against these epidemics. In line with SANAC's Partnership Strategy, various government departments work in partnership with civil society sectors of SANAC.

It is also important to note that the NSP is aligned to relevant national and global strategies, including the World Health Organization's Global Health Sector Strategies on HIV, Viral Hepatitis and Sexually Transmitted Infections for the period 2022 – 2030; the Stop TB Partnership's Global Plan to End TB 2023 – 2030, and South Africa's National Development Plan Vision 2030. The NSP also acknowledges the inter-linkages between HIV and gender-based violence.

Notably, progress has been made in the HIV treatment programme, with about 5.8 million people on treatment and over 4.1 million people now having suppressed viral load as at May 2023.

However, since the inception of SANAC, the participation of the private sector has not been well coordinated. The formal launch of the SANAC Private Sector Forum by the Deputy

President marked a turning-point in the role of business in the country's response to HIV, TB and STIs. Subsequent to its launch, the SANAC Private Sector Forum has participated in the various structures and activities of SANAC. The Forum has adopted a strategy and are in the process of setting up provincial structures to enable the private sector to participate meaningfully within Provincial Councils on AIDS.

SANAC developed catch-up plans across all provinces to mitigate the adverse impact of the COVID-19 pandemic on the country's HIV and TB response, as well as to accelerate health service provision towards the achievement of the global 90-90-90 targets, which reference the targets for HIV testing, enrolment on treatment and viral load suppression respectively. One of the lessons learnt in this regard is the importance of rapid adapting of plans and strategies to challenges caused by major disruptions in service delivery.

In light of the high HIV prevalence among the youth, especially adolescent girls and young women, SANAC launched the Youth HIV Prevention Strategy during Youth Month on 30 June 2022 in the Vhembe District Municipality, Limpopo Province. The strategy seeks to reduce HIV infection among young people aged 15 – 24 years, through a combination of integrated health and social services; youth development programmes and social mobilisation.

The campaign for the implementation of the strategy is called "*Zikhala Kanjani*". In the main, the strategy seeks to build on the work that was led by the "*She Conquers*" Campaign, which ended in 2019, by being youth-led and championing HIV prevention and behavioural change initiatives, with a particular focus on adolescent girls and young women.

The South African National AIDS Council further collaborate with various social partners such as traditional leaders, inter-faith leaders and traditional health practitioners, in driving and supporting the integrated response to HIV, TB, STIs and COVID-19. These social partners have signed pledges of commitment to strengthen strategic partnerships with government. This approach of signing pledges between government and social partners are being replicated in other areas in an effort to improve service delivery.

Summit on Economic Empowerment of Persons with Disabilities

President Ramaphosa delivered the keynote address on Day 2 of the Summit on Economic Empowerment of Persons with Disabilities, which took place in Johannesburg in December 2022. The two-day summit (7 and 8 December), formed part of the Disability Rights Awareness Month, which runs from 3 November to 3 December each year and which is coordinated by the Department of Women, Youth and Persons with Disabilities. The theme for this year's focus month





was “Empowering persons with disabilities through resourceful, sustainable and safe environments”. The Summit is one of several government interventions to improve the economic status of persons with disabilities, especially in respect of economic rights.

More than fifty (50) organisations and interest groups participated in the Summit that showcased entrepreneurship and capacity-building opportunities. Discussions were focused on barriers in the economic landscape which inhibit market access for persons with disabilities and access to funding. The Summit also showcased and celebrated the role and impact of persons with disabilities in business.

Commemoration of national days and days of significance to mobilise society, promote social cohesion and accelerate social transformation

As per the annual national calendar, strategic support was rendered to the President as part of commemoration of national days and days of significance to mobilise society, promote social cohesion and accelerate social transformation. In total, in the year under review the President addressed eight national days' events as well as six other occasions of national significance with a view to enhancing social cohesion.

These included:

1. **Freedom Day event in Mpumalanga – 27 April 2022.** The 2022 Freedom Day commemorations were held in Mpumalanga, under the theme “Consolidate our democratic gains”. The event highlighted the need for unity and solidarity in our country's reconstruction efforts, and the need to continue to build a society that is determined to overcome poverty, unemployment and inequality. In his address, President Ramaphosa urged citizens to defend and consolidate the gains made in the country since attaining democracy, which have been sullied by those who engage in corruption and xenophobia.
2. **Youth Day, Mthatha, Eastern Cape – 16 June 2022:** President Ramaphosa led the commemorations under the theme: “Promoting Sustainable Livelihood and Resilience of Young People for a Better Tomorrow”. At this annual event, the President emphasised that millions of young people are not in employment, education or training and that this is one of the greatest challenges facing the country today. He took the opportunity to update young people about the initiatives aimed at stimulating youth employment in the country, such as the Presidential Youth Employment Intervention, which is government's comprehensive response to the youth unemployment situation. President Ramaphosa furthermore announced the reduction of the cost of applying for positions in government, where costly extra-documentation such as copies of certificates are now required only from short-listed candidates.

3. **International Nelson Mandela Day 2022, Gqeberha in the Eastern Cape, 18 July 2022:** President Cyril Ramaphosa led the International Nelson Mandela Day 2022 commemoration and in line with the theme of dedicating 67 minutes to performing good deeds, President Ramaphosa embarked on the Clear Rivers Campaign in Gqeberha. The President also led a site inspection of the Nootgedacht Water Treatment Works, which is used to transfer water from the Gariep Dam to the water-strained Metro. Thereafter, he led a clean-up of the Swartkops River in Veeplaas.
4. **Women's Day, Richmond, KZN, 9 August 2022:** The President delivered the 2022 National Women's Day keynote address in Richmond, under the theme: “Women's Socio-Economic Rights and Empowerment: Building Back Better for Women's Improved Resilience.” In his address the President highlighted the role of women in the freedom struggle, and reflected on the efforts and achievements made to advance and protect the rights of women within society. Among these, are the initiatives since the advent of democracy to implement policies to address the impact of poverty on women.

Regarding public sector employment, more than 60% of public servants are women. Programmes such as the Radical Agrarian Socio-Economic Transformation Programme assist women to access land for farming and get their produce to market. So far, the Radical Agrarian Socio-Economic Transformation Programme has assisted over 3 500 farmers, the majority being women and youth from rural areas like uMgungundlovu. Yet another intervention in this regard, is the Provincial, Rural and Township Economics Revitalization Strategy. In his address, the President reminded the nation that the problem of women living in fear in all spheres of their lives, should be viewed as a greater societal concern.

5. **Heritage Day, Union Buildings, Tshwane, Gauteng, 24 September 2022:** The 2022 national Heritage Day commemorations were held under the theme: “Celebrating the Legacy of Solomon Linda and South Africa's Indigenous Music”. The President reminded the nation that South African indigenous music, such as isicathamiya which had helped to mobilise people against apartheid and racial oppression, had thus played an important role in shaping our free and democratic society. The event also sought to encourage people to continue to be more humane, tolerant, generous and compassionate to those less privileged within society, including foreign nationals.
6. **Armed Forces Day, Richards Bay, KwaZulu-Natal, 21 January 2023:** As the Commander-in-Chief of the South African National Defence Force (SANDF), President Ramaphosa officiated at the annual Armed Forces Day.

- Held annually, the Armed Forces Day commemorates the worst naval tragedy in the country's history, the sinking of the troopship SS Mendi in the English Channel on 21 February 1917. More than 600 SA Native Labour Corps troops drowned when the ill-fated troopship was struck by the SS Darro. The event paid tribute to those troops and the many who die in the line of duty, including those on international missions. The Armed Forces Day also seeks to enhance public understanding of the role of the SANDF in the life of the nation, on the African continent and elsewhere in the world, particularly in peacebuilding and solidarity missions such as during times of natural disasters.
7. **Human Rights Day, De Aar, Northern Cape, 21 March 2023:** The President led the 2023 Human Rights Day national commemoration and delivered a keynote address under the theme: *"Consolidating and Sustaining Human Rights Culture into the Future."* The day commemorated 62 years since the Sharpeville Massacre happened on 21 March 1960, when 69 anti-pass protesters were killed and scores were injured in a shooting spree by the police. The President also honoured the 35 people who were killed by police action against members of the Uitenhage and Langa communities who had attended a funeral on 21 March 1985.
 8. **President celebrated the historic WAFCON triumph with Banyana Banyana, Union Buildings, 27 July 2022:** President celebrated Banyana Banyana's first ever victory in the 2022 Women's Africa Cup of Nations (WAFCON).
 9. **The Annual Basic Education Sector Lekgotla, Johannesburg, Gauteng, 26 January 2023:** President Cyril Ramaphosa delivered the keynote address under the theme: *"Equipping Learners with Knowledge and Skills for a Changing World in the Context of COVID-19"*. The Basic Education Sector Lekgotla provides a platform for officials, educators, teacher unions, policymakers, the private sector and civil society to chart a course for basic education for the school year and beyond. A key concern of the Lekgotla was the need to equip learners with knowledge and skills for living in a changing world, such as the one wrought by the COVID-19 pandemic, and the one predicated on the new technologies of the Fourth Industrial Revolution. It raised the important issue of whether all learners who enter the basic education system are able to follow the educational paths that best suit them and their aspirations. Emphasising the importance of investing in the education of children, the President likened education to the strong roots that anchor the sturdy tree that is the South African nation, lest it collapses.
 10. **Address to the national conference focused on local government accountability, service delivery and human rights, 31 August and 1 September:** The two-day event was co-convened by the South African Human Rights Commission (SAHRC) and the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities (CRL Rights Commission). The South African Human Rights Commission has identified a range of systemic challenges at the local sphere of governance, which hinder the attainment and enjoyment of human rights. The conference saw critical voices and role-players deliberating on local government challenges with the aim of enhancing human rights-based service delivery.
 11. **Address to SALGA Council of Mayors Conference, East London, Eastern Cape, 8 September 2022:** President Cyril Ramaphosa delivered the keynote address at the South African Local Government Association (SALGA) Council of Mayors Conference under the theme *"The role of mayors in enhancing good governance and sustainability"*. The Council of Mayors acts as a consultative forum for the development of local government positions on policies and legislation impacting local government. This structure also identifies policy and legislative matters that SALGA needs to include in its advocacy, lobbying, and strategic engagements.
 12. **National Local Government Summit, Boksburg, Gauteng, 28 September 2022:** The President addressed the National Local Government Summit, which was hosted by the Department of Cooperative Governance and Traditional Affairs, under the theme *"DDM in Action - Towards an Ideal Municipality"*. This platform brought together close to 2 000 senior officials and leaders across all spheres of government, legislature, business, academia, traditional leaders, civil society, women, youth and persons with disabilities, to deliberate on a collective programme of action for an Ideal Municipality.
 13. **SAPS National commemoration, SAPS Memorial Site, Union Buildings, Pretoria, Gauteng, 4 September 2022:** President Ramaphosa led the SAPS National Commemoration Day event held annually at the SAPS Memorial Site at the Union Building gardens. This event pays homage to police officers who had died in the line of duty and to the police in general for their efforts in fighting crime in the country. The President emphasised that the event should serve to mobilise society against the killing of police officers. In addition, the President stated that the police must be adequately resourced to fight crime within society.



14. **King Misuzulu ka Zwelithini Coronation, eThekweni, KwaZulu-Natal, 29 October 2022:** President Ramaphosa delivered the keynote address during the coronation ceremony of His Majesty King Misuzulu ka Zwelithini, where he presented a recognition certificate to His Majesty as the King of the Amazulu.
15. **KwaZulu-Natal (KZN) and Eastern Cape Floods, oversight visit to flood-stricken areas, 13 April 2022:** President Ramaphosa undertook an oversight visit to flood-stricken parts of KZN to offer support to affected communities and to assess the response of the government and civil society to the situation. The devastating floods hit the province on 08 April, with higher than expected rainfall with parts of the province receiving a precipitous rainfall of between 200 and 400 mm within a 24 hour period. Accompanied by some Cabinet Ministers and the Premier of KwaZulu-Natal Province, the President visited affected areas such as Clermont, Lindelani, Ntuzuma and uMzinyathi. At least 435 people lost their lives in the floods, approximately 54 were reported missing, while 40 000 people were displaced. Approximately 5 700 homes were completely destroyed and about 10 000 homes partially damaged. A total of 630 schools were affected and over a 100 schools were inaccessible at some point. One teacher and an estimated 58 learners lost their lives.

The President announced a three-phase intervention plan, the first of which entailed immediate humanitarian relief, ensuring the safety of all affected people and the provision of the basic needs of affected persons. The second phase includes the stabilisation and recovery process, involving re-housing people who lost homes and ensuring restoration of services, while the third phase focused on reconstruction and rebuilding. During this period, some parts of the Eastern Cape Province and the North West Province were also hit by floods. In the response to the floods, the National Disaster Management Centre classified the flooding as a provincial disaster and on 17 April 2022, Cabinet declared a National State of National Disaster. On 26 April 2022 the President addressed a special Joint Sitting of Parliament on the interventions already made and those being planned, to address the aftermath of the disaster. Monthly meetings in 2022 were coordinated by the Director-General in The Presidency with provincial governments and national departments to track the provision of relief and rebuilding efforts.

Support for the work of the Presidential Task Team on Military Veterans

The President established a Presidential Task Team on Military Veterans, chaired by the Deputy President and comprising the Minister and Deputy Minister of Defence and Military Veterans

and the Minister in The Presidency. The mandate of the Task Team is to deal with the plight of military veterans.

The following seven workstreams of the Task Team were constituted dealing with specific issues:

1. The Legislative Review Workstream, tasked with initiating and fast-tracking the review of specific provisions in the current Military Veterans Act 18 of 2011 that inhibit required reforms.
2. The Organisational Re-Design Workstream, looking at aligning the structure of the Department of Military Veterans with its legislative mandate, strategy and business processes.
3. The Database Verification, Cleansing and Enhancement Workstream, to undertake a credible, reliable and transparent process to ensure that only bona-fide Military Veterans are registered on the Department of Military Veterans database.
4. The Socio-Economic Support Workstream, to facilitate the establishment of sustainable nodal points across government and industry to leverage assist military veterans in the short, medium and long term, to access markets and services.
5. The Pensions and Benefits Workstream (comprising the Department of Military Veterans and National Treasury), to review and update the pension actuarial enquiry undertaken by the Department of Military Veterans in 2014, in order to determine the appropriate military veterans quantum in line with the rate of inflation.
6. The Heritage, Memorialisation and the Burial Support Workstream, to establish measures for the exhumation and repatriation of remains of fallen military veterans in foreign land, and to recommend dignified forms of acknowledgement and memorialisation.
7. The Communications Workstream, which has been tasked to ensure that there is effective, timely and coordinated communication, with a view of informing the public and Military Veterans of the work that government is undertaking to address their well-being and that of their dependents. It also seeks to communicate and recognise the important contribution of Military Veterans to the realisation of a democratic dispensation.

Since its formation in the latter part of 2020, the Task Team met with a cross-section of military veteran formations in order to obtain a first-hand account of the difficulties being experienced, and held consultations with Premiers and representatives of military veterans in eight provinces. Critical progress has been made to date since the establishment of the Task Team including the following:

- The development of a protocol agreement outlining the mechanism of interface between provinces and the Department of Military Veterans.
- Lifting the moratorium on new education applications.

- The amendment of the Military Veterans Act of 2011.
- Pension benefit for qualifying military veterans from former non-statutory forces.
- Progress on the drafting of the National Policy on the Repatriation of Human Remains and Heritage Objects.
- Progress on the Database Verification, with a number of provinces having completed the verification process.
- Development of a proposal to address the recognition of Self Defence Units and Amabutho.

Support for the work of Inter-Ministerial Task Team on Matters raised by Traditional and Khoi-San Leaders

In recognition of the important role played by the institution of traditional leadership in society, and in light of the issues of governance, roles and functions that traditional leaders have raised with government over time, President Ramaphosa established the Inter-Ministerial Task Team (IMTT) on Traditional and Khoi-San Leaders in February 2022 to consolidate and resolve matters that have been raised by Traditional and Khoi-San Leaders. The IMTT works with provincial Premiers (together with their MECs responsible for Cooperative Governance and Traditional Affairs), and Houses of Traditional and Khoi-San Leaders, to ensure coordination in the resolution of the issues raised.

In the period under review, the IMTT met with Traditional and Khoi-San Leaders in the provinces of the Eastern Cape, Limpopo, Northern Cape, KwaZulu-Natal, Mpumalanga, North West and the Free State to address matters of concern to the leadership and their communities in rural areas. These engagements also provided a platform to deliberate and fast-track the resolution of province-specific issues and to engage on the outcomes of the Communal Land Administration and Tenure Summit, which took place in May 2022.

Outcome 2: Enhance governance, state capacity and service delivery through effective leadership and coordination of efforts.

A critical area prioritised by the sixth administration was the leadership and coordination effort to enhance governance, state capacity and service delivery. This entailed meaningful interventions required to drive the economy and fulfil government's constitutional obligations, in critical areas such as energy and infrastructure provision and the reconfiguration of state assets such as Eskom.

The Presidency fast-tracked the resolution of existing service delivery challenges by developing and implementing a focused action plan involving all three spheres of government. The Presidency's plan included rapid response interventions to address service delivery challenges and troubleshooting in service delivery hotspots. The Presidency fostered integrated planning and service delivery through the promotion of the

development and implementation of the District Development Model in all districts, under the rubric, One District, One Plan. Critical to the plan is the strengthening of the capacity of the civil service to deliver on its mandate and the design of appropriate tools for periodic appraisal to ensure accountability.

Critical components of the work of The Presidency is the fight against corruption, to provide security and law and order; and to address barriers to the urgent economic development and the advancement of the country.

Support for work of the Presidential Coordination Council

The President directed the Presidential Coordination Council (PCC) to concentrate on the improvement of service delivery, and addressing challenges in relation to legislation, governance and capacity constraints, including the strengthening of inter-governmental coordination within the existing legislative and governance framework.

The PCC convened on four occasions in 2022 and twice thus far in 2023, indicative of the extraordinary times the country is living through as it comes to grips with the seemingly insurmountable challenges resulting from the COVID-19 pandemic, the floods in parts of KwaZulu-Natal, the Eastern Cape and the North West, including issues of energy security.

Strengthening Executive and Parliamentary accountability through the work of the Leader of Government Business

The work of the Leader of Government Business is provided for by Section 91 (4) of the Constitution, which provides for the appointment by the President of a member of Cabinet to serve as the Leader of Government Business (LoGB) in the National Assembly. It is further informed by Rule 150 of the Joint Rules of Parliament, which stipulates that the LoGB in Parliament is responsible for:

- Monitoring the affairs of the National Executive in Parliament;
- Ensuring that programming of parliamentary business is initiated by the national executive, within the time allocated for that purpose;
- Ensuring that Cabinet members attend to their parliamentary responsibilities; and,
- Performing any other function provided for by the Joint Rules, or a resolution of the National Assembly or the National Council of Provinces, or resolutions adopted in both Houses.

As part of the responsibility of ensuring that Cabinet members attend to their parliamentary responsibilities, the monitoring and interventions by the Office of the LoGB has seen a considerable decline in the number of unanswered and lapsed questions during the year under review. In this regard,



as at the end of the 2022 fourth term of Parliament, there were only eighty-three lapsed questions which were endorsed as unanswered.

As LoGB, the Deputy President monitored the implementation of the legislative programme, and ensured that:

- The Legislative Programme encompassed the strategic priorities of government;
- The Legislative Programme included priority Bills as announced by the President during the State of the Nation Address; and,
- Constitutional Court ruling and deadlines, were prioritised and effected.

With respect to the development of the Legislative Programme for the Executive, sixty-nine Bills were approved by Cabinet for introduction to Parliament in 2022. A reviewed 2022-2024 Legislative Programme was also tabled, in terms of which, a list of priority Bills were identified for processing before the end of the Sixth Administration. According to a report on legislation by the Bills Office in Parliament dated 26 January 2023, 34 Bills were introduced to Parliament in 2022.

District Development visits to assess performance of districts against the strategic indicators

In 2019, President Ramaphosa launched the District Development Model to improve intergovernmental coordination and focus on local economic development. Through the Presidential Steering Committee (PSC) among others, the DDM has been institutionalised with various workstreams, and with the President having an overall oversight role.

The President has undertaken eight visits since 2019 to oversee the DDM Model process implementation. The sites visited in the 2022/23 financial year included the Free State (Mangaung – 9 April 2022), in Mpumalanga (Carolina – 20 May 2022), and the Northern Cape (Upington – 21 October 22). The President interacted with residents, and this served to support the rollout of the DDM programme.

Working collaboratively with COGTA and provinces, The Presidency agreed on a range of districts to be targeted for oversight visits, after the initial pilot of three districts, to monitor the implementation and effectiveness of the DDM.

The second phase was meant to cover the rest of country, but the pandemic affected all government planning and the DDM Izimbizo only recommenced in March 2022.

The President undertook four DDM Izimbizo visits over the 2022/23 financial year, with the North West Imbizo having taken place on 17 March 2022 in the previous financial year.

The purpose of the oversight visits by President Ramaphosa, District Champions and Premiers with MECs, was to assess the implementation of the DDM and to engage with communities and stakeholders on improving service delivery and fostering local economic development and job creation in the districts.

Prior to each oversight visit, a briefing note based on the concept of the one-plan per district, specific district plans and projects was presented to the President, Ministers and District Champions. This was done to provide an analysis of the social and economic conditions in the district and the implementation of the plans. With each district being unique, the plans need to reflect the conditions of specific districts.

Each district visit included a Presidential Imbizo. President Ramaphosa hosted four Presidential Imbizos. The Imbizos or izimbizo are a two-way unmediated, direct and interactive information-sharing platform that promote active involvement of citizens in the implementation of government programmes. The Presidential Izimbizo assisted in highlighting the challenges and unblocking any obstacles to service delivery in line with the District Development Model (DDM). The Presidential Izimbizo allowed community members to engage on a range of issues affecting their daily lives, and for the President and government delegation to respond to the issues raised. The Department of Planning, Monitoring and Evaluation has recorded these izimbizo and is monitoring progress on responses to the complaints raised during these engagements.

Monitoring the implementation of the Presidential State-Owned Enterprises Council (PSEC) workplan

In February 2020, the President appointed the Presidential State-Owned Enterprises Council (PSEC) to advise on strategic reform, repositioning and revitalisation of State-Owned Enterprises (SOEs) as effective instruments of economic development and transformation. In order to give effect to its mandate, PSEC is currently organised into three workstreams, namely, the Governance Workstream, Finance Workstream, Consolidation and Crisis Management Workstream.

The work of the PSEC has followed and is built upon the proposals of the Presidential Review Committee on State-owned Enterprises, and has sought to benchmark against best practice in other countries. It acknowledges that reform of the governance and performance of SOEs in South Africa is urgently needed. The recommendations set out a pathway through which this can be achieved.

This integrated report of the Presidential State-Owned Enterprises Council (PSEC) integrates the work plans and work undertaken by the three PSEC workstreams and the work done by the Department of Public Enterprises in support of the PSEC. The report also includes recommendations to the



President on shareholder governance and management of the SOEs. Recommendations include:

- The implementation of a centralised shareholder model to bring greater coherence and focus to the objectives of the SOEs;
- A proposal to establish a state-owned holding company as the vehicle to ensure greater strategic coherence, monitor performance, function sustainably and profitably, and decrease dependence on the fiscus.
- A package of governance reforms and measures - in the context of the recommendations in response to state capture made by the State Capture Commission Report - to strengthen governance and oversight frameworks, and bring greater integrity but also to strengthen the resilience of SOEs, including the safeguarding against cyberattacks and the use of data analytics.
- A range of overarching recommendations which apply to all SOEs.
- Plans for strategic SOEs to contribute to the developmental objectives of the state.

Work that remains to be done include that of identifying which SOEs are no longer regarded as strategic, and which should be considered for closure or disposal.

Performance monitoring reports on the implementation of the PSEC workplan and decisions was produced in September 2022 and March 2023.

Ministerial Performance agreements developed and assessed

To realise the performance-driven focus of the sixth administration, the 28 Ministerial agreements were signed in 2019/20 for the term of the Administration. These performance agreements were signed between the President and the Ministers in line with SONA commitments of 2019. Ministerial performance agreements are linked to the term of the MTSF (2019-2024) and were signed in October 2020. Performance agreements with new Ministers and Ministers in new portfolios were signed in June 2022. These include the Ministers of: Finance, Health, Minister in The Presidency, Human Settlements, Water and Sanitation, Tourism, Defence, Small Business Development, and Communications and Digital Technologies.

The President assessed the performance of ministers using the DPME-populated scorecards for Ministers, which are based on the bi-annual MTSF Implementation Reports submitted to Cabinet and departmental Annual Reports.

All current Ministers have signed performance agreements and the performance of twenty-six out of the twenty-eight ministers were assessed. The exceptions were the Minister in The Presidency, whose position was vacant at the time of

assessment, and the Minister of the State Security Agency, whose assessment was not completed due to sensitivity of the information contained in the assessment. The revised framework for performance management of ministers, including an approach to developing the content of minister's performance scorecards, is to be implemented in the new financial year.

The performance agreements signed with ministers which are, in effect, contracts drafted on the premise of reaching the delivery targets fixed in government's Medium-Term Strategic Framework. The agreements which aim to strengthen the capacity of the state, have been made public in order for citizens to hold appointed ministers to account and thus promote accountability in public life.

Head of Departments/DGs Performance agreements developed and assessed

In line with the proposal of the National Development Plan, Cabinet in October 2022, delegated the Director-General in The Presidency to assume the role of administrative Head of the Public Administration (HOPA). At a national level, the HOPA would assist the President in the management of career incidents of national Heads of Departments (HOD) and serve as the political-administration interface. This mediation mechanism at the level of HODs - whose tenure is planned to be increased to ten years - is designed to stem the relatively rapid turn-over of HODs. The effective management of this interface, as part of overall efforts to stabilise government departments, will contribute to the retention of institutional memory and ensure greater continuity in governance. It will thus contribute to the capacity to deliver on public services. The HOPA, together with the Public Service Commission (PSC), will henceforth be integrally involved in the processes to recruit, select, train, and develop HODs.

For the 2022/23 financial year, performance contracting and evaluations of Directors-General in the national sphere of government were conducted under the chairship of the Director-General in The Presidency, while the evaluations of the nine provincial Directors-General and the Director-General in The Presidency were conducted by the Public Service Commission, and the Offices of the Premier evaluated the Heads of Department (HoDs) in respective provinces.

Support to the President to fulfil his Parliamentary responsibilities

On 26 April 2022, President Ramaphosa addressed a hybrid Joint Sitting of the National Council of Provinces and the National Assembly on the oversight role Parliament and other institutions or sectors of society could play in the country's response to the natural disaster that affected the KwaZulu-Natal province. The President urged Parliament to ensure that the resources reserved for social and economic relief





efforts and assistance following the floods reach the intended beneficiaries.

President Ramaphosa also held an engagement with representatives of political parties on 2 June 2022, to discuss the security situation in the country. The leaders of political parties had raised concerns about the findings of recent inquiries into components of the security apparatus, the unrest that affected KwaZulu-Natal and Gauteng in July 2021, crime and lawlessness in communities including escalating kidnappings.

On 9 June 2022, President Ramaphosa updated Parliament on the role of The Presidency in leading economic reconstruction and recovery and social transformation in the country. The President appraised the nation on the progress made against the stated goals of his 2022 SONA, when he presented the third Presidency Budget Vote of the Sixth Administration to the National Assembly in Cape Town, for the 2022/23 financial year.

On 18 November 2022, President Ramaphosa delivered an address entitled, *“Building agile state capabilities to improve service delivery outcomes”* to the NCOP Taking Parliament to the People session that took place in Port Shepstone in the Ugu District, KwaZulu-Natal.

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Bills assented to by President

The Criminal Procedure Amendment Act, 2021 (Act No 16 of 2021) was assented to on 4 February 2023. This was as a result of a Constitutional Court declaration on 14 June 2018, in the Centre for Child Law and Others Media 24 Limited and Others [2019] ZACC 46, that Section 154(3) of the Criminal Procedure Act 51 of 1977, was inconsistent with the Constitution to the extent that the provision does not protect the identity of child victims in criminal proceedings, and to the extent that it did not protect children beyond eighteen years

Thus the Criminal Procedure Amendment Bill amended Section 154(3) of the Act, by way of ensuring anonymity for a child accused or witnesses in criminal proceedings by preventing the publication of any information that discloses the identity of the child accused and witnesses. The Bill prohibits the publication of any information that reveals or may reveal the identity of a child accused or a witness or a victim, unless a court authorises the publication, and provides on-going protection to the child accused, witnesses and victims beyond the age of 18 years, unless the court authorises otherwise.

Other Bills assented to included in the period under review are:

- a. National Forests Amendment Bill.
- b. National Environmental Management Laws Amendment Bill.

President Ramaphosa undertook an information-sharing engagement with leaders of political parties in Parliament on 15 January 2023 to discuss the national energy crisis. This engagement was precipitated by the severe load-shedding which the country had been experiencing months before.. Load-shedding had escalated to stage 6 in the first week of January 2023, presenting a real threat to the economy and society. The President briefed the leaders of political parties on progress in the implementation of the Energy Action Plan, which aimed to address load-shedding and ultimately to achieve energy security, and which had been announced by the President in July 2022. The Energy Implementation Plan focused on two overriding priorities: firstly, to fix Eskom and improve the performance of existing power stations, and secondly, to add new generation capacity as quickly as possible.

President Ramaphosa delivered the annual State of the Nation Address (SONA) in Cape Town on 9 February 2023. The State of the Nation Address is delivered by the President in terms of Section 42(5) of the Constitution. SONA provides the President with an opportunity to address the nation on a wide range of political, economic and social issues, focusing on both domestic and international matters, and to reflect on the progress that government has made in executing its mandate, as well as to outline the priorities of government for the coming year.

The address further expounded on the challenges of load-shedding, unemployment, poverty and the rising cost of living, as well as issues of crime and corruption, emphasising that while there were no quick fixes to these challenges, the country has the capacity, the means and the wherewithal to overcome them.

The President addressed the National House of Traditional Khoi-San Leaders on 23 February 2023 in Parliament, and reiterated the importance of forging consensus among all sectors of society, including with the institution of traditional leadership, to rebuild the economy and address the developmental needs of communities.

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President Ramaphosa delivered the closing remarks at the Government Dialogue with the National House of Traditional and Khoi-San Leaders in Pretoria on 17 March 2023.

On the 30th of April 2022 the President addressed traditional leaders at the 08th national elective conference of the Congress of Traditional Leaders of South Africa (Contralesa). The President urged the Contralesa leadership, including its leadership candidates, on its 35th year anniversary, to continue to strive for a better life for their people, as they did with the struggle for freedom. He urged them to take the lead in the economic development of their areas, including through the InvestRural Strategy, to address succession disputes and to strive for gender equality in rural areas, including in respect to land ownership.

Enhancing evidence-informed policy decision-making/policy coordination

The launch of the South African Sustainable Development Goals Policy Support Initiative (PSI) took place on 6 June 2022. The PSI acts as the coordinating mechanism to bring together experts from academia and The Presidency to support and assist in capacity development to enable evidence-informed policy decision-making. Building on the South African Sustainable Development Goals (SDG) Hub's objective to connect South African policymakers with the best and most relevant South African research related to the SDGs, the PSI aims to draw such expertise from across the 26 public universities and translate these into a useable format for policy-makers.

Implementation of Digital Transformation in the Public Sector

The Presidency's role in digital transformation implementation differs from other departments. While not directly responsible for implementation, The Presidency plays a crucial role in coordinating and mobilising budgets and resources through relevant Cabinet Clusters. The Presidency provides support, creates concepts and presentations, and assumes a leadership role in overseeing the implementation of government's Programme of Action. As a dynamic working document, the Programme of Action will not undergo a formal signing and approval process; instead, it will continue to evolve during implementation.

Despite government pronouncements, progress in digital transformation has been slow. The absence of structured coordination across multiple departments and agencies at national, provincial, and local levels hinders the mobilisation, promotion, design, implementation, and enabling of digital transformation.

Efforts were made to prioritise digital government initiatives during events such as the Presidential Economic Cabinet Retreat (31 May – 2 June 2022) and the Extended Cabinet Lekgotla (2 – 3 February 2023).

The Presidency collaborated with the DPSA, DCDT, and SITA, resulting in the development of documents such as the Programme of Action, Proposed Governance Structure, and identification of public-facing services.

The Presidency also presented the draft Terms of Reference for the Digital Transformation in the Public Sector on 16 May 2022. The Presidency's Policy Research Services also presented before ICTS Cluster Sub Committee Tourism Trade and Security, the proposals for e-Government which aims to streamline coordination for e-government and digitisation.

Policy coordination and research services

In the year under review The Presidency conducted a synthesis evaluation on state capacity with a special focus on Directors-General and Heads of Department. This evaluation will be finalised in the coming financial year.

The Socio-Economic Impact Assessment System (SEIAS) assesses the socio-economic impact of policy initiatives, legislation, as well as regulations; thus minimising their unintended consequences including cost of implementation and compliance of policies.

For the period under review, a total of 261 Socio-Economic Impact Assessment System (SEIAS) reports were received and the SEIAS unit provided feedback on analyses to Departments for 258 reports (98,85%) within an average turnaround time of 19 days.

Some of the key policy proposals, in line with SONA commitments, which were subjected to SEIAS, were the National Electricity Regulation Amendment Bill, the Draft Policy on measures to restrict and regulate trade in ferrous and non-ferrous metal waste, scrap and semi-finished ferrous and non-ferrous metal products to limit damage to infrastructure and the economy, the Draft White Paper on the conservation and sustainable use of South Africa's Biodiversity, the Water Services Amendment Bill, the National Water Resource Infrastructure Agency Bill, and the National Infrastructure Plan 2050-Phase II.

The Presidency continued to track the implementation and progress of SONA and Izimbizo Commitments and coordinated progress reports on these. The Presidency made inputs on areas to be prioritised in the 2023 State of the Nation Address.

In the year under review, The Presidency commenced with an independent review of SONA commitments made from 2019 to 2022. Some of the recommendations were considered in the 2023 SONA. In the coming financial year, the focus of the review will extend to the implementation by provinces and municipalities of the commitments made by the President in SONA as well as those made by Premiers in State of the Province Addresses (SOPAs).



The Fight against corruption

On 1 February and 1 March 2022 respectively, the President received the second and third parts of the Report of the Judicial Commission of Inquiry into Allegations of State Capture (Zondo Commission) from the Commission's Chairperson, Chief Justice Raymond Zondo. The fourth volume of the report was received on 29 April 2022, while the fifth was received on 22 June 2022. On 12 October 2022, the President received the amended version of the commission report, which incorporated corrections made by the Commission's Chairperson, as authorised by the Pretoria High Court on the 4th of October 2022.

On 22 October 2022, the President submitted to Parliament, Cabinet's response to the recommendations of the Zondo Commission. An Independent Panel was established to conduct a preliminary enquiry relating to a motion proposing an enquiry in terms of Section 89 of the Constitution. Following the processing of the final report, on 23 October 2022 the President addressed the nation at length to outline the approach to the Commission's findings and recommendations, the methodology for developing the response plan and the implementation of the response.

The establishment of the National Anti-Corruption Advisory Council (NACAC)

In 2020, Cabinet adopted the National Anti-Corruption Strategy (NACS) 2020-2030 as recommended in Chapter 14 of the National Development Plan. Using six strategic pillars, NACS seeks to promote and emphasise prevention of corruption and to strengthen the work of law enforcement agencies. At the heart of the NACS is the importance of mobilising society behind the fight against corruption in a whole-of-government and society ethos. As a critical step to foster partnership between the state and non-state actors, the NACS called for the establishment of a National Anti-Corruption Advisory Council (NACAC) to serve as an advisory body to the President.

President Ramaphosa appointed the NACAC on the 29th of August 2022 for a term of three years. The Council comprises nine persons drawn from civil society, academia and labour; with diverse skills relevant to the fighting of corruption. The Council will work with government to fight corruption.

The mandate of NACAC is to advise the President on the implementation of the National Anti-Corruption Strategy (NACS) 2020-2030 by government, civil society and business sector, using a whole-of-government and society approach. The Council is also mandated to provide advisory input on matters related to government's comprehensive response to the recommendations of the Zondo Commission.

The functions of the Council are the following:

1. Advise on the implementation of the NACS 2020-2030;
2. Advise key role-players on the overarching thrust of the strategy;
3. Advise on the strengthening of South Africa's anti-corruption architecture;
4. Host the national anti-corruption summit(s), bringing together government, civil society, academia, business, and the public sector; and,
5. Advise the President on the implementation of the recommendations of the Zondo Commission, from a strategic and systemic perspective.

Coordination and monitoring mechanism in The Presidency for the recommendations arising from investigations by the Special Investigating Unit (SIU)

The Presidency continued to support the work of the Investigating Directorate of the National Prosecuting Authority, the Special Investigating Unit (SIU) and its Special Tribunal, the Fusion Centre and all state entities involved in the fight against corruption. The Presidency ensured that the recommendations contained in all SIU reports are systematically processed and sent on to the respective entities against which findings were made, and ensured that they were acted upon. Furthermore, The Presidency promptly processed all requests for the issuing of proclamations.

Given that the SIU submits an investigation report to the President once an investigation is complete, The Presidency has the duty to ensure that these reports do not just gather dust, but result in consequences for wrong-doers and measures to protect the state from future threats. In the 2022/23 financial year the SIU submitted 21 investigation reports to the Presidency, which were in turn referred to the responsible executives and accounting officers for implementation.

Outcome 3 – Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.

A key objective in The Presidency's mission statement, is the achievement of economic transformation and job creation. To this end, the Presidency leads and coordinates a range of programmes and stakeholders in various areas such as energy generation, broadband connectivity, infrastructure, employment stimulus and an investment drive among others, so as to make a marked change in economic transformation and job creation. Unemployment, poverty and the rising cost of living are now a serious concern. Axiomatic to addressing these matters effectively, is the need to grow the economy. In this regard, the President has urged all social partners to work in unison as a matter of urgency to address the immediate threats to our economy, such as the energy crisis.

The President leads a robust economic reform agenda, Operation Vulindlela, which seeks to fast-track the implementation of plans and programmes in a wide range of areas. In addition, through the RedTape Reduction Programme, government has embarked on a process of removing the logjams in the implementation of services across various departments nationally. This is intended to bolster efficiency, which will catalyse many economic services and create many more jobs and counter the tide of rising unemployment among the youth.

Energy Action Plan and establishment of National Energy Crisis Committee (NECOM)

In July 2022, the President announced the African Energy Action Plan (EAP), to be coordinated by a National Energy Crisis Committee (NECOM). The plan outlined five key outcomes to end load-shedding in the shortest possible time and achieve energy security in the medium to long term. Following his 2023 SONA, the President appointed a Minister in The Presidency for Electricity in March 2023. The Minister would be responsible for overseeing all aspects of the electricity crisis response, including the work of the NECOM. The Minister is, therefore, the single point of command for government's efforts to address the shortfall in electricity supply.

The establishment of the National Energy Crisis Committee (NECOM) supplanted the work of the Eskom Political Task Team, and will build on the solid foundation set by it. NECOM was tasked with overseeing the implementation of the Energy Action Plan to end load-shedding and achieve energy security over a 18-month period.

NECOM is tasked with the following objectives:

1. Address the immediate electricity supply shortfall and end load-shedding;
2. Improve the performance of Eskom's existing fleet and position it for future sustainability;
3. Implement a coordinated plan by law enforcement agencies to address sabotage, theft and fraud at Eskom;
4. Achieve medium and long-term energy security in the context of our climate commitments and growth;

Implementation of the Economic Reconstruction and Recovery Plan (ERRP)

Two reports on the ERRP implementation have been produced for the year under review. The reports include the highlights of the achievements and challenges in the implementation of the ERRP in the past six months. In the aftermath of COVID-19, government committed to reconstruct and transform, which entails building a sustainable, resilient and inclusive economy. Therefore, the ERRP reports on achievements in seven focus areas. These are energy security, supporting tourism recovery

and growth, land reform (which includes strengthening food security), aggressive infrastructure investment, water infrastructure, micro-economic interventions, SMMEs and localisation. The achievements reported have in the main been driven by massive resource mobilisation and regulatory changes. However, the enduring structural problems and the challenges of poverty and unemployment, threaten to undercut efforts to take the economy to pre-COVID levels and beyond.

Priorities in the Economic Reconstruction and Recovery Plan include the following:

1. Energy Security
2. Infrastructure rollout
3. Localisation through industrialisation
4. Food Security
5. Green economy
6. Land reform
7. Support for Tourism

1. Energy Security

To date, government has procured an additional 3583MW of electricity (from bid window 5 and 6) of which 450MW is under construction. In addition, 9000MW of electricity generation from 100 embedded generation projects by the private sector has been approved. Regarding embedded generation, we removed the licencing threshold for private investment in electricity produced. As at 5 September 2022, over 1 132MW of private renewable power generation have been registered, with a pipeline of over 6,000MW of projects at various stages of development. Eskom has connected more than 2 200MW to the grid through the conclusion of bid window 4 of the renewable energy programme, has approved 420MW thus far through bid window 5, while it opened bid window 6 to bidders for a further 4200MW of wind and solar power.

A number of initiatives are underway to add new generation capacity in the short term, (including cross-border power purchases, with 300MW already procured from SADC and an additional 1 000MW being negotiated) and to increase battery storage. A Transmission Development Plan has been completed to accomplish 2890km of new high voltage lines and 60 new transformers. A draft Electricity Regulation Amendment Bill, which seeks to reform the electricity sector as a whole, was published for public comment in February 2021. Also in process, are plans to expand and deepen tax incentives for rooftop solar installations which National Treasury has been asked to consider in the February budget.

2. Infrastructure rollout

With regard to infrastructure, nine infrastructure projects valued at R3.85 billion have been completed, R232.3 billion worth of projects are under construction and R134.2 billion



worth of projects were under procurement as at January 2023. The investment commitments targeted R1200 billion and have achieved R1140 billion (95%) covering 231 projects of which 71 have been completed, 86 are under construction and 40 in early-stage development.

Water Security

The National Water Resources Infrastructure Agency Bill was approved, and the backlog of water licence has been cleared. Mass employment projects benefited 1 071 251 042 people of which 83% were youth and 63% women. Skills development programmes has focused on critical skills for ERRP implementation strategy implementation. Third party access to the freight network has been initiated, and the Economic Regulation Bill has been passed, as some of the macro-economic enablers.

3. Localisation through industrialisation

Nine Master Plans have been completed and are being implemented. A total of 83 Small Enterprise Manufacturing Support Programme beneficiaries have been supported financially, creating 5006 jobs. As at 31 December 2022, the Township and Rural Entrepreneurship Programme disbursed R547 718 218 to 8 359 SMMEs, facilitating 12 172 jobs. With regard to climate change mitigation strategies, an amount of 657 182 290 USD has been mobilised from bilateral and multilateral sources to support the just transition framework in South Africa.

4. Food security

With regard to food production, 150 000 input and seeds vouchers were issued, unlocking 365 000 hectares of land for active food production. A total of 33 projects were also completed with respect to infrastructure assistance and equipment support such as irrigation and dipping tanks, among other.

5. Green Economy

6. Land Reform

A total of 700 000 hectares of land has been allocated to farmers. In terms of the Proactive Land Acquisition Strategy, 11 541 hectares of land were redistributed. Furthermore, 11 540 hectares of good agricultural land has been rehabilitated in land care initiatives. Efforts to improve sector skills have seen 361 farmers trained, 1183 unemployed youth enrolled in NARYSEC, and 2998 agricultural graduates benefitted from CASP. A total of 4346 extension officers have been appointed in order for them to ensure knowledge transfer to farmers.

7. Support for Tourism

The tourism industry generated increased income in accommodation, and 68% sales from food and beverage industries (increasing 22.9% in January-September 2022 compared to the same period in 2021). During this period, passenger arrivals and departures increased by 111.2% and 107.4% respectively.

Due to factors beyond the control of government, the cost of living continues to rise, driven as it is, by international increases in the price of agricultural inputs, fuel, and foodstuffs. Public investment has remained low due to fiscal constraints while there has been low private sector investment due to economic sentiment. Erratic energy supply, with over 3700 hours of load-shedding experienced during the past 12 months alone, has been a serious constraint to economic growth. These challenges will have an enduring negative impact on economic growth prospects and outlook, which has been reduced from the initial projection of 1.8% to 1.1% growth. Despite the efforts and achievements of the ERRP, structural problems and low economic growth still endure.

In view of the situation, it remains important for government to focus its interventions to offset the constraints outlined above. This entail further increases in infrastructure investment projects, accelerating social infrastructure development, and other catalytic fund projects for bulk infrastructure, all of which should change sentiment and stimulate private sector investment. A further area that will require work is in the green economy and in green industrialisation, for example, investment in the commercialisation of green hydrogen and the localisation of production of electric vehicles, battery storage technologies, and solar and wind infrastructure. For The Presidency, this may mean capacitating the Project Management Unit to ensure that ERRP projects are integrated across all spheres of government for effective and efficient project implementation.

An intensified focusing on support for SMMEs, small-scale farmers and small-scale miners will assist to achieve the desired transformation and structural changes in the economy. It is proposed that the Economic Sectors, Investment, Employment and Infrastructure Development (ESIEID) Cluster and Justice, Crime Prevention and Security Cluster (JCPS) Cluster should collaborate on security strategies to combat corruption, theft and vandalism of infrastructure. Yet a further area of focus should be to create a more enabling environment for all infrastructure projects through a review of regulatory challenges which pose onerous and sometimes unnecessary burdens on business, such as might be applicable when applying for permits and licences or to Environmental Impact Assessments (EIAs) and land rights approvals. It is almost a given that the localisation programme must be intensified. Lastly, funding should be provided for ERRP projects, particularly the commercialisation of research projects.



The ERRP hinges on strong social compacts and intergovernmental buy-in to grow the economy, protect the poor and vulnerable, but also on well-structured skills development which addresses the skills mismatch in the economy, and enhancing the capacity of the state.

Public employment and youth empowerment through the Presidential Employment Stimulus Programmes

The Presidency provides strategic oversight and support to departments responsible for implementing employment opportunities and livelihoods support through the Presidential Employment Stimulus (PES) and the Presidential Youth Employment Intervention (PYEI). The PES supports the goals of the PYEI by directly delivering employment opportunities for youth. In turn, the PYEI supports the PES through mechanisms such as its National Pathway Management Network.

Between April 2022 and March 2023, The Presidency facilitated a total of 662 930 public funded employment opportunities, livelihoods support and placements into private sector jobs through the Presidential Employment Stimulus and the Presidential Youth Employment Intervention. Overall, 83% of the opportunities facilitated through the PES and 100% of the opportunities facilitated through the PYEI were secured by youth.

The PES facilitated 648 426 publicly funded jobs and livelihood opportunities between April 2022 and March 2023. At 386 297 opportunities created, the Department of Basic Education's Basic Education Employment Initiative remains the flagship programme of the PES and an example of successful delivery of public employment programmes at scale.

The PYEI facilitated placements of young people into earning opportunities through the National Pathway Management Network which is led by the Department of Employment and Labour. In addition, over 4.1 million young people were registered on the National Pathway Management Network on the SA Youth and ESSA platforms as at March 2023.

The PYEI also facilitated 14 504 workplace experience opportunities for TVET graduates and learners as part of the demand-led skilling component that is led by the Department of Higher Education and Training.

The Presidency coordinated and provided support to national departments directly responsible for the implementation of the PES and PYEI. These implementing departments submit reports to the Presidency on a quarterly basis. While the Presidency review the submitted data for completeness, accuracy and consistency, direct verification of the participants directly is completed by departments who undertake verification processes internally or with implementing agents where appropriate, to ensure that the opportunities were indeed created and meet the stipulated requirements.

Fast-tracking economic reforms through Operation Vulindlela

Operation Vulindlela was established in October 2020 as a joint initiative of The Presidency and National Treasury to accelerate the implementation of structural reforms.

Working with a wide range of government departments and State-Owned Enterprises, Operation Vulindlela is driving a far-reaching economic reform agenda which will fundamentally transform South Africa's economy.

The report provides a summary update on progress in the implementation of priority reforms in the eight focus areas under Operation Vulindlela:

1. Electricity,
2. Transport,
3. Digital communications
4. Water,
5. Visa system
6. Mining rights
7. Hemp and cannabis
8. Titling system for subsidized housing

Significant progress on several important commitments, including the following key achievements to date include:

- Licensing threshold raised to enable private investment in electricity generation and create a competitive energy market.
- Backlog of water use licenses cleared and license application system re-engineered, unlocking billions of Rands in investment.
- Digital Spectrum auction concluded after a ten-year delay, enabling substantial new investment in telecommunications.
- Private sector participation introduced at container terminals, to crowd in investment and improve the efficiency of port operations.
- Comprehensive review of the work visa system completed, with recommendations to overhaul the system and attract skills and investment.
- New Critical Skills List published for the first time since 2014, which now includes new occupations such as in IT and other sectors where there is a shortage of skills.
- National Rail Policy adopted to guide the modernisation and reform of the rail sector, including third-party access to the network.
- Legislative reforms underway to create a transport economic regulator; reform the electricity sector; and establish a National Water Resources Infrastructure Agency.

Progress on reforms in the water sector as well as reforms to the visa system are going well, and are currently on track for full implementation, working with the relevant departments.





Progress on reforms in the electricity sector has been enabled by the Energy Action Plan and the establishment of the National Energy Crisis Committee, but needs to be accelerated further.

Reforms to the titling system for subsidised housing have been enabled through the establishment of a joint steering committee with the Department of Human Settlements.

Reforms in the digital communications sector, as well as the creation of an enabling environment for hemp and cannabis and the modernisation of the mining rights system, are significantly behind its targets.

The greatest challenges being experienced are within the transport sector, with some of the priority reforms having stalled.

1. Electricity:

The pipeline of private sector generation projects has increased to more than 9 000MW, following the removal of the licensing threshold and streamlining of regulatory processes. Project agreements have been signed for 2 800MW of projects from Bid Window 5 and Bid Window 6, with further bid windows for battery storage, gas, solar and wind to follow. A number of initiatives are underway to add new generation capacity in the short term, including Eskom's standard offer programme and cross-border power purchases.

However, the system remains under pressure due to a high level of breakdowns and unavailability of units at Medupi, Kusile and Koeberg power stations.

Further actions that are required in the sector, include the release of the Request for Proposal (RFP) for battery storage, which is awaiting a response from National Treasury for a request for Preferential Procurement Policy Framework Act (PPPFA) exemption. The project agreements for remaining projects from the Risk Mitigation Independent Power Producer Procurement Programme also need to be signed. Tax incentives for rooftop solar need to be expanded. The Electricity Regulation Amendment Bill need to be finalised and the draft Bill was published for public comment in February 2021. Several key changes are required to finalise the Bill before it is tabled before Cabinet and Parliament. Lastly, the unbundling of the transmission entity needs to be finalised. While the National Transmission Company has been established, a board has still not been appointed for the new entity.

2. Transport:

The White Paper on National Rail Policy was approved by Cabinet in 2022 to provide policy certainty in the rail sector. Transnet has issued an request for proposal for private sector

partnerships at the Durban and Ngqura container terminals to crowd in investment and improve port performance. However, historical under-investment in ports and rail infrastructure, mismanagement of Transnet over the past decade as well as an anti-competitive market structure have perpetuated poor performance of the sector. The volume of goods transported by rail in 2022 was the lowest since 1993, with inefficient freight transport costing the economy over R300 billion last year.

The establishment of the National Ports Authority as a subsidiary of Transnet still needs to be finalised. The President announced in June 2021 that the National Ports Authority would be established as an independent subsidiary with its own board, as required by the Ports Act. However, the term of the interim board has been extended, and no permanent board has been appointed.

Third-party access to the freight rail network needs to be implemented. The initial request for proposal for third party access was published by Transnet in April 2022 and did not attract interest from the private sector due to design flaws, and needs to be relaunched on terms that will enable investment in the rail network, including a duration of access longer than two years. In addition, Transnet have released a request for quotation for private sector partners to maintain and operate the NATCOR rail line.

3. Digital Communications:

Digital migration is necessary to free up spectrum in the 700MHz and 800MHz frequency ranges for mobile telecommunications, but has been delayed for over a decade. Until analogue transmission is switched off, the full benefits of the spectrum auction will not be realised.

The spectrum auction was successfully concluded in 2022, collecting more than R8 billion in revenue for the fiscus.

The Policy and Policy Direction on Rapid Deployment of Electronic Communications Networks and Facilities which will accelerate the rollout of telecommunications infrastructure such as fibre and towers, was published for public comment in September 2020. It has still not been gazetted for implementation despite having been approved by the Economic Sectors Employment and Infrastructure Development (ESEID) cluster for submission to Cabinet in February 2022.

4. Turnaround plan for water use licenses:

As a result of the turnaround plan for water use licenses supported by Operation Vulindlela, the backlog of water use license applications has been cleared. The Department of Water and Sanitation is now able to process 83% of licenses within 90 days.

Two key reforms in the water sector have progressed in the last quarter: the National Water Infrastructure Agency Bill and the revised Raw Water Pricing Strategy. Both documents have received public comments and are now being finalised.

The Water Partnerships Office is now operational through an agreement between the Department of Water and Sanitation and the Development Bank of Southern Africa (DBSA). This will enable greater private sector participation in the development and maintenance of water infrastructure while the agency is established.

The reinstatement of the Blue Drop, Green Drop and No Drop water quality monitoring system has enabled monitoring of water services at municipal level, supporting intervention where necessary.

5. Visa System

The revised Critical Skills List was published in 2022, including new occupations in IT, specialised medical roles and other sectors where skills are required. The eVisa system is now available in fourteen countries, including China, India, Kenya and Nigeria.

A comprehensive review of the work visa system has been completed, led by former Home Affairs DG, Mr Mavuso Msimang, with detailed recommendations for attracting skills and supporting economic growth.

The Department of Home Affairs is working on an implementation plan to take forward the recommendations of the Msimang Report, which should be finalised in due course. This will include revising the Immigration Regulations to incorporate the changes required.

Also a "remote worker visa," needs to be introduced, as several countries have now done, to provide a significant boost to tourism and economic growth. The work visa review also recommends a "start-up visa" to establish South Africa as a competitive location for high-tech, high-growth start-up companies to base their operations.

6. Mining rights system

The DMRE has a backlog of thousands of mining rights applications, some pending for as long as 5 years, with more than R100 billion in mining investment on hold due to issues related to the South African Mineral Resources Administration System.

The department recently announced that it would initiate a new process to procure a cadaster system. This process is being expedited as a matter of urgency.

7. Hemp and Cannabis

An Inter-Departmental Task Team has been formed to oversee the establishment of an enabling legal and regulatory environment for hemp and cannabis, including the development of a single Cannabis Bill. In the short term, interim measures need to be implemented to enable cultivation of hemp by small-scale farmers. These include simplifying and reducing permit requirements and increasing the allowable THC limit to 1%.

Expediting the issuance of title deeds for subsidised housing:

The current backlog in processing title deeds is over 1 million houses. As each RDP house is valued at R220,000, there is an estimated R242 billion in assets that should be in the hands of South Africa's poorest households.

A joint steering committee has been established with all relevant departments to address this backlog and implement reforms to the titling system to increase accessibility and affordability.

Priority reforms identified for enhancing the climate for business to operate through the Red Tape Reduction Programme

The *Ease of Doing Business* is an indicator that is used by the World Bank to rank countries according to their competitiveness for investment and business operations. As part of the investment drive The Presidency and Invest SA undertook a number of reforms to improve the country's ranking aiming for the country to be in the Top 50.

While South Africa's aim is no longer relevant given that the index was dropped by the World Bank in June 2022, President Ramaphosa in his February 2022 SONA, appointed Mr Sipho Nkosi to lead a red tape reduction programme located in The Presidency, to better co-ordinate the implementation of reforms which are cross-cutting in nature and address critical issues which encumber economic growth.

South Africa, through a partnership between the World Bank and InvestSA embarked on a series of reforms to create an enabling environment in support of President Ramaphosa's investment drive. The key areas of reform were:

The *Ease of Doing Business* which focussed on six priority reforms in which progress is reported below:

- Starting a Business;
- Dealing with Construction Permits;
- Registering Property and Paying Taxes;
- Paying Taxes;
- Trading across Borders; and,
- Visa Facilitation.



Government has a long-standing commitment to reducing obstacles to investment and business formation and growth. The Economic Reconstruction and Recovery Plan reiterates this through its objective of reducing the cost of doing business through regulatory changes framed as “cutting red tape”. This refers to the removal of unnecessary or excessively complicated regulations and inefficient administrative processes which not only create frustration but also increase compliance costs, especially for smaller businesses and organisations.

The objective of The Red Tape Reduction (RTR) Team in The Presidency is to make tangible progress in the short- to medium term to reduce excessively complex rules, regulations, procedures and processes that inhibit economic growth and job creation in the economy. The RTR team was tasked to work with other departments such as the Department of Small Business Development and the Department of Trade, Industry and Competition, agencies, other relevant role-players across government, the private sector, and community-based organisations, to remove specific obstacles to investment and business growth.

The RTR team held a workshop with government departments and entities on 15 June 2022 to develop a programme and key priorities. For the 2022/23 financial year, three high impact focus areas were earmarked for material progress by the end of 2022, these being: the issuing of tourism travel permits; the mining and prospecting rights license system; and work permit and visa administration.

1. Tourism transport operators are required to have operating licenses and, in some cases, accreditation in terms of the National Land Transport Act. However, many applications remain pending despite having been lodged years before. While the Department of Tourism has made good progress in addressing the backlog, a more comprehensive systems and process approach is required.
2. The growth of the mining industry in South Africa has been hindered by the lack of a modern system to administer mining and prospecting licenses applications. The RTR team intervened with the DMRE to address this long-standing challenge, which resulted in the recent announcement by the Department, widely welcomed by the industry, that a cadastre system was to be procured.
3. In terms of the processing of work permit applications, the RTR Team, InvestSA, and the Department of Home Affairs addressed the backlog in permit applications and continues to improve the system to deal with new applications as well as implementing other recommendations to improve efficiency.

The RTR Team has also commenced work on two further focus areas, namely regulations inhibiting the development of the Early Childhood Development sector; and the impediments

to economic activity, especially, trading in the townships. The latter is being pursued with the National Planning Commission.

There is also a provincial focus on Red Tape Reduction, initiated by the Department of Small Business Development, and in engagements with Offices of the Premier.

Driving and Investment promotion and growth through the annual investment drive

The investment drive was launched by President Ramaphosa in April 2018 with an objective of raising R1.2 trillion of foreign and domestic investment over 5 years, through a variety of engagements led by the President, Ministers, and Investment Envoys, and culminating in the SA Investment Conference. InvestSA is the main entity charged with coordinating the investment drive together with The Presidency, while the target is a reference to investment pledges made during the year:

Investment Envoys have held multiple investor engagements, locally and abroad, addressed conferences and appeared in the media. They have represented South Africa’s interests and noted investor concerns which they have, in turn, conveyed to government. The COVID-19 pandemic severely disrupted the Envoys activities for two years, in particular the ability to meet investors in person and travel abroad.

Four investment conferences have been held, in-person and in hybrid format, and the event is now established on the investor calendar. The first three SA Investment Conferences generated investment commitments of R773 billion, made up of R299 billion, R364 billion, and R110 billion. Investment Commitments of R367 billion were made in the course of the past year, comprising,

1. 79 projects announced with a value of R332.2 billion
2. A number of expansions (R47.6 billion) and reductions/cancellations (R12.9 billion) were recorded resulting in a net announcement value of R366.8 billion.

Of these new announcements, a number are from companies that made commitments in previous years and are now already expanding on those investments including Proctor & Gamble (2018,2020); Teraco (2019, 2020), SA Steel Mills (2020), Aspen (2018), Telkom (2019, 2020); SCAW Metals (2019, 2020); Renergen (2019); Anglo American (2018); Ivanhoe Mines (2019, 2020) and Defy (2019).

The total investment commitments since 2018 amount to R1.140 trillion, which is 95% of the target set, indicative that government being on track to reach the target of R1.2 trillion by 2024 and will likely exceed the target.

The fifth SA Investment Conference took place in April 2023, which set a target of attracting more than R2 trillion in new investment by 2028.

Fast-tracking land reform and agricultural support programme

The constitution places a responsibility on the state to undertake land reform in a responsible manner, towards ensuring restorative land justice, social cohesion and nation building, in order to redress the historical imbalances. Unquestionably, investing in land is a way to boost economic activity, which has guided policy discussions about the nature of such investments and issues of tenure security, particularly for women and young people.

Sustainable land use needs to be promoted to ensure economic growth, social and economic transformation, food security, and the sustainable use of the nation's natural and mineral resource base.

Spatial planning is at the core of the land reform programme to address past injustice and a sustainable development path is being created using the National Spatial Development Framework (NSDF), while other spatial frameworks in other spheres of government, serve as a roadmap, inform decisions on land reform, and ultimately the potential of land in South Africa.

The Presidency, through the Office of the Deputy President, oversees the fast-tracking of the land reform programme. The role of the Inter-Ministerial Committee on Agriculture and Land Reform is to create an enabling environment through policy and legislation based on the following pillars:

- Integrated Land Administration;
- Spatial transformation and development planning;
- Strategic acquisition, release and allocation of land; and,
- Integrated post settlement support.

The Department of Agriculture, Land Reform and Rural Development plays a strategic role in this priority area given that land reform and agriculture is seen as key drivers of economic growth and employment creation, food security, agrarian transformation, rural development and support for industrial development.

However, the challenges facing the sector are numerous: rising input costs, an uneven international trade environment, lack of access to infrastructure (rail, harbour, electricity), and a rapidly changing policy and production environment.

700 000 hectares of state land were identified for redistribution, and advertisements were circulated to the public in October 2022. A total of 659 602 hectares of land were considered and approved for allocation which translates to 1 459 farms.

The Presidential Employment Stimulus initiative has prioritised the support of small-scale farmers to buy seeds, fertiliser and equipment through vouchers to boost food security and agricultural reforms. While the production of food at a household level is important, greater emphasis is being placed on ensuring access to markets as part of the farmer support programme in order to get food into the economic value chains for income generation.

Supporting the work of the Human Resource Development Council

Continuous skills development and innovation are critical for any country's economy and advancement. In this regard, government continues to implement the Human Resource Development Strategy that seeks to address blockages in the country's human resource development pipeline. This is in direct response to the needs of building the strong human capital potential to sustainably grow the economy.

Government, working together with all sectors of society, continues to intensify efforts for meaningful participation of citizens in the economy, through stimulating and supporting entrepreneurship and in creating employment opportunities. This necessarily translates into more targeted investment in the education and enablers for self-improvement for all, to ensure reading for meaning as a measure to produce a globally competitive country.

At the level of The Presidency, these efforts continue to be coordinated and monitored through the multi-sectoral Human Resource Development Council (HRDC), which is responsible for overseeing the implementation of the country's Human Resource Development Strategy: Towards 2030. This work also extends to ensuring the alignment of the Human Resource Development Council structures at national and provincial levels to ensure the advancement of the country's skills development agenda.

The Deputy President has also led the reconstitution of the HRDC for the 2019 to 2024 term, including the appointment of the two Deputy Chairpersons, representing organised labour and business sectors respectively, and the appointment of the Council's Executive Committee.

Through the intervention of the Deputy President, the current HRDC has been constituted to include representation of five specific economic sectors to ensure concerted efforts towards addressing the challenge of youth not in employment, education or training. The economic sectors prioritised for the current term are: Agriculture and Agro-Processing; Mining and Minerals; Forestry; Tourism; and Manufacturing.

The 10-year review of the HRDC was successfully completed, and subsequently, the Human Resource Development Strategy was reviewed in 2022 to ensure alignment and responsiveness to the needs of the 21st century.



This period also saw the commencement of the development compacts in an effort to strengthen partnerships between government and social partners in responding to skills required to enable greater participation within sectors of the economy. These compacts specifically focus on the skills required for: Building the Foundation for a Transformed Economy and Society; Building the Skills for a Transformed Economy and Society; and Building a Capable Developmental State.

Social Compact Framework

In his 2022 State of the Nation Address, President Ramaphosa issued a call to the nation for a social compact emphasising the need for social partners to collaborate with additional impetus to address the immediate crises the country faces and to create conditions for long-lasting socio-economic development that leave no one behind.

The Social compact process is still underway, with no agreement concluded as yet. A ministerial commitment and social partner leaders have agreed that the Social Compact will be concluded in the early part of the fourth quarter but the target was not met due to divergent views from social partners on the social compact.

The Presidency's target on this indicator was to provide four reports on the implementation of the comprehensive social compact programme.

The negotiations towards a comprehensive Social Compact are well underway with seven-a-side from Government, Labour, Business and Community forum to discuss this key area of focus. A Social Compact Framework document has been agreed on by all parties. Several social compacts have been signed at a sectoral level, including: the Eskom Social Compact; Masterplans in Sugar, Poultry and other industries; and the social compact with Civil Society. Key priority issues driving these compacts, which almost all stakeholders agree on, are: the energy crisis, fighting crime and corruption, alleviating poverty and unemployment, and enhancing social protection. Sectoral compacts are critical for enhancing and supporting the process of advancing a comprehensive social compact. Accordingly, there is broad consensus on the priority interventions.

A few challenging areas are holding up the signing of a comprehensive social compact. Government has taken the view that social compacting should be the way forward to allow for sectoral level compacts to be signed and not only pursue a comprehensive social compact. This position was articulated in the February State of the Nation Address. Social compacting brings together stakeholders who have to be flexible and to collapse their conflicting interests and agendas. It has also been emphasised that all must have a clear implementation plan, with key deliverables and timeframes.

Draft NIP 2050 Phase II was developed by June 2022

The Draft NIP 2050 Phase II, which focuses on distributed/municipal infrastructure and social infrastructure, was developed following a comprehensive consultation process. It offers high level strategic guidance to strengthen the vision and delivery of infrastructure in support of the National Development Plan (NDP) and Constitutional objectives for employment, growth, poverty reduction and equity. The document was gazetted for public comments in October 2022. Additionally, a series of public consultation sessions with various stakeholders in the infrastructure sector were held. These consultations included sector departments such as Human Settlements, Cooperative Governance and Traditional Affairs, South African Police Service, Basic Education, Transport, municipalities, all provincial governments, key public entities such as the Municipal Infrastructure Support Agent, Housing Partnership Fund, several water boards as well as private sector organisations, including the Black Business Council and Business Leadership South Africa. The NIP 2050 Phase II was subsequently approved by the ESIEID DG Cluster on 16 February 2023 for submission to ESIEID Cabinet Committee and Cabinet for approval.

Country Investment Strategy

Following an extended public consultation period during the course of 2022, the draft Country Investment Strategy (CIS) has been revised and will be put forward for Cabinet consideration in the new financial year. Government consulted widely on the CIS, including with stakeholders from the private sector, business associations, multilateral and regional organisations, organised labour, regulators, NEDLAC, academia, and foreign missions, amongst others. This robust and rigorous process resulted in vast improvements to the CIS.

South Africa's Investment Strategy aims to position South Africa as Africa's leading investment destination, by leveraging Foreign Direct Investment and Domestic Direct Investment to achieve South Africa's National Development Plan transformation goals of driving economic growth, increasing employment, reducing inequality and decreasing poverty, supporting a just transition to a low-carbon economy; anchored by quality institutions and robust economic networks. This is in response to the country's important endeavour of advancing its National Development Plan target of 30 percent of Gross Fixed Capital Formation to Gross Domestic Product by 2030, with public sector investment required to reach 10 percent of GDP.

The CIS aims to create a fully integrated and co-ordinated approach to investment by aligning government priorities and channelling investment towards areas with the greatest growth potential, supported by aptly co-ordinated incentive schemes. South Africa's CIS seeks to align policy priorities and plans supported by an enabling regulatory environment and further supported by an institutional landscape that is conducive to



driving the type of investment the country needs. Importantly, the CIS recognises six drivers to investment, namely; localisation and economic resilience, infrastructure investment, African integration, the green transition, exports, and innovation, in addition to identifying priority sectors and strategic investment opportunities.

The successful implementation of the CIS is dependent on the collective buy-in of all stakeholders within and outside of government; with the Presidency tasked with leading and overseeing the process supported by a well-resourced InvestSA as the country's investment promotion agency. The successful implementation of the CIS will require appropriate capacity-building initiatives across the state. The implementation of the CIS will be overseen by five workstreams running in parallel and includes a one-year implementation plan which includes immediate actions assigned to departments and entities with timelines. The CIS medium-term plan defines and refines a longer planning window of actions as identified in the one-year implementation plan.

Outcome 4: Advanced South Africa's global and continental relations through effective leadership and coordination of efforts

The Presidency provided support to the President and Deputy President in respect of multilateral and bilateral meetings, state visits, international obligations and peace-making missions on the continent.

In his international relations activities and duties as Head of State, the President was supported in a total of 43 international and regional engagements, working and official visits. Some of these international engagements were conducted virtually.

As one of the engagements held, the President addressed the Department of International Relations and Cooperation (DIRCO) 2022 Heads of Mission Conference (HoMC22) on 7 April 2022, which was a platform for strategic discussion among South Africa's internationally deployed senior diplomats. The conference theme was "*Positioning South Africa's diplomacy globally to advance domestic priorities in a post-COVID-19 era.*"

South Africa's envoys were briefed on the strategic mandate and objectives of the current administration, with a special focus on the country's economic recovery initiatives outlined during the 2022 State of the Nation Address.

Various ministers also briefed the HoMC22 on their departmental programmes and outlined the support South Africa's representatives around the world were expected to provide for the realisation of government's Economic Reconstruction and Recovery Plan to address the triple challenges of unemployment, poverty and inequality.

The discussions also included an assessment of the global situation and the identification of noteworthy trends and dynamics in the context of South Africa's foreign policy and DIRCO's programme of international relations.

The Presidency is also working to strengthen and consolidate South-South relations in advancement of national and continental priorities. A key priority for the year ahead is to ensure the successful hosting of the BRICS summit, and following that, the successful hosting of the G20, for which we are developing a detailed plan of action.

BRICS is a grouping of five major emerging economies - Brazil, Russia, India, China and South Africa - which together represent about 41% of the world's population, 26% of the planet's land mass across four of the continents, 25% of global GDP and 20% of world trade. The leaders will focus on strengthening intra-BRICS relations and mutually beneficial cooperation across the BRICS pillars of cooperation, namely; political and security, economic and finance, social, and people-to-people partnership. The Summit will receive reports from the BRICS National Security Advisors, the Chair of the BRICS Business Council, the Chair of the BRICS Women's Business Alliance, and the President of the New Development Bank.

Relations with the North will also be leveraged in keeping with our national interests. South Africa has had considerable success in promoting the interests of Africa in multilateral fora such as the G20 and BRICS. As the only African country in these fora, as well as being one of the top 10 strategic partners of the EU, South Africa continues to place the African continent and the Global South on the agenda.

Chairperson of the SADC Organ on Politics, Defence and Security Cooperation

As a demonstration of our commitment to peace and security, South Africa assumed a two-year membership of the African Union Peace and Security Council in April last year. This came at a time when the African continent is faced with a myriad of challenges, including the rise in incidents of terrorism, violent extremism, and radicalisation. This has now become prevalent in all African regions, including in the southern African and Sahel regions.

The Presidency, through DIRCO will aggressively embark on economic diplomacy to contribute in a more direct and concrete manner to achieve socio-economic development and growth, primarily by utilising the resources it has in its missions abroad. DIRCO will become a catalyst and operate as a networking agent for "South Africa Incorporated".





Multilateralism remains a focal point of South Africa's foreign policy, and government will continue to promote an equitable rules-based multilateral system, and advocate for the reform of global governance institutions. The UN Security Council does not reflect current global political and economic realities, and a key priority is to advance the reform of the existing global governance architecture with a view to improving its responsiveness to the needs of developing states. Last year South Africa was elected to serve on the UN's Human Rights Council for a three-year term commencing on 1 January 2023. South Africa's participation in the Human Rights Council for the period 2023 - 2025 will continue to be informed by our strategic objectives.

A key priority is to work towards a united and politically cohesive African continent that enjoys shared prosperity and sustainable development. To achieve this, government will support the implementation of the African Continental Free Trade Agreement, and our missions will prioritise growing intra-African trade.

President Cyril Ramaphosa led the South African delegation at the 36th Ordinary Session of the African Union (AU) Assembly of Heads of State and Government held on 18 and 19 February 2023 in Addis Ababa, Ethiopia under the theme: "Acceleration of Africa Continental Free Trade Area (AfCFTA) Implementation.

The Assembly took stock of the progress made thus far in the implementation of the AfCFTA and an update from South Africa.

As AU COVID-19 Champion, President Ramaphosa presented a report including proposals on how the Africa Centre for Disease Control can be strengthened and on measures adopted to better prepare the continent for pandemics. Under the leadership of the AU COVID-19 Champion, more than 500 million doses of COVID-19 vaccines were acquired and the uptake has more than tripled. The local production of vaccines was also a major achievement.

The AU Assembly considered various thematic areas and governance rules as well as the election of the AU Bureau for 2023.

In pursuit of the African agenda of building a stable, secure and peaceful Africa, South Africa committed to support South Sudan on post-conflict reconstruction and development efforts, especially in establishing strong and resilient institutions to anchor democratic governance, peace, security and stability.

Working with Regional Special Envoys to South Sudan and Guarantors of the Revitalised Agreement on the Resolution of the Conflict in the Republic of South Sudan, South Africa

continued to assist the South Sudanese people to rebuild trust amongst parties to the peace agreement and to find solutions to their challenges through dialogue, as well as to assist them to constitute the Revitalised Transitional Government of National Unity.

Outcome 5: Functional, effective and integrated Presidency's administrative systems towards an organisation enabled to achieve its outcomes.

Clean audit outcome

The Presidency last obtained a clean audit in 2014. Progressively since then, The Presidency prioritised the improvement of internal controls and the addressing of identified control deficiencies which resulted in a clean audit outcome for the 2021/22 financial year, which was announced by the AG on the 31st of July 2022.

Information and Communication Technology Modernisation Strategy

The Presidency's Information and Communication Technology (ICT) Modernisation Strategy aims to digitalise and modernise business processes in the organisation, so as to promote efficiencies and effectiveness in the operations.

A key component of the modernisation project is the automation of business processes, the upgrade of key ICT infrastructure and security, and the development of a data centre within The Presidency.

Reconfiguration of The Presidency

The Presidency's reconfiguration project is aimed at repositioning The Presidency, as the strategic centre of government, to enhance its leadership role and technical capacity to provide efficient and effective support to the political principals to deliver on their mandates.

The project will ensure that the strategic centre is "fit-for-purpose" and that all entities in the strategic centre are maximizing the benefits of the collective expertise to support the President and Deputy President in the execution of their responsibilities.

The Reconfiguration Task Team was appointed in 2020 to oversee the implementation of this project. The Presidency partnered with GTAC to assist the organisation with the development of proposals through a series of strategic discussions on the future service delivery model and configuration of the strategic centre of government.

In the year under review The Presidency prioritised consultations on the proposals made for an enhanced service delivery model

for the strategic centre of government. The reconfiguration will therefore be implemented in a phased manner, starting initially with identified quick wins to improve critical capacity required for the operations of The Presidency

On 6 March 2023, the President announced a number of changes to the National Executive. Of relevance to The Presidency was the establishment of two new ministries in The Presidency, namely the Minister in The Presidency, supported by two Deputy Ministers, and the Minister of Electricity.

The Minister in The Presidency is responsible for Budget Vote 1, and oversight over The Presidency, Statistics South Africa (Stats SA), State Security Agency (SSA), and the Government Communication and Information System (GCIS) which includes the Media Development and Diversity Agency (MDDA) and Brand South Africa.

The Minister in The Presidency for Electricity provides leadership and coordination over the work of NECOM and the Government's overall response to the energy crisis. This includes:

1. Directing the work of and providing technical inputs to NECOM's ten workstreams;
2. Interacting with industry stakeholders, domestic and international investor communities, multi-lateral development banks and development finance institutions;
3. Interacting with the Board and Management of Eskom, including the Power Station Managers, Unions and Staff;
4. Leading the public campaign to build awareness for the work of NECOM, the interventions being undertaken to reduce the intensity and severity of load-shedding in the short term, whilst laying the basis for the medium to long-term objective of achieving energy security;
5. Leading and directing the process of introducing and processing the legislative requirements for streamlining energy policy, regulatory requirements and approvals to strengthen the case for new energy generation to meet our projected demand;
6. Leading and directing a strategic approach for medium to long-term demand modelling, the computation of an appropriate energy mix, and the requisite transmission and distribution infrastructure to facilitate affordable universal access to energy.

Improving organisational performance and productivity

To ensure that the productivity of its staff and the organisation's performance are optimised, The Presidency began to undertake productivity assessments in 2022/23 with the assistance of Productivity SA. This process will continue in 2023/24.

2.2 Organisational environment

During the period under review, The Presidency set out to re-configure its organisational structure to one that is fit-for-purpose, geared to deliver on its mandate and positioned for leading and supervising government towards the achievement of the strategic agenda of government. The Government Technical and Advisory Centre (GTAC), as the appointed partner in the project, prioritised consultations on the proposed service delivery-model approaches for the strategic centre of government.

After consultation with various stakeholders, it was decided that the reconfiguration process should be implemented using a phased-in approach; starting with the following identified areas for business optimisation in the 2023/24 financial year:

1. Capacitating the Policy and Research Services (PRS) Branch, to enable it to better provide high-level advice to the President and Deputy President on strategic matters and to support informed policy decision-making in government in all areas of government's Medium-Term Strategic Framework (MTSF).
2. Capacitating the Project Management Office (PMO), with highly specialised technical teams to better support the effective delivery on government's mandate.
3. Strengthening of the Executive decision-making structure of government to ensure improved government planning, decision-making, and service delivery.
4. Establishing a centralised, shared secretariat function that will effectively support various leadership and coordination structures in The Presidency, to improve integration and implementation of government resolutions, and to ensure the continuity and preservation of institutional memory.
5. Strengthening the capacity and capability of the Cabinet Office to strategically influence the agenda of Cabinet; and analyse proposed policies tabled before Cabinet to ensure alignment with and achievement of the goals of the MTSF. This will also include exploring the re-establishment of a Cabinet Operations section that will be responsible for the coordination and monitoring of the Legislative Programme in support of the Leader of Government Business.
6. Capacitate the Office of the Director-General by transferring critical functions, located elsewhere to resource and capacitate the critical new function of Head of the Public Administration (HOPA). Cabinet had resolved that the Director-General in The Presidency, as the Chairperson of FOSAD and HOPA, should oversee and coordinate operational and administrative matters on performance agreements and matters related to career incidences of all national Directors-General.

The Presidency prioritised the filling of the critical vacancy of the Chief Operations Officer through the process of headhunting, and a candidate has been appointed with effect from 01



September 2023. The post of Chief Financial Officer became vacant during the period under review and is earmarked to be filled in the 2023/24 financial year.

The vacancy rate increased from 22.53% in the 2021/22 financial year to 25.70% for the period under review. In view of the impact of the continued high vacancy rate, The Presidency took a decision to lift the moratorium on the filling of vacancies and fill posts identified as critical.

The Presidency contracted Productivity SA, an entity of the Department of Labour and Employment, to conduct a productivity assessment and culture survey to improve productivity and the culture of The Presidency and develop and implement the business turnaround strategy to improve business efficiencies and productivity as well as culture in The Presidency. The project will conclude in May 2023.

2.3 Key policy developments and legislative changes

In the year under review, there was one major introduction to policies, that have affected the operations of The Presidency. In July 2022, the President announced the South African Energy Action Plan (EAP), coordinated by the National Energy Crisis Committee (NECOM). The plan outlined five key outcomes to end load-shedding in the shortest possible time and achieve energy security in the medium to long-term.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Presidency set itself five outcomes to be achieved by 2025, namely:

1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.
3. Facilitated investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.
4. Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.
5. Functional, effective, and integrated Presidency's administrative systems towards an organisation enabled to achieve its outcomes.









PROGRAMME OF ACTION IMPLEMENTATION TABLES

CABINET AND CABINET COMMITTEE MEETINGS IN 2022/23

Justice Crime Prevention and Security:	8
Governance, State Capacity and Institutional Development:	6
Economic Sectors, Investment, Employment and Infrastructure Development:	14
Social Protection, Community and Human Development:	11
International Cooperation, Trade and Security:	10
Joint meeting of all Cabinet committees	4
Cabinet (including extended planning meetings: Makgotla):	20
Special Cabinet Meetings	11
Treasury Committee meetings	1
TOTAL	85

FOSAD CLUSTER AND MANAGEMENT COMMITTEE MEETINGS IN 2022/23

Justice Crime Prevention and Security:	7
Governance, State Capacity and Institutional Development:	7
Economic Sectors, Investment, Employment and Infrastructure Development:	11
Social Protection and Community Development:	11
International Cooperation, Trade and Security:	10
FOSAD Manco	6
FOSAD planning workshops:	2
TOTAL	54



EXECUTIVE ACTS OF THE PRESIDENT | APRIL 2022 – 31 MARCH 2023

PRESIDENTIAL ACTS PROCESSED IN 2022/23

TYPE	NUMBER
Foreign visits by Ministers	207
Leave of absence by Ministers	7
Foreign visits by Deputy Ministers	132
Leave of absence by Deputy Ministers	11
Acts of Parliament assented to	27
TOTAL	384

PRESIDENTIAL MINUTES PROCESSED IN 2022/23

TYPE	NUMBER
Proclamations	58
Normal pardons	52
International agreements	55
Appointments and other Executive Acts	219
Employment of members of the Defence Force	8
TOTAL	383



BILLS SUBMITTED TO CABINET (1 APRIL 2022- 31 MARCH 2023)

NAME OF MINISTRY	NAME OF THE BILL	DATE OF SUBMISSION OF BILL TO CABINET
Agriculture, Land Reform and Rural Development	Deeds Registries Amendment Bill, 2022	17 August 2022
Cooperative Governance and Traditional Affairs	Traditional Affairs General Amendment Bill, 2022	22 June 2022
Communications and Digital Technologies	Electronic Communications Amendment (ECA) Bill	29 March 2023
	South African Post Office (SAPO) Amendment Bill, 2022	30 November 2022
	South African Broadcasting Corporation (SABC) SOC Ltd Amendment Bill, 2022	30 November 2022
Finance	2023 Division of Revenue Bill	8 February 2023
	2023 Appropriation Bill	8 February 2023
	2022 Division of Revenue Amendment Bill	4 October 2022
	Municipal Fiscal Powers and Functions Amendment Bill, 2022	17 August 2022
	Financial Matters Amendment Bill, 2022	17 August 2022
	General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Bill, 2022	17 August 2022
Health	The Tobacco Products and Electronic Delivery Systems Control Bill, 2021	21 September 2022
Home Affairs	National Identification and Registration Bill, 2021	15 February 2023
	One Stop Border Post Bill, 2022	15 February 2023
Justice and Correctional Services	Judicial Matters Amendment Bill, 2023	15 March 2023
	Criminal Law (Sexual Offences and Related Matters) Amendment Bill, 2022	30 November 2022
	Constitution Eighteenth Amendment Bill, 2022	30 November 2022
	Repeal of the Transkeian Penal Code, 2022	30 November 2022
	Drugs and Drug Trafficking Amendment Bill, 2022	17 August 2022
Mineral Resources and Energy	Draft Electricity Regulation Amendment (ERA) Bill, 2021	29 March 2023
	Mine Health and Safety Amendment Bill, 2022	25 May 2022
Police	Independent Police Investigative Directorate (IPID) Amendment Bill, 2022	21 September 2022
	Protection of Constitutional Democracy against Terrorist and Related Activities Amendment Bill, 2022	22 June 2022
Public Service and Administration	Public Service Amendment Bill, 2023	29 March 2023
	Public Administration Management Amendment (PAMA) Bill, 2023	29 March 2023
Sport, Arts and Culture	The National Sport and Recreation Amendment Bill, 2022	30 November 2022
The Presidency	Statistics Amendment Bill, 2020	19 October 2022
Transport	Merchant Shipping Bill, 2022	19 October 2022
Water and Sanitation	National Water Resources Infrastructure Agency (NWRIA) Bill, 2022	17 August 2022
Women, Youth and Persons with Disabilities	National Council on Gender Based Violence and Femicide (GBVF) Bill, 2022	21 September 2022

ADVISORY SUPPORT SERVICES

ADVISORS TO THE PRESIDENT (1 APRIL 2022 – 31 MARCH 2023)

NAME	DESIGNATION
Adv Nokukhanya Jele	Legal Advisor
Mr Steyn Speed	Political Advisor
Prof. Olive Shisana	Social Policy Advisor
Dr Sydney Mufamadi	National Security Advisor
Ms Donne Nicol	Special Projects Advisor
Ms Gertrude Makhaya	Economic Advisor (Resigned in April 2023)
Ms Maropene Ramokgopa	International Relations Advisor (Resigned in March 2023)
Dr Bejani Chauke	Political Advisor (Resigned in February 2023)

ADVISORS TO THE DEPUTY PRESIDENT (1 APRIL 2022 – 31 MARCH 2023)

NAME	DESIGNATION
Mr Thulani Mdakane	Special Advisor
General Mulangi Mphogo	Special Advisor
Mr Madala Masuku	Special Advisor
Mr Jabulani Maduma	Special Advisor

ENGAGEMENTS INVOLVING THE PRESIDENT (1 APRIL 2022 – 31 MARCH 2023)

No	DESCRIPTION	COUNTRY	INCOMING/OUTGOING	DATE
1.	SADC Organ Troika Summit Plus (SAMIM)	RSA	Incoming	12 April 2022
2.	Meeting with Envoys for the Global Steering Committee for the campaign for nature	RSA	Incoming	22 April 2022
3.	State Visit	Guinea-Bissau	Incoming	28 April 2022
4.	Funeral of the late President Kibaki of Kenya	Kenya	Outgoing	29 April 2022
5.	AU Bureau Teleconference with African Vaccine Manufacturing Countries	Senegal	Outgoing	10 May 2022
6.	Global COVID-19 Summit convened by President Biden	USA	Outgoing	12 May 2022
7.	5 th Global Conference on the Elimination of Child Labour	RSA, Durban	Incoming	15 May 2022
8.	Visit to South Africa by the German Chancellor Olaf Scholz	Germany	Incoming	24 May 2022
9.	AU Extraordinary Summit on Terrorism and Unconstitutional Change of Regime in Africa	Equatorial Guinea	Outgoing	28 May 2022
10.	14 th BRICS Summit	China	Outgoing	23 – 24 June 2022
11.	G7 Summit	Germany	Outgoing	27 – 28 June 2022
12.	7 th Summit of the Southern African Customs Union (SACU)	Botswana	Outgoing	30 June 2022
13.	4 th Mid-year Coordination Meeting of the AU and the RECs	Zambia	Outgoing	17 July 2022
14.	Visit of EU Council President Charles Michel	RSA	Incoming	19 July 2022.
15.	Extraordinary SADC Organ Troika Summit Plus - Eswatini	RSA	Incoming	POSTPONED
16.	Incoming Cote d'Ivoire State Visit	Cote d'Ivoire	Incoming	22 July 2022
17.	Botswana Business Forum	Botswana	Outgoing	4 August 2022
18.	SADC Summit	DRC	Outgoing	16 – 18 August 2022
19.	Meeting with Former PM Helen Clark (PMNCH and Global Leaders' Network)	New Zealand		25 August 2022
20.	Funeral of the late Former President of Angola, HE Jose Eduardo dos Santos	Angola	Outgoing	28 August 2022
21.	Working visit to the United States	USA	Outgoing	16 – 17 September 2022
22.	State Funeral of HM Queen Elizabeth II	UK	Outgoing	18 – 19 September 2022
23.	State Visit	Saudi Arabia	Outgoing	15 – 16 October 2022
24.	Official visit by Prime Minister Pedro Sanchez of Spain	Spain	Incoming	27 October 2022
25.	Inauguration of PM Elect of Lesotho	Lesotho	Outgoing	28 October 2022
26.	COP 27	Egypt	Outgoing	7 – 8 November 2022
27.	State Visit	Kenya	Outgoing	8 – 9 November 2022
28.	G20 Summit	Indonesia	Outgoing	14 – 16 November 2022
29.	State Visit	UK	Outgoing	22 – 24 November 2022
30.	World Economic Forum (WEF)	Davos, Switzerland	Outgoing	17 January 2023 President Cyril Ramaphosa cancelled his travel plans to Davos, Switzerland, in order to deal with the load-shedding crisis in the country.
31.	SADC Extraordinary Organ Troika Summit	Namibia	Outgoing	31 January 2023
32.	High level breakfast session with HoSG - for the Inaugural high-level Ministerial Forum, a component of the Africa CDC Ministerial Executive Leadership Programme	Ethiopia	Outgoing	18 February 2023
33.	36 th AU Summit	Ethiopia	Outgoing	18 – 19 February 2023
34.	Uganda State Visit	Uganda	Incoming	28 February 2023
35.	Nelson Mandela Youth Dialogue and announcement of the Fellowship for Outstanding Young African Leaders ref NYDA	RSA		10 March 2023
36.	Credentials Ceremony	RSA		14 March 2023
37.	Tanzania State Visit	Tanzania	Incoming	16 March 2023
38.	State Visit by King Philippe of the Belgians	Belgium	Incoming	23 March 2023
39.	RSA – Botswana BNC	RSA-Botswana	Incoming	22 April 2022
40.	RSA – Tanzania BNC	RSA	Incoming	16 March 2022 (with State Visit)



ENGAGEMENTS INVOLVING THE DEPUTY PRESIDENT (1 APRIL 2022 – 31 MARCH 2023)

NO	DESCRIPTION	COUNTRY	INCOMING/OUTGOING	DATE
1.	Swearing-in Ceremony of President-Elect, H.E Dr William S Ruto	Republic of Kenya Nairobi	Outgoing	13 September 2022
2.	Courtesy Call Tanzania State Visit	Tanzania	Incoming	15 March 2023

LETTERS OF CREDENCE/COMMISSION PRESENTED

COUNTRY	NAME OF HEAD OF MISSION
11 AUGUST 2022	
Kingdom of Thailand	Mr Mungkorn Pratoomkaew
Kingdom of Spain	Mr Raimundo Robredo Rubio
Republic of Paraguay	Mr Juan Ignacio Livieres Ocampos
Republic of Slovakia	Mr Vladimir Grác
State of Lybia	Dr Ing Abdulkadir Ahmed Alnour
Federal Republic of Ethiopia	Mr Muktar Kedir Abdu
Kingdom of Eswatini	Ms Lindiwe Cynthia Kunene
Republic of Chile	Mr Julio Fiol
Republic of Mali	Mr Bakary Coulibaly
Republic of the Sudan	Mr Osama Mahjoub Hassan Dirar
Republic of Uganda	Mr Paul Amoru
European Union	Ms Sandra Kramer
United States of America	Mr Reuben E. Brigety II
Turkmenistan	Mr Batyr Durdymuratovich Rejepov



COUNTRY AND	NAME OF HEAD OF MISSION
14 MARCH 2023	
Republic of the Philippines	Ms Noralyn Jubaira Baja
Democratic Socialist Republic of Sri Lanka	Prof Gamini Gunawardena
Federal Democratic Republic of Nepal	Mr Dan Bahadur Tamang
Kingdom of Norway	Mr Gjermund Sæther
Republic of Austria	Mrs Romana Königsbrun
Kingdom of Belgium	Mr Paul Jansen
Republic of The Gambia	Mrs Fatoumata Jahumpa-Ceesay
Republic of South Sudan	Mr Simon Duku Michael
St. Kitts and Nevis	Ms Verna Uwana Mills
Republic of Guinea Bissau	Mr Apolinário Mendes de Carvalho
Democratic Republic of East Timor	Mr Francisco Miranda Branco
Republic of Slovenia	Mr Sašo Podlesnik
Republic of Benin	Mr Hervé Dadjèdji Djokpe
Japan	Mr Ushio Shigeru
Republic of Botswana	Ms Sanji Mmasenono Monageng
Commonwealth of Australia	Ms Tegan Elizabeth Brink
Republic of Mozambique	Mrs Maria Manuela dos Santos Lucas
Islamic Republic of Pakistan	Mr Aftab Hasan Khan
Republic of Kazakhstan	Mr Yerkin Akhinzhanov
Syrian Arab Republic	Mr Bassam Darwish



2022/2023 - DECLARED FUNERALS

DECEASED	DATE OF APPROVAL	PROVINCE	FUNERAL CATEGORY
Prof Lillian Tendani Muofhe,	8 April 2022	Limpopo,	Special Provincial Official Funeral
Mr Thabo Masebe,	19 April 2022	Gauteng	Special Provincial Official Funeral
King Zanzuko Tyelovuyo Sigcau	21 June 2022	Eastern Cape	Special Official Funeral
Mr Don Mattera	18 July 2022	Gauteng	Special Provincial Official Funeral
Mr Gordon Webster	10 August 2022	KZN	Special Provincial Official Funeral
Mr Gauta George Mokgoro,	12 August 2022	Northern Cape	Special Provincial Official Funeral
Ms Rita Alice Ndzanga,	22 August 2022	North West	Special Provincial Official Funeral
Mr Harold Wilson	27 September 2022	Eastern Cape	Special Provincial Official Funeral
Mr Basil David Kivedo,	12 October 2022	Western Cape	Special Provincial Official Funeral
Mr JP Mngomezulu,	12 October 2022	Mpumalanga	Special Provincial Official Funeral
Mr Hlako Kenneth Rachidi,	23 October 2022	Gauteng	Special Provincial Official Funeral
Mr Patrick Molwane Lephunya	1 November 2022	Gauteng	Special Provincial Official Funeral
Mr Rashaka Frank Ratshitanga,	29 November 2022	Limpopo	Special Provincial Official Funeral
Dr Latozi Madosini Mphahleni	26 December 2022	Eastern Cape	Special Provincial Official Funeral
Dr Frene Ginwala	13 January 2023	Gauteng	Special Official Funeral
Mr Douglas Dyers	16 January 2023	Western Cape	Special Provincial Official Funeral
Prof Nompumelelo Jafta	11 January 2023	Eastern Cape	Special Provincial Official Funeral
Mr Peter Cyril Jones,	22 February 2023	Western Cape	Special Provincial Official Funeral
MEC Tate Makgoe	12 March 2023	Free State	Provincial Official Funeral





Ms Roshene Singh
Deputy Director-General:
Private Office of the President



Mr Mpumelelo Thamsanqa Ngwenya
Deputy Director-General:
Office of the Deputy President



Mr Lawrence Matemba
Acting Deputy Director-General:
Policy and Research Services



Ms Lusanda Mxenge
Deputy Director-General of Cabinet Office



Mr Mduduzi Mbada
Deputy Director-General,
Office of the Deputy President
(from March 2023)



Ms Matsietsi Mekoa
Acting Chief Operations Officer
(1 April 2022 to 31 August 2023)
and Deputy Director-General:
Corporate Management

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme I: Administration

Purpose: The Programme is responsible for the provision of strategic, technical and operational support to the President and the Deputy President to enable them to lead and oversee the implementation of the government programme and electoral mandate, and to ensure enhanced service delivery to the people of South Africa.

Sub-Programme:

1. **Private Office of the President:** To provide strategic, executive and personal support services to the President in the execution of his Constitutional responsibilities and to lead the work of government.
2. **Office of the Deputy President:** To provide strategic, executive and personal support to the Deputy President in the execution of his delegated responsibilities towards the attainment of the electoral mandate and The Presidency's mission.

3. **Management:** To provide leadership, strategic management and administrative support within The Presidency in fulfilment of its mandate and mission.

Outcomes

1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.
3. Facilitated investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.
4. Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.
5. Functional, effective and integrated Presidency's administrative systems towards an organisation enabled to achieve its outcomes.

Outcomes, outputs, output indicators, targets and actual achievements

The Presidency exceeded the legislated National target for maintaining a minimum of 50% representation of Women in SMS level, by 0.79%. The national target to maintain a minimum of 2% for employment of people living with disabilities was exceeded by 0.11%.

As part of the economic reforms towards the achievement of goals as inscribed in the National Development Plan, Departments are mandated to pay all invoices from suppliers within 30 days of receipt. In the year under review, of the valid 9 382 invoices received by The Presidency, only six (6) were paid after the 30-day period, which translates to a performance of 99.94% of total invoices. The Presidency's ICT unit, together with SITA have embarked on a process to automate business processes which will reduce identified systematic deficiencies and to ensure the improvement of payment of invoices within 30 days.

The Presidency obtained a clean (unqualified with no findings) external audit outcome for the 2021/22 financial year. A Clean Audit Sustainability Plan has been developed and will be implemented in order to maintain this standard in coming years.

As the centre of an integrated government, The Presidency has been leading the drive to reconstruct the nation's economy in a manner that is inclusive and that leaves no-one behind, through the Economic Recovery and Reconstruction Plan (ERRP). Various Presidency-led interventions continue to be implemented.

Operation Vulindlela has been established as a joint initiative of The Presidency and National Treasury, reporting to the President and the Ministry of Finance. Operation Vulindlela continues to drive progress on the recovery agenda from the centre of government, working closely with the Economic Cluster of Cabinet. A key focus is on identifying and coordinating structural reforms.

As part of the Deputy President's role as the Leader of Government Business, efforts have been focused on strengthening the monitoring of Executive accountability in relation to Parliamentary oversight, through visits to communities as oversight on service delivery improvements flowing from Parliamentary Questions to the Executive.



Table 2.4.4.2: Report against the originally tabled Annual Performance Plan

PROGRAMME/SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.	1.1 NACS institutional arrangements established	1.1.1 Permanent Independent Anti-Corruption body is established	-	-	Permanent Independent Anti-Corruption Body established by March 2023	A Permanent Independent Anti-Corruption body was established, the President appointed the members on 29 August 2022.	None. Target met	None. Target met
	1.2. Review implementation of the NSP on GBVF	1.2.1 Number of reviews on the implementation of the NSP on GBVF with recommendations to strengthen reporting and accountability conducted by March 2023	-	-	1x review on The implementation of the NSP on GBVF with recommendations to strengthen reporting and accountability conducted by March 2023	Review on the implementation of the NSP on GBVF with recommendations to strengthen reporting and accountability conducted by March 2023	None. Target met	None. Target met
	1.3 Oversight reports on the implementation of the NSP on GBVF	1.3.1 Number of analytical Briefing reports Produced on the Implementation of the NSP on GBVF across Government and society by DWYPD with oversight from Presidency	-	-	12x analytical Briefing reports produced on the implementation of the NSP on GBVF across government and society by DWYPD with oversight from Presidency	12 analytical briefing reports produced on the implementation of the NSP on GBVF across government and society by DWYPD with oversight from Presidency	None. Target met	None. Target met
	1.4 Promotion of nation building and social cohesion through national days and significance	1.4.1 Number of engagements to mobilise society, promote social cohesion and accelerate social transformation	-	-	4x engagements To mobilise society, promote social cohesion and accelerate social transformation	10 engagements conducted to mobilise society, promote social cohesion and accelerate social transformation	None. Target met	None. Target met
	1.5 The country's Social transformation agenda promoted through engagements implemented with partners and stakeholders (e.g., SANAC, Engagement with Social Partners, HRDC, COVID-19 Vaccines IMC and mobilisation efforts, Military Veterans)	1.5.1 Number of engagements on implementation with partners and stakeholders to promote the country's social transformation agenda (e.g., SANAC, engagement with Social Partners, HRDC, COVID-19 Vaccines IMC and mobilisation efforts, Military Veterans)	-	-	12x engagements On implementation With partners and Stakeholders to promote the country's social transformation agenda (e.g., SANAC, engagement with Social Partners, HRDC, COVID-19 Vaccines IMC and mobilisation efforts, Military Veterans)	24 engagements conducted on implementation with partners and Stakeholders to promote the country's social transformation agenda (e.g., SANAC, engagement with Social Partners, HRDC, COVID-19 Vaccines IMC and mobilisation efforts, Military Veterans)	None. Target met	None. Target met

PROGRAMME/SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts	2.1 Improved implementation of the Performance management system of ministers	2.1.1 Number of Ministerial performance agreements signed	-	-	28 Ministerial performance agreements signed	27 Ministerial performance agreements signed	1 performance agreement not signed on time.	The Performance agreement of Minister of Agriculture, Land Reform and Rural Development- Ms Angela Thokozile Didiza is signed after the 30 September 2022 deadline - signed in October 2022
		2.1.2 Number of Ministerial Performance agreements assessed by DPME	-	-	28 Ministerial Performance agreements assessed by DPME	Twenty-six (26) of twenty-eight (28) Ministers were assessed	Two (2) performance agreements not assessed	The positions of the Minister in The Presidency was vacant at the time of the assessment and the position of the Minister of State Security was moved to The Presidency with a new incumbent.
		2.1.3 Number of Performance agreements by Directors-General signed	-	-	41 performance Agreements by Directors-General signed	23	The target was under achieved by 18	There were DG's who were not eligible to sign the PA, other were acting and others didn't sign. Eligibility refers to Acting Positions, less than 3 months in the position.
		2.1.4 Number of performance agreements by Directors-General assessed	-	-	41 performance Agreements by Directors-General assessed	14	The target was under achieved by 27	There were DG's who were not eligible to sign their assessments as they were still Acting or new in their posts . Some DG's had ended their contracts before the Assessment was due. Others did not sign in time.
	2.2 SOE monitored for the fulfilment of social and economic mandates in a sustainable manner	2.2.1 Number of performance Monitoring reports on the implementation of the PSEC workplan and decisions produced	-	-	2 performance monitoring reports on the implementation of the PSEC workplan and decision produced	2 performance monitoring report on the implementation of the PSEC workplan and decision produced	None. Target met	None. Target met
		2.2.2 Number of Performance monitoring reports on the implementation of decisions emanating from the ESKOM Political Task Team	-	-	2 performance monitoring reports on the implementation of decisions emanating from the ESKOM Political Task Team	2 monitoring reports produced on the implementation of decisions emanating from the ESKOM Political Task Team	None. Target met	None. Target met
	2.3 Rapid response interventions undertaken	2.3.1 Number of facilitated interventions in select hotspot municipalities with governance challenges and service delivery failures in identified provinces as part of inter-governmental coordination and collaboration (e.g., IMC on Water and Sanitation, integrated Service delivery interventions	-	-	3 facilitated Interventions in select hotspot Municipalities with governance challenges and service delivery failures in identified provinces as part of inter-governmental coordination and collaboration (e.g., IMC on Water and Sanitation, Integrated service delivery interventions)	4 facilitated intervention undertaken	The target was overachieved by 1.	None. Target met



PROGRAMME/SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
	2.4 District Development Model implemented	2.4.1 Number of reports on the performance of Districts against the Strategic Indicators	-	-	1 Annual Report on the performance of Districts against the strategic indicators	Annual Report on the performance of Districts against the strategic indicators	None. Target met	None. Target met
	2.5 Executive and parliamentary accountability strengthened	2.5.1 Number of reports on strengthening Executive and parliamentary accountability	-	-	1 Annual Report on strengthening Executive and parliamentary accountability	Annual Report produced on strengthening Executive and Parliamentary Accountability	None. Target met	None. Target met
3. Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.	3.1 Programme to reduce red tape in policies programme to stimulate economic growth	3.1.1 Number of priority Reforms identified for enhancing the climate for business to operate	-	-	5 priority reforms identified for enhancing the climate for business to operate	5 priority reforms were identified for enhancing the climate for business to operate	None. Target met	None. Target met
		3.1.2 The Red Tape Reduction Programme Developed and implemented	-	-	Red Tape Reduction Programme developed and implemented	Red Tape Reduction Programme produced and reports produced on the implementation	None. Target met	None. Target met
	3.2 Job opportunities facilitated through Presidential Employment Stimulus and the Presidential Youth Employment Intervention and Presidential Youth Employment Intervention	3.2.1 Number of Employment opportunities facilitated, including the number of youth supported through the Presidential Employment Stimulus and Presidential Youth Employment Intervention	-	-	500 000 employment opportunities facilitated, including the number of youth supported through the Presidential Employment Stimulus and Presidential Youth Employment Intervention	670 989	The target was overachieved by 170 989	None. Target met
	3.3 Implementation of the Economic Recovery and Reconstruction Plan coordinated	3.3.1 Number of ERRP reports on the implementation of the country's socio-economic transformation programme	-	-	2 ERRP reports on the implementation of the country's socio-economic transformation programme	2 ERRP Reports produced on the implementation of the country's socio-economic transformation programme	None. Target met	None. Target met
	3.4 Lead the Annual Investment drive towards raising R1.2tn in five years	3.4.1 Percentage of R1.2 tn raised through the Annual Investment drive	-	-	80% of R1.2 tn raised through the Annual Investment drive	95% raised through the Annual Investment Drive	The target was overachieved by 15%	None. Target met
	3.5 Operation Vulindlela reform programme implemented in energy, water, rail, ports tele-communications sector	3.5.1 Number of quarterly reports on the implementation of Operation Vulindlela Economic reform programme	-	-	4 Quarterly reports on the implementation of Operation Vulindlela reform programme	4 Report produced on the implementation of Operation Vulindlela economic reform programme	None. Target met	None. Target met
	3.6 The implementation of the comprehensive social compact programme facilitated	3.6. Number of reports on the implementation of the comprehensive social compact programme	-	-	4 reports on the Implementation of the comprehensive Social compact programme	No report was produced.	The target was underachieved by 4 implementation reports	A few challenging areas are holding up the signing of a comprehensive social compact.

PROGRAMME/SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
	3.7 The development of pathways towards a just transition and low carbon economy developed through the Presidential Coordinating Commission on Climate Change and the Just Transition Energy Partnership	3.7.1 Number of reports on the just transition and low carbon economy developed through the Presidential Coordinating Commission on climate change and Presidential Task team on Climate Finance	-	-	1 Annual Report on the just transition and low carbon economy through the Presidential Coordinating Commission and Climate Change and Presidential Task team on Climate Finance	Report produced on the just transition and low carbon economy	None. Target met	None. Target met
	3.8 Fast-tracking of the land reform and agricultural support programme	3.8.1 Number of performance monitoring reports on the implementation of decisions emanating from the Cabinet and the IMC on Land Reform	-	-	2 performance Monitoring reports on the implementation of decisions emanating from the Cabinet and the IMC on Land Reform	2 performance Monitoring reports produced on the implementation of decisions emanating from the Cabinet and the IMC on Land Reform	None. Target met	None. Target met
4. Advanced South Africa's global and continental relations through effective leadership and coordination of efforts.	4.1 Advance progressive internationalism on the world stage, cementing partnerships with our partners in the Global North and the Global South	4.1.1 Number of multilateral forums either hosted by SA, or where SA engages actively to shape the agenda and outcomes of South Africa's foreign policy	-	-	4 multilateral forums either hosted by SA, or where SA engages actively to shape the agenda and outcomes of South Africa's foreign policy	4 multilateral forums convened either hosted by SA, or where SA engages actively to shape the agenda and outcomes of South Africa's foreign policy	None. Target met	None. Target met
		4.1.2 Number of bi-lateral Agreements and Multilateral agreements Concluded with key partners	-	-	10 bi-lateral Agreements and multilateral agreements concluded with key partners such as trade agreements concluded	11 bi-lateral agreements and multilateral agreements concluded with key partners	The target was overachieved by 1	None. Target met
	4.2 Deputy President supported the President in advancing the agenda and outcomes of South Africa's foreign policy	4.2.1 Number of reports on the Deputy President's role as the Special Envoy to South Sudan	-	-	1 Annual Report on the Deputy President's role as the Special Envoy to South Sudan	Annual Report produced on the Deputy President's role as the Special Envoy to South Sudan	None. Target met	None. Target met
		4.2.2 Number of reports on the Deputy President's role on the China-South Africa Bi-National Commission convened	-	-	1 Annual Report on the Deputy President's role on the China – South Africa Bi-National Commission convened	No report produced on the Deputy President's role on the China – South Africa Bi-National Commission	The China – South Africa Bi-National Commission was not convened in Quarter 1	The China-South Africa BNC did not take place in Quarter 1 due to the postponement of the BNC.
	4.3 Support provided to the President's role in the African Union and globally to fulfil leadership roles in key continental and global bodies	4.3.1 Number of reports on the President's role in the African Union and globally to fulfil leadership role in continental and global bodies e.g., SADC Organs on peace and security; climate and just transition; GBV Circle of champions	-	-	3 Quarterly reports on the President's role in the African Union and globally to fulfil leadership role in continental and global bodies e.g., SADC Organs on peace and security; climate and just transition; GBV Circle of champions	3 Report produced on the President's role in the African Union and globally to fulfil leadership role in continental and global bodies	None. Target met	None. Target met
4.4 Women's Economic Empowerment in Africa supported	4.4.1 Launch of the Global Accelerator for Women's Digital Financial Inclusion in Africa	-	-	Global Accelerator for Women's Digital Financial Inclusion in Africa launched	Launch of the Global Accelerator for Women's Digital Financial Inclusion in Africa did not take place	The launch did not take place	The event did not take place due to the delay in the transfer of funds by the funder -UN Women SAMCO	



PROGRAMME/SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
5. Functional, effective and integrated Presidency's administrative systems towards an organisation enabled to achieve its outcomes.	5.1 Fight against Corruption through the issuing of Proclamations and Development of an effective data management system	5.1.1 Number of reports on the SIU proclamations issued	-	-	4x reports on the SIU proclamations issued	4 reports produced on the SIU proclamations issued	None. Target met	None. Target met
	5.2 Efforts coordinated towards a successful implementation of the SIU reports	5.2.1 SOP on dealing with SIU reports produced	-	-	SOP on dealing with SIU reports produced by July 2022	SOP on dealing with SIU reports not produced	SOP on dealing with SIU reports not produced	DPME and Presidency, collaboratively, were still developing a monitoring and evaluation system for phase 2 of the tracking of SIU referrals, which will then inform the development of the final SOP
	5.3 Business Continuity Plan implemented	5.3.1 Business Continuity Plan developed and approved	-	-	Approved Business Continuity plan	The Business Continuity Plan approved on 30 June 2022	None. Target met	None. Target met
		5.3.2 Number of monitoring Reports on the Implementation of the Business Continuity Plans	-	-	3 Monitoring reports on the Implementation of the Business Continuity Plan	3 Monitoring reports produced on the implementation of the Business Continuity Plan	None. Target met	None. Target met
	5.4 Clean Outcome obtained	5.4.1 Audit outcome opinion expressed by the Auditor-General	-	-	Clean Audit outcome opinion by Auditor-General	The Presidency received a clean Audit outcome by the Auditor-General for the 2021/22 financial year.	None. Target met	None. Target met
	5.5 Employment equity management on transformation and diversity in The Presidency	5.5.1 Percentage of SMS women in Presidency against national targets	52.11% women representation at SMS level	52.31% women representation at SMS level	50% women Representation at SMS level	50.79% women representation at SMS level	The target was over achieved by 0.79%	The Department appointed 2 female officials at SMS level in the 2022/2023, this, considered with the net reduction in SMS members, maintained the representation above 50%
	5.6 Employment Equity Management against national targets for Persons with Disabilities (PWD)	5.6.1 Percentage of PWD employed in Presidency against National targets	2.34% PWD employed	2.23% PWD employed	2% PWD employed	2.11% of PWD employed in Presidency against national targets	The target was over achieved by 0.11%	The Department underwent a programme to encourage officials with disabilities to disclose their disability status. The disclosure of disabilities resulted in 10 officials with disclosed disabilities reported. Therefore exceeding the National target of 2%
5.7 Invoices paid within 30 days	5.7.1 Percentage of valid Invoices paid within 30 days from date of receipt	99.07%	98.41% of valid invoices paid within 30 days from date of receipt	100% of valid invoices paid within 30 days from date of receipt	99.94% of valid invoices paid within 30 days from date of receipt	The target was underachieved by 0.6%	The payment was delayed to avoid non-compliance with the segregation of duties and other invoices were not correctly prioritised due to the increased volume of invoices associated with the financial-year end	

PROGRAMME/SUB-PROGRAMME: ADMINISTRATION									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
	5.8 Disciplinary cases resolved within 90 days from date of issuing of charge sheet	5.8.1 Percentage of disciplinary cases resolved within 90 days from date of issuing of charge sheet	Not applicable	0% disciplinary cases finalised within 90 days	100% disciplinary cases finalised within 90 days	0% disciplinary cases finalised within 90 days	Only three cases were reported in the financial year and were not resolved within 90 days.	The Presidency use officials from other Departments to assist with chairing and hearings for disciplinary cases, who at times are not available. In some cases, disciplinary proceedings have to be postponed due to medical reasons where medical certificates have been submitted which result in delays.	
	5.9 Presidency's ICT Modernisation project on the automated business process and upgraded infrastructure	5.9.1 Progress report on the implementation of ICT business process automation and infrastructure upgrade	-	4 Quarterly Progress Reports produced on the implementation of the ICT business process automation and infrastructure upgrade	4 Quarterly Progress Reports on the implementation of the ICT business process automation and infrastructure upgrade	4 Quarterly Progress Reports produced on the implementation of the ICT business process automation and infrastructure upgrade	None. Target met	None. Target met	

Strategy to overcome areas of underperformance

The Department ICT Unit has embarked on a process to develop the automation of business processes which will eliminate underlying factors as well as systematic challenges which pose a risk to the achievement of payment of invoices within 30 days.

The DPME populates scorecards for Ministers based on the Bi-annual MTSF Implementation Reports submitted to Cabinet as well as the Departmental Annual Reports. All current Ministers have signed performance agreements and twenty-six (26) of twenty-eight (28) Ministers were assessed except the Minister in the Presidency (position was vacant at the time of assessment) and the Minister of the State Security Agency due to sensitivity of the information contained in the assessment. The revised framework for performance management of ministers, including the approach to developing the content of minister's performance scorecards, to be implemented in new financial year.

The targets on the number of performance agreements of Directors-General was derived from the number of national departments at the time of the drafting of the APP. The Department of Planning, Monitoring, and Evaluation (DPME) in terms of the Directive is responsible for the administering of the HOD PMDS. It should be noted that it is not the responsibility of The Presidency to sign performance contracts of DG's. DPME is responsible for tracking and reporting on the performance agreements of DG's.

The Social compact process is still underway with no agreement concluded as yet. A number of bilateral meetings have been held with business and further bilateral discussions with labour and community will be undertaken in the year ahead. Ministerial commitment and social partner leaders have agreed that the Social Compact will be concluded in the early part of the fourth quarter but the target was not met due to divergent views from social partners on the social compact. There will be engagements in the 2023/24 financial year with business on the strategic programmes of government to finalise the social compacting.

The launch event for the Advocacy Accelerator was planned to take place in March 2023 as a hybrid event during the annual global meeting of the UN Commission on the Status of Women (CSW 67). This meeting was not able to take place due to delay in the transfer of funds by the funder, the UN Women SAMCO. However, good progress has been achieved to prepare the groundwork for a successful launch. This includes the development of a policy framework on financial inclusion in South Africa, including exploring the area of micro-finance with DWYPD, NT, and DTIC, securing the support and partnership of the Action Coalition on Economic Justice and Rights, gaining the support of the 2023 ECOSOC Financing for Development Forum through the SA Permanent Representative to the UN, as well as securing a research consultant to produce a set of recommendations for the Africa region on digital financial inclusion by 15 June 2023.



Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2022/23		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	376 171	334 251	41 920	392 452	346 207	46 245
2. Support services to President	84 164	70 464	13 700	82 424	82 318	106
3. Support services to Deputy President	58 923	41 813	17 110	60 776	46 885	13 891
TOTAL	519 258	446 528	72 730	535 652	475 410	60 242

4.2 Programme 2: Executive Support

Purpose: To provide strategic and administrative support to enable the Cabinet and FOSAD to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.

Sub-Programme:

- Cabinet:** To provide strategic and administrative support to enable the Cabinet and FOSAD to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.

Outcomes

- Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts

Outcomes, outputs, output indicators, targets and actual achievements

During the past year, Cabinet and its Committees dealt with strategic matters in relation to legislation, international obligations, and appointments to various boards of state owned entities. Cabinet spent much of its time discussing the state of the economy, and especially the challenges occasioned by the COVID-19 pandemic and the civil unrest in the KZN and Gauteng Provinces in July 2021. Specific focus was also given to deliberating on the implementation of the Economic Reconstruction and Recovery Plan (ERRP), reports from Operation Vulindlela, the state of the Local Government Finance and Reform, and African integration and the operationalisation of the African Continental Free Trade Area.

With respect to the Cabinet Programme, there were 20 Cabinet meetings and 83 Cabinet Committee meetings scheduled of which 19 and 54 meetings, respectively, took place as planned. Cabinet Committee meetings not held were the result of cancellations due to non-receipt of agenda items from departments. In other instances, items meant to serve at a Cabinet Committee were subsumed by the agenda of a Joint Cabinet Committee. In addition to the scheduled meetings,

there were 12 Special Cabinet meetings that took place under the period under review.

In terms of the FOSAD Programme, there were 56 FOSAD Cluster and 11 FOSAD Manco meetings scheduled of which 46 and 6, respectively, were held as planned. 10 FOSAD Cluster and 5 FOSAD Manco meetings were cancelled.

The FOSAD Cluster meetings held, discussed progress in the implementation of the Medium-Term Strategic Framework (MTSF). This pertains to the Outcome on Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.

The FOSAD Secretariat generated briefing notes for the DG on matters to be discussed at FOSAD Cluster meetings and earmarked for consideration by Cabinet. Briefing notes were prepared for Cabinet Committee meetings held during the year under review.

Table 2.4.4.2: Report against the re-tabled Annual Performance Plan

PROGRAMME/SUB-PROGRAMME: EXECUTIVE SUPPORT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts	2.6 Approved Annual Cabinet and FOSAD Programme	2.6.1 Annual Cabinet and FOSAD programme approved in Q3	Approved 2021 Annual Cabinet and FOSAD Programme	2022 Annual Cabinet and FOSAD Programme approved by Cabinet and FOSAD Workshop respectively	2023 Annual Cabinet and FOSAD Programme approved by Cabinet and FOSAD Workshop respectively	Approved 2023 Annual Cabinet and FOSAD Programme	None. Target met	None. Target met
	2.7 Oversight on implementation of the Annual Cabinet and FOSAD Programme	2.7.1 Number of quarterly report on implementation of the Cabinet and FOSAD Programme	4	4xQuarterly Reports on the implementation of the Annual Cabinet and FOSAD Programme	4x Quarterly reports on implementation of the Cabinet and FOSAD Programme produced	4 quarterly reports produced on the implementation of the Annual Cabinet and FOSAD Programme	None. Target met	None. Target Met
	2.8 Oversight on the implementation of the Legislative Programme conducted and submitted to the LOGB	2.8.1 Number Of quarterly reports on the implementation of the Annual Legislative Programme produced	-	4	4 x Quarterly reports on the Implementation of the Legislative Programme submitted to the office of the LOGB	4 quarterly reports produced on the implementation of the Legislative Programme and were submitted to the Office of the LOGB.	None, target met.	None. Target met

Strategy to overcome areas of under performance

None. All targets were achieved.

Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2022/23		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
1. Cabinet Service	58 162	54 630	3 532	56 270	51 248	5 022
TOTAL	58 162	54 630	3 532	56 270	51 248	5 022

4.3 Programme 3: Policy and Research Services

Purpose: To provide policy and research support to the Political Principals in The Presidency in the exercise of their Constitutional mandate and within the context of government priorities.

Sub-Programme:

1. Policy and Research Services: To provide policy and research support to the Political Principals in The Presidency in the exercise of their Constitutional mandate and within the context of government priorities

Outcomes:

1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.

2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts.
3. Facilitated investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts.

Outcomes, outputs, output indicators, targets and actual achievements

The Investment and Infrastructure Office (IIO) in The Presidency is mandated to, inter alia, drive, coordinate, and align the public sector infrastructure ecosystem, improve the efficiency of the delivery programme, and facilitate private sector cooperation and financing. In order to discharge its mandate, during the year under review, the Office has monitored and reported on the national infrastructure project pipeline with respect to the eighty-eight (88) gazetted Strategic Integrated Projects (SIPs).



In the year under review, the total value of projects completed is R21.4 billion, mainly roads, energy and human settlements projects. Additionally, the total value of projects currently under construction is R313.5 billion, whilst projects in procurement are standing at R295.2 billion. Other projects require project preparation support to progress them to implementation level. This is required in order to improve the attraction of projects for private sector investments.

The IIO is leading efforts to accelerate blended finance infrastructure investment projects through the provision of oversight on the Infrastructure Fund (IF). The IF is a blended financing instrument, aimed at crowding-in private sector investments for catalytic public infrastructure projects and programmes. In the year under review, the National Treasury approved blended finance projects with a total value of R57.7 billion to support bulk water scheme projects, port developments as well as housing developments. The Infrastructure Fund will be structuring and engaging with financial markets to develop financial instruments that will enable investment in projects by private investors and thereby ensure the financial close of these projects.

Following the gazetting of the CIS in May 2022, and an extended consultation period of two months that concluded in July 2022. To complement the process of written comments, the IIO in The Presidency held a series of focussed consultation sessions with various stakeholders in the investment landscape including the private sector; multilateral and developmental partners, various country and regional developmental fora, labour, academia and government.

Subsequent to these consultations and robust discussions held, the revised draft Country Investment Strategy is currently being processed through various government structures for Cabinet's consideration.

Bi-Annual Reports were developed on the Socio-Economic Impact Assessment System (SEIAS) for the financial year. A total of 261 SEIAS reports were received from Departments and the SEIAS unit provided feedback on analyses to Departments for 258 reports (98.9%) within an average turnaround time of 19 days.

Table 2.4.4.2: Report against the originally tabled Annual Performance Plan

PROGRAMME/SUB-PROGRAMME: POLICY AND RESEARCH SERVICES								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
1. Social cohesion, national unity and social transformation promoted through effective leadership and coordination of efforts.	1.6 Strengthening Leadership function in the structures chaired by the Principals and of the issues that they are championing	1.6.1 Number of quarterly reports on strategic content support provided to the Principals to Strengthen their leadership functions developed	1 quarterly report produced	4 quarterly reports produced on strategic content support provided to the Principals to strengthen their relationship functions	4 Quarterly reports on strategic content support provided to the Principals to strengthen their leadership functions developed	4 Quarterly reports produced on strategic content support provided to the Principals to strengthen their leadership functions	None. Target met	None. Target met
2. Enhanced governance, state capacity and service delivery through effective leadership and coordination of efforts	2.9 Minimisation of unintended consequences from policy initiatives, Regulation and legislation, including Unnecessary costs from Implementation and Compliance as well as from unanticipated	2.9.1 Number of Socio-Economic Impact Assessment reports developed	Bi-Annual Reports produced on Socio-Economic Impact Assessment developed	Bi-Annual Reports produced on Socio-Economic Impact Assessment	2 Reports on Socio-Economic Impact Assessment developed	2 reports produced on Socio-Economic Impact Assessment	None. Target met	None. Target met

PROGRAMME/SUB-PROGRAMME: POLICY AND RESEARCH SERVICES								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
3. Facilitated Investment, trade promotion, economic growth and job creation through effective leadership and coordination of efforts	3.9 The NIP 2050 Phase II that focuses on distributed/ municipal Infrastructure and social infrastructure	3.9.1 NIP 2050 Phase II developed	The draft National Infrastructure plan is still to be reviewed	The National Infrastructure Plan was approved by Cabinet on 9 March 2022	NIP 2050 Phase II developed by June 2022	The NIP was developed by June 2022 and the inputs were sourced from the stakeholders.	None. Target met	None. Target met
	3.10 The Country Investment Strategy	3.10.1 Country Investment strategy consulted	The draft country Investment Strategy is still to be reviewed	The Country Investment Strategy has not been approved, therefore no implementation has been reported on	Country investment strategy consulted by March 2023	Report produced on Stakeholder consultation conducted on the draft Country Investment Strategy	None. Target met	None. Target met

Strategy to overcome areas of under performance

None. All targets were achieved.

Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Economy, Trade and Investment	18 967	10 762	8 205	18 024	9 402	8 621
2. Socio-Economic Impact Assessment System	8 192	6 291	1 901	8 337	6 634	1 703
TOTAL	27 159	17 053	10 106	26 361	16 036	10 324

Report approved/not approved/approved as amended

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The Presidency does not have public entities reporting directly to the organisation

5.2. Transfer payments to all organisations other than public entities

None.

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The department does not have any conditional grants and earmarked funds paid by the department.

6.2. Conditional grants and earmarked funds received

The Presidency department did not receive any conditional grants and earmarked funds

7. DONOR FUNDS

7.1. Donor Funds Received

The Presidency department did not receive any donor funds.

8. CAPITAL INVESTMENT

The Presidency does not have capital investment

8.1. Capital investment, maintenance and asset management plan

None.







1. INTRODUCTION

Section 38(1)(a)(i) of the Public Finance Management Act (PFMA) states that 'the accounting officer for a department, trading entity or constitutional institution (a) must ensure that that department, trading entity or constitutional institution has and maintains– (i) effective, efficient and transparent systems of financial and risk management and internal control'.

The Risk Management function was established to ensure that the Accounting Officer has and maintains an effective and efficient risk management system.

The Risk Management Committee (RMC) exercises oversight in the implementation of the Risk Management Implementation Plan so as to display commitment by the department to maintain the highest standards of governance, risk and compliance. This is to ensure that there is a system of good governance in place in managing the resources of the state.

2. RISK MANAGEMENT

During the period under review, the Risk Management Committee (RMC) continued to monitor and advise on the management of risks and implementation of mitigating actions. In line with the RMC Policy and Charter, the RMC is responsible for RMC continuously identifying, assessing and mitigating risks that might threaten the mission of The Presidency. The implementation of the Risk Management Policy is guided by the Enterprise Risk Management Framework (ERMF), developed in alignment to National Treasury's Public Sector Risk Management Framework as well as Section 38(1)(a)(i) of the Public Financial Management Act, No. 1 of 1999 (PFMA).

Dr Len Konar was appointed as the independent/external Chairperson of the RMC in April 2023. Dr Konar has an impeccable academic background, extensive risk and audit experience (both in the strategic and operational environments) including serving in a number of management and governance committees.

The RMC held four (4) meetings as per the RMC Calendar; the meetings were coordinated in line with the RMC Work Plan and the Risk Management Implementation Plan for the 2022/23 Financial Year.

RISK MANAGEMENT WORKSHOP

On 03 June 2022, The Presidency organised a Risk Management Workshop to discuss the concept of a National Risk Register.

The workshop was attended by Senior Management Service (SMS) members of The Presidency and external stakeholders such as members of the Institute of Risk Management South Africa (IRMSA)'s Public Sector Risk Committee. Dr Len Konar,

independent/external Chairperson of The Presidency's Risk Management Committee (RMC) was one of the three (3) key speakers at the workshop.

The key objective of the workshop was to conceptualise a new approach to Risk Management, where institutions such as The Presidency and stakeholder departments forming part of the centre of government, move away from compliance driven approach in generating a risk register to a predictive governance, forecasting and scenario-building approach when planning and implementing risk management practices. Key to this approach is the development of a National Risk Profile in the form of a National Risk Register to assist with predictive governance and formulating plans to mitigate the identified risks.

The next step is to organise a workshop with all stakeholder departments that form part of the centre of government, present the concept of the centre of government and generate a Risk Profile of the centre of government. This risk profile will aggregate the strategic risks of the centre of government, with the aim of generating a predictive governance approach that is intended to enhance decision-making and forward planning as opposed to a compliance driven approach.

2022/23 RMC WORK PLAN

The 2021/22 Strategic Risk Register was reviewed to generate the 2022/23 Strategic Risk Register. In reviewing the Strategic Risk Register, workshops were held per Branch, risks identified formed part of the initial Strategic Risk Register. A consolidated Strategic Risk Register was adopted by the RMC, Management Committee (MANCO) and Top Management.

For the period under review the RMC monitored and provided assurance to the Accounting Officer on a number of risk factors. Four trend analysis reports were discussed at the RMC namely; the Supply Chain Management (SCM) Environment; Exposure to information security; Stakeholder strategic coordination and management and lastly the Internal Control environment.

Apart from the Strategic Risk Register and the trend analysis, the RMC monitored progress in the review and generating of Operational Risk Registers. Twenty-three (23) risk registers were finalised in the 2022/23 Financial Year. The risks identified were consolidated and ranked according to the risk magnitude to assess the risk exposure of The Presidency at an operational level.

Other matters considered by the RMC were reports from Supply Chain Management, Stakeholder Engagement initiatives, report on progress regarding security vetting and screening of officials, report from the Occupational Health and Safety Committee (OHS), report from the Loss Control Committee (LCC) as well as the report from the strategic security and ICT sub-committee.

BUSINESS CONTINUITY MANAGEMENT PROGRAMME

The Presidency continued to implement the Business Continuity Management (BCM) Programme during the year under review. The BCM programme was designed to assist The Presidency to have an established mechanism in managing disruptive events and ensure that key activities continue based on identified recovery objectives. The programme is implemented incrementally over six (6) integrated phases. An Incident Management Structure was established and continuity plans were approved by the Accounting Officer. The approved plans covered the following areas:

- **Business Continuity Plan (BCP)** - developed, approved, and maintained per site/office location to minimise the impact of disruptive incidents to an acceptable level
- **Crisis Management Plan (CMP)** - developed, approved, and maintained. The CMP shall address crisis communication and media response
- **Emergency Response Plan** - developed, approved, and maintained per site/office location to safeguards life, limits injury and prevents escalation of physical damage and;
- **IT Disaster Management Recovery Plan** - developed, approved and maintained for time-critical applications identified in the Business Impact Analysis (BIA).

Overall the project is ongoing and is currently at phase 6 where scorecards are being completed by Business Units.

The RMC through the Chairperson, Dr Konar, presented quarterly reports to the Audit Committee, where the Audit Committee exercised oversight, provided guidance and monitored the effectiveness of the system of risk management in The Presidency.

3. FRAUD AND CORRUPTION

The Presidency continued to implement its Fraud Prevention and Ethics Management Strategy during the year under review. Inherent in the strategy is the Fraud Control Model, focusing on prevention, detection and responding as key pillars of the model. Prevention focuses on administrative controls in the form of policies and standard operating procedures such as the Anti-Fraud and Anti-Corruption Policy, the Code of Conduct Policy, the Gifts, Donations and Sponsorship Policy as elements of the strategy. Detection focuses on financial disclosures and the conducting of lifestyle audits, protected disclosures in the form of whistle-blowing and conducting of investigations. The response primarily focuses on continuous staff education and awareness sessions, improving on gaps identified in terms of internal controls and reporting.

A Register of Gifts, Donations and Sponsorships is compiled by the Ethics Office and presented monthly to the Governance and Compliance-Sub-Committee. The Outside Remunerative Work Register was also maintained for the financial year, recording the list of officials who have been granted approval to engage in remunerative work outside the Public Service in line with Section 30 of the Public Service Act. The register is intended to detect any potential violations of Section 8 of the Public Administration Management Act.

Submission of financial disclosures by designated categories of employees also formed part of the execution of the Strategy as well as the implementation of lifestyle audits. The DPSA issued circular 03/2021 TAU where all reporting entities were requested to conduct lifestyle audits and submit the completed reports. Since the implementation of lifestyle audits became compulsory, The Presidency has submitted two reports to the DPSA. This is an on-going exercise designed to detect any elements of fraud and corruption in the public service.

The Ethics Office developed a Whistle-Blowing Incident Reporting System where all whistle blowing matters were recorded. The Office of the Public Protector is currently investigating a matter that was referred two years ago and the Public Service Commission (PSC) it to the Presidency for further investigation. Upon completion of the investigation, the matter will be referred back to the PSC and TAU at the Department of Public Service and Administration (DPSA).

4. MINIMISING CONFLICT OF INTEREST

The Conflict of Interest Policy was implemented in the period under review. The policy makes a distinction between actual, potential or perceived Conflict of Interest. The distinctions were applied in conducting a Conflict of Interest analysis where employees sought permission in line with Section 30 of the Public Service Act, 1994, to conduct remunerative work outside the public service. Apart from the Conflict of Interest Policy, other administration controls designed to mitigate against conflict of interest are The Presidency Fraud Prevention and Ethics Management Strategy, the Gifts, Donations and Sponsorships Policy and the Code of Conduct Policy.

The Directorate Supply Chain Management (SCM) and Financial Administration adheres to a segregation of duties principle to minimise conflict of interest in their work. The Internal Audit function continued to conduct the monitoring of employees registered in the Companies and Intellectual Property Commission (CIPC) database against National Treasury's Central Supplier Database (CSD), which translates into doing or intention to doing business with the State in contravention of Section 8 of the Public Administration



In all internal Presidency meetings for Management, Governance and Assurance Committee meetings, declarations of conflict of interest are a standard feature and have become part of the compliance culture in the department.

5. CODE OF CONDUCT

The Fraud Prevention and Ethics Management Strategy instructs that the Code of Conduct as a key element for prevention of fraud and corruption should be communicated to all staff members per annum.

The Code of Conduct Policy was communicated to all employees at the start of the calendar year and all employees were required to familiarise themselves with its contents. The Code of Conduct was also presented at the Induction Workshop for new employees joining The Presidency. A register of the acknowledgements of the Code was recorded by the Ethics Office for monitoring and tracking of compliance levels. Any breaches of the Code of Conduct were dealt with in terms of the guidelines on labour relations and disciplinary procedures.

The Supply Chain Management (SCM) specific Code of Conduct was also acknowledged by all staff members within SCM in accordance with the Framework for Supply Chain Management, Section 76 (4) (c) of the PFMA.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Presidency is committed to creating a working environment that is healthy and safe to all employees, visitors, service providers, and personnel from different spheres of government based in The Presidency.

The Presidency complies with the Occupational Health and Safety Act 85 of 1993 and other legislative requirements, including the Employee Health and Wellness Strategic Framework for the Public Service.

The objectives of the Department in compliance to the Act and other legislative requirement are to:

- To provide for the health and safety of persons at work by:
 - Taking steps necessary to eliminate or mitigate any hazards or any potential hazards and risks by providing precautionary measures necessary to ensure the health and safety of employees, visitors, contractors and stakeholders.
- To provide for the health and safety of persons in connection with the use of plants and machinery and the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

- To establish an effective Occupational Health and safety Committees and forums to monitor implementation of the health and safety programmes is in accordance with the OHS Act, Regulations and other legislative requirements.
- Promote a culture in which the right to a safe and healthy working environment is respected at all levels, where employer and employees actively participate in ensuring a safe and healthy working environment.

In order to be compliant with the above stated objectives, a health and safety programme has been established and is made up of the following;

- Established Occupational Health and Safety Structure:
 - Appointment of 16.2's and 8.2's Personnel;
 - Appointment of Health and Safety Representatives;
 - Appointment of Occupational Health and Safety Committee Members and other Forums;
 - Appointment of Emergency Team Members i.e. First Aiders, Emergency prevention and Marshals members.
- Review and implementation of Occupational Health and Safety policy addressing SHERQ elements.
- Approved Health and Safety Charter.
- Approved Emergency Preparedness Plans.
- Periodically conduct Emergency evacuation and preparedness drills.
- Conduct Education and Awareness on Occupational Health and safety.
- Approved reviewed Departmental Occupational Health and Safety Risk Registers.

The above programme impacts on the Department in the following ways:

- Hazard Identification and Risk Assessments are periodically conducted and preventative and control measures are put in place by:
 - Providing and maintaining a safe working and conducive environment through conducting inspections and engaging external stakeholders such as the Department of Public Works and Infrastructure and Municipalities in ensuring compliance.
- Accidents at the workplace are dealt with, according to the Compensation for Occupational Injuries and Diseases Act, 130 of 1993.
- Liaise with different stakeholders such as, Department of Employment and Labour, Municipalities and Department of Public Service and Administration pertaining to legal compliance and requirements.
- Development and review of Standard/Safe work Procedures to prevent exposure against and transmission of workplace illnesses and injuries.
- Ensure consultation between employers, organised labour and employees through Committee meetings and other consultative engagements.

- Ensure the provision of necessary Personal Protective Equipment/clothing where required.

7. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no material findings on compliance raised by Auditor-General in the 2021/22 financial year.

8. INTERNAL CONTROL UNIT

The function of the Internal Control Unit is to provide reasonable assurance to the office of the Chief Financial Officer of the reliability of reporting the effectiveness and efficiency of operations and compliance with applicable financial laws and regulations.

The Internal Control unit maintains registers of irregular, fruitless, and wasteful expenditure. On identification of any irregular, fruitless, and wasteful expenditure, the Internal Control Unit conduct an assessment to determine whether the transaction meets the definition of fruitless and wasteful expenditure, identifies possible irregularities in transactions processed, and confirms the allegations of irregular expenditure. The confirmed irregular, fruitless, and wasteful expenditure transactions are presented to the Loss Control Committee for further determination process as per the irregular, fruitless, and wasteful expenditure framework. A report is provided to the Accounting Officer with recommendations regarding action to be taken. Internal Control records confirmed non-compliance and assist in strengthening the internal control environment where the non-compliance is identified and confirmed.

The Internal Control Unit is responsible for the coordination, consolidation, and monitoring of the action plans that are designed to address audit findings of the Auditor-General South Africa on The Presidency management report. The Audit Matrix is a standing agenda item at management forums, to ensure monthly progress monitoring on the audit findings and action plans.

9. INTERNAL AUDIT AND AUDIT COMMITTEES

The Presidency has an Internal Audit unit which functions under the control and direction of an Audit Committee

The Internal Audit unit is independent and its work is managed in accordance with the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing (Standards). The approved Internal Audit Charter outlines the mandate of the Internal Audit unit, which includes to evaluate and make recommendations to management with regards to internal control, risk management and governance processes.

The Internal Audit unit performed risk based audits, consulting engagements and regulatory reviews. During the reporting

period, the Internal Audit unit performed its activities in line with the approved 2022/23 Internal Audit Plan.

Recognition is given to the Internal Audit unit for achievement of General Conformance according to an independent external quality assurance review conducted. General Conformance means that the relevant structures, policies, and procedures of an Internal Audit Function (IAF), as well as the processes by which they are applied, comply with the requirements of the individual Standard or element of the Code of Ethics in all material respects. The external assessment also evaluated the effectiveness of the IAF and concluded that the practices are well designed to ensure conformance to the mandatory elements of the International Professional Practices Framework (IPPF) and that the Institute of Internal Auditors' recommended guidance is comprehensively utilised to achieve the desired results.

The Presidency has established an Audit Committee in line with Section 38(1)(a)(ii) and 77(c) of the PFMA of 1999 and Section 3.1.3 of Treasury Regulations. The Audit Committee provides oversight on the system of internal control, risk management and governance within The Presidency.

The Audit Committee Charter requires that the Audit Committee comprises of a minimum of five members. The Audit Committee further comprises of independent members as listed hereunder, who collectively have sufficient qualifications and experience to fulfil their duties.

In terms of Section 77(b) of the PFMA, the Audit Committee must meet at least twice a year and the approved Audit Committee Charter requires at least four (4) formal meetings and special meetings as may be required. A total of six (6) meetings were held in the financial year. See below in tabular form the attendance per member.



The table below discloses relevant information on the Audit Committee members:

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED OR CONTRACT EXPIRED	NO. OF MEETINGS ATTENDED
Given Sibiyi (Chairperson until 31 December 2022)	Chartered Accountant (CA)SA	External	N/A	1 January 2017 (Contract has been extended to 31 December 2022)	Contract has expired on 31 December 2022	5 out of 5
Nirvash Dowlath (Chairperson from January 2023)	Hons Bachelor of Accounting	External	N/A	1 April 2019 Contract has been extended to 31 March 2025	N/A	5 out of 6
Advocate Fariyal Mukaddam	BA (Law) Bachelor of Law (LLB)	External	N/A	1 September 2020	N/A	6 out of 6
Advocate Thabo Kubheka	BA (Law) Bachelor of Law (LLB) Master of Business Leadership (MBL)	External	N/A	1 September 2020	N/A	3 out of 6
Refiloe Sekgoka	Certified Internal Auditor (CIA) Master of Business Leadership (MBL)	External	N/A	1 September 2020	N/A	6 out of 6

10. AUDIT COMMITTEE REPORT

The Audit Committee herewith presents its report for the financial year ended 31 March 2023, as required by Section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999) read with Treasury Regulation 3.1.13.

Audit Committee Responsibility

The Audit Committee (AC) report that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulations 3.1.13. The AC also reports that it has an appropriate charter, which is reviewed annually and regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The Audit Committee acknowledges management's efforts to strengthen internal controls in the department. Management made a commitment that effective corrective action will be implemented in respect of all internal control weaknesses, and the Audit Committee will continue to monitor these going forward.

The increased vacancy rate which could undermine the effective functioning of the system of internal control and it is imperative that management closely monitors the plans to fill these vacancies as it could impact the department's ability to meet its objectives and compromise the effectiveness of internal controls.

Notwithstanding the limited capacity in the department, Internal Audit did not issue any unsatisfactory reports. However improvements were noted in the reports related to governance, risk management and internal financial controls.

Risk Management

The AC is responsible for the oversight of the risk management function. The Risk Management Committee reports to the AC on the department's management of risk on a quarterly basis.

During the current year, Risk Management was guided by the Risk Management Committee through the newly appointed Chairperson. Even though the unit remains under-capacitated, progress has been made in terms of the development of the operational risk registers and monitoring of the action plans against the strategic risks to strengthen and improve the control environment. Risk management has made some progress in terms of Business Continuity, however further focus is required in terms of its responsibilities over ethics, compliance, and delegations' management.

The committee has reviewed the risk register and the reports from the risk committee and is generally satisfied with the progress made in maturing the risk management processes.

Internal audit

The AC is satisfied that the internal audit (IA) function is operating in terms of the International Standards for the Professional Practice of Internal Auditing and applying a risk-based approach. The Audit Committee is satisfied that the internal audit function has properly discharged its functions and responsibilities and the approved 2022/2023 internal audit operational plan was completed during the year under review.

The IA function has in place a Quality Assurance and Improvement Programme (QAIP) in terms of which the quality of the IA function is monitored by means of On-going Monitoring, Periodic Self-assessments and was during the current year, subject to an External Assessment covering:

- Conformance to the International Professional Practices Framework of the Institute of Internal Auditors; and
- The efficiency, economy and value add of the internal audit processes in line with leading practices.

In terms of the opinion of the external quality assessment IA generally confirms to both of the above areas evaluated.

In-Year Management and Monthly/Quarterly Report

The Audit Committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. The audit committee has engaged with management to address the shortcomings, especially relating to reports on performance against predetermined objectives.

Performance management

Part of the responsibilities of the Audit Committee includes the review of performance management. The audit committee has in terms of the performance of the department performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards;
- Review and comment on the alignment of the annual performance plan, budget, strategic plan and performance agreements;
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the department;
- Review of reported non-compliance with legislation;
- Review of compliance with in-year reporting requirements;
- Review of the quarterly performance reports submitted by the internal audit function;
- Review and comment on the department's performance management system and making recommendations for its improvement.

The Audit Committee is satisfied that the performance report has been prepared in terms of the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting performance.

Evaluation of Financial Statements

The Audit Committee has reviewed the annual financial statements, which focused on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements;
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context;

- Quality and acceptability of, and any changes in, accounting policies and practices;
- Compliance with accounting standards and legal requirements;
- Significant adjustments and/or unadjusted differences resulting from the audit;
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted;
- Reasons for major year-on-year fluctuations;
- Asset valuations;
- Calculation and levels of general and specific provisions; and
- The basis for the going concern assumption, including any financial sustainability risks and issues.

The Audit Committee is comfortable that the annual financial statements have been prepared in terms of the Modified Cash Basis and the PFMA.

Evaluation of the Finance Function

The Audit Committee notes the vacancy rate within the financial management division and there is a need to fill the Chief Financial Officer role to ensure the sustained effectiveness of internal financial controls.

Notwithstanding the limited capacity, the Audit Committee is satisfied with the department's finance function during the year under review.

Auditor-General's Report

The Audit Committee concurs with the conclusion and audit report of the external auditors on the annual financial statements, performance report and compliance with laws and regulations. The committee is of the view that the audited financial statements and annual performance report be accepted and read together with the report of the external auditors. The Audit Committee confirms that it has provided adequate oversight throughout the audit process.

The Audit Committee commends management for obtaining a clean audit for the current financial year.



Nirvash Dowlath

Chairperson of the Audit Committee

The Presidency

Date: 31 July 2023



11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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	
Developing and implementing a preferential procurement policy?	Yes	Procurement of Goods and Services implemented in line with the Preferential Procurement Policy Framework Act and Preferential Procurement Regulation 2022.
Determining qualification criteria for the sale of State-Owned Enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	









1. INTRODUCTION

There are plans afoot to fill critical vacant posts in The Presidency and reduce the vacancy rate to at least under 15% by Quarter 3 of the 2023/24 financial year. The critical posts of Chief Operations Officer and Chief Financial Officer are earmarked to be filled by the end of Quarter 3 in the 2023/24 financial year.

A decision has been taken to focus the Reconfiguration Project- now re-named Optimisation Project- on six priorities- that will involve, amongst others, capacitating critical areas in the Policy Research Services (PRS), Project Management Office (PMO) and Cabinet Office. This approach is meant to build strong capacity within The Presidency, suitably stationed to provide efficient and effective support to support the Principals on the delivery of their mandates.

2. OVERVIEW OF HUMAN RESOURCES

The Presidency Human Resources Management function is facing a number of challenges that include the filling of critical posts, retiring employees after many years of service, losing of interns after two years of practical on-the-job training, and low staff morale. The Department will be filling critical posts in the 2023/24 financial year to reduce the current vacancy rate of $\pm 25\%$ to under 15% by Quarter 3. Productivity SA has been appointed to conduct productivity assessment in The Presidency- aiming specifically on identifying and finding solutions for challenges related to low staff morale, which often leads to low productivity.

The Presidency is currently developing the Recognition and Rewards Policy- with the aim of recognising employee achievements and accomplishments that demonstrate the overall values of The Presidency, and encourage employees to make a performance difference either at an individual or team level. The Policy is intended to promote and reward the extraordinary accomplishments and contributions of employees in ways separate from the PMDS process.

The HRM&D unit must take the lead in ensuring that The Presidency is an inclusive and connected organization by ensuring a proper balance of employment of all race groups, people with disabilities and gender. HRM&D also needs to respond to the challenges provided by the need to automate systems in the public service, attracting young and talented workforce and ensuring a healthy environment that will encourage them to stay.

Below is a summary of the statistics provided in the document:

Table 3.1 shows that the Department's expenditure on compensation was R336 million, with an amount of R1.7 million spent on training. The Department had 476 employees on its

structure as at 31 March 2023, a decrease from 493 in the 2021/22 financial year. Overtime amounted to R9.8 million, which is about 3% of the personnel expenditure; with housing allowance at 1.7% and medical assistance at 3.6%.

The number of posts on the Establishment increased from 586 in the 2021/22 financial year to 595 in the current financial year (Table 3.2.1). The vacancy rate has increased from 22.5% in the preceding financial year, and is now hovering around 25%. The Presidency is working on ensuring that the rate is decreased to below 15% by the end of the 3rd Quarter. The SMS (SL13-16=29%), Skilled (SL3-5=29%) and Lower Skilled (SL2-34%) account for most of the vacancies (Table 3.2.2). Posts additional to the Establishment decreased to 31, from 39 in the previous financial year (Table 3.2.1).

Table 3.3.1 shows that the Department has 76 SMS posts, with 4 being additional to the Establishment. 21 of the SMS posts are vacant, including the posts of COO and CFO, which are earmarked to be filled in the 2023/24 financial year. 53 posts were job evaluated and their status quo confirmed (Table 3.4.1). There were no employees whose positions were upgraded due to their posts being upgraded (Table 3.4.2). The Department has 73 posts being paid above their job evaluated level- and these include the SL10 and 12 posts that have been evaluated to SL9 and 11 (Table 3.4.3).

The number of staff that left The Presidency is 43, with contract expiry and resignations accounting for most terminations (Table 3.5.3). Resignations are generally a consequence of employees opting to resign when they receive new employment instead of transferring, which allows them to cash-in on their pension. No employee was granted employee initiated severance package (Table 3.5.4). Table 3.5.5 shows that two officials were promoted to The Presidency from other government departments. 306 employees whose performance was found to be satisfactory, received pay progressions (Table 3.5.6).

Table 3.6.1B- 10 employees in the Department have disclosed their disability status and listed as such in the database. The Presidency thus meets the 2% national target of employing people with disability, with the percentage currently at slightly above the threshold. 124 employees benefitted from skills development initiatives, with 54% being female employees and only person with disability (Table 3.6.7). More than half of the employees (289) utilised sick leave in the 2022/23 financial year (Table 3.10.1), with 8 employees utilising incapacity leave (Table 3.10.2). All 493 employees have taken annual leave in the financial year, including interns (Table 3.10.3). Capped leave was not utilised (Table 3.10.4).

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:

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

TABLE 3.1.1 - Personnel costs by Programme

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)	Employment (including periodical- and abnormal appointments)
DTP: Policy and Research Services	13 217	11 840	-	-	90	1	11
DTP: Administration	309 219	275 979	1 743	-	89	1	447
DTP: Executive Support	13 939	12 298	-	-	88	1	15
zTotal as on Financial Systems (BAS)	336 375	300 117	1 743	-	89	1	473

Note: Principals excluded

TABLE 3.1.2 - Personnel costs by Salary band

Salary band	Personnel expenditure including transfers (R'000)	Percentage of total personnel cost	Average personnel cost per employee (R)	Total personnel cost for department including goods and services (R'000)	Number of employees
Lower skilled (Levels 1-2)	1 538	1	61 520	336 375	25
Interns	79	-	4 647	336 375	17
Skilled (Levels 3-5)	5 631	2	59 904	336 375	94
Highly skilled production (Levels 6-8)	28 518	9	206 652	336 375	138
Highly skilled supervision (Levels 9-12)	67 909	20	530 539	336 375	128
Interns Senior Management (Levels >= 13)	119 442	36	1 895 905	336 375	63
OSD	77 000	23	9 625 000	336 375	8
TOTAL	300 117	89	634 497	336 375	473

TABLE 3.1.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as a percentage of personnel costs	Overtime (R'000)	Overtime as a percentage of personnel costs	HOA (R'000)	HOA as a percentage of personnel costs	Medical aid (R'000)	Medical aid as a percentage of personnel costs	Total personnel cost per programme (R'000)
Administration	275 979	89	9 737	3	5 394	2	11 188	4	309 219
DTP: Policy and Research Services	11 840	90	72	1	201	2	299	2	13 217
DTP: Executive Support	12 298	88	-	-	176	1	489	4	13 939
TOTAL	300 117	89	9 809	3	5 771	2	11 976	4	336 375



TABLE 3.1.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary band	Salaries (R'000)	Salaries as a percentage of personnel costs	Overtime (R'000)	Overtime as a percentage of personnel costs	HOA (R'000)	HOA as a percentage of personnel costs	Medical aid (R'000)	Medical aid as a percentage of personnel costs	Total personnel cost per salary band (R'000)
Lower skilled (Levels 1-2)	1 538	37	355	9	442	11	666	16	4 167
Interns	79	0	2 438	11	1 530	7	1 087	5	21 654
Skilled (Levels 3-5)	5 631	9	4 978	8	2 301	4	2 432	4	65 085
Highly skilled production (Levels 6-8)	28 518	26	2 037	2	1 015	1	2 354	2	111 256
Highly skilled supervision (Levels 9-12)	67 909	57	-	-	325	0	5 263	2	119 785
Senior Management (Levels >= 13)	119 442	7 766	-	-	-	-	-	-	1 538
OSD	77 000	597	-	-	158	1	172	1	12 891
TOTAL	300 117	89	9 808	3	5 771	2	11 974	4	336 376

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 at end of period

Programme	Number of posts on approved establishment as on 31 March 2023	Number of posts filled as on 31 March 2023	Vacancy rate (includes frozen posts)	Number of employees additional to the establishment
Administration	556	416	25	31
DTP: Policy and Research Services	20	11	45	-
Dtp: Executive Support	19	15	21	-
TOTAL	595	442	26	31
<i>Note: Principals excluded</i>	5			

TABLE 3.2.2 - Employment and Vacancies by Salary Band at end of period 31 March 2023

Salary band	Number of posts on approved establishment as on 31 March 2023	Number of posts filled as on 31 March 2023	Vacancy rate (includes frozen posts)	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	38	25	34	-
Skilled (Levels 3-5)	133	94	29	-
Highly skilled production (Levels 6-8)	180	138	23	-
Highly skilled supervision (Levels 9-12)	163	126	23	2
Senior Management (Levels >= 13)	72	51	29	12
Interns	-	-	-	17
OSD	9	8	11	-
TOTAL	595	442	26	31
<i>Note: Principals excluded</i>				

TABLE 3.2.3 - Employment and Vacancies by Critical Occupation at end of period 31 March 2023

Critical occupation	Number of posts on approved establishment as on 31 March 2023	Number of posts filled as on 31 March 2023	Vacancy rate (includes frozen posts)	Number of employees additional to the establishment
Administrative related	116	89	23	1
Cleaners in offices, workshops, hospitals, etc.	42	28	33	-
Client inform clerks (switchboard, receptionists and information clerks)	21	11	48	-
Communication and information related	16	14	13	-
Finance and economics related	3	3	-	-
Financial and related professionals	26	17	35	-
Financial clerks and credit controllers	10	6	40	-
Food services aids and waiters	32	23	28	-
Household food and laundry services related	54	38	30	-
Human resources, organisational development and related professionals	8	7	13	-
Human resources clerks	13	11	15	-
Human resources related	13	10	23	-
Information technology related	19	13	32	1
Legal related (OSD)	9	8	11	-
Interns	-	-	-	17
Librarians and related professionals	3	1	67	-
Library mail and related clerks	9	6	33	-
Logistical support personnel	33	28	15	-
Material-recording and transport clerks	3	2	33	-
Messengers porters and deliverers	4	3	25	-
Motor vehicle drivers	27	21	22	-
Other occupations	-	-	-	8
Risk management and security services	2	1	50	-
Secretaries and other keyboard operating clerks	60	51	15	-
Senior managers	72	51	29	4
TOTAL	595	442	26	31
<i>Note: Principals excluded</i>	5			

3.3 Filling of SMS Posts

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

TABLE 3.3.1 - SMS Posts information as on 31 March 2023

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	Percentage of SMS posts filled per level	Total number of SMS posts vacant per level	Percentage of SMS posts vacant per level
Director-General/HOD	1	1	100	0	-
Salary level 16 but not HOD	1	0	-	1	100
Salary level 15	5	4	80	1	20
Salary level 14	25	20	80	5	20
Salary level 13	44	30	68	14	32
TOTAL	76	55	72	21	28
<i>Note: Excluding Principals and Special Advisers</i>					



TABLE 3.3.2 - SMS Posts information as on 30 September 2022

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	Percentage of SMS posts filled per level	Total number of SMS posts vacant per level	Percentage of SMS posts vacant per level
Director-General/HOD	1	1	100	0	-
Salary level 16 but not HOD	1	0	-	1	100
Salary level 15	5	4	80	1	20
Salary level 14	26	20	77	6	23
Salary level 13	43	31	72	12	28
TOTAL	76	56	74	20	26

Note: Excluding Principals and Special Advisers

TABLE 3.3.3 - Advertising and Filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/HOD	-	-	-
Salary level 16 but not HOD	-	-	-
Salary level 15	-	-	-
Salary level 14	1	-	-
Salary level 13	-	-	-
TOTAL	1	-	-

TABLE 3.3.4 - Reasons for not having complied with the filling of funded vacant SMS - advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancy not advertised within 6 months

Due to cost containment measures and migration to Sixth Administration

Reasons for vacancy not filled within 12 months

Due to cost containment measures and migration to Sixth Administration

TABLE 3.3.5 - Disciplinary steps taken for not complying with the prescribed time-frames for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

None

3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 3.4.1 - Job Evaluation

Salary band	Number of posts on approved establishment as at 31 March 2023	Number of jobs evaluated	Percentage of posts evaluated by salary bands	Number of posts upgraded	Percentage of upgraded posts evaluated	Number of posts downgraded	Percentage of downgraded posts evaluated
Lower skilled (Levels 1-2)	38	-	-	-	-	-	-
Skilled (Levels 3-5)	133	1	1	-	-	-	-
Highly skilled production (Levels 6-8)	180	18	10	-	-	-	-
Highly skilled supervision (Levels 9-12)	163	24	15	-	-	-	-
Senior Management service band A	41	8	20	-	-	-	-
Senior Management service band B	24	2	8	-	-	-	-
Senior Management service band C	5	-	-	-	-	-	-
Senior Management service band D	2	-	-	-	-	-	-
Interns	0	-	-	-	-	-	-
OSD	9	-	-	-	-	-	-
TOTAL	595	53	9	-	-	-	-

TABLE 3.4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
TOTAL	-	-	-	-	-
Employees with a Disability	-	-	-	-	-

TABLE 3.4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation	No of employees in department
Lower skilled (Levels 1-2)	-				25
Skilled (Levels 3-5)	43	5	6, 7 and 9		94
Highly skilled production (Levels 6-8)	2	7	8		138
Highly skilled supervision (Levels 9-12)	25	9 and 11	10 and 12		126
Senior Management service band A	2	13	14		28
Senior Management service band B	1	14	15		18
Senior Management service band C	-				4
Senior Management service band D	-				1
OSD	-				8
TOTAL	73				442
<i>Note: Principals, Special Advisers and interns excluded</i>					
Percentage of total employment	12				
<i>NB: Above inclusive of JE grading as well as out of adjustments</i>					

**TABLE 3.4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]**

Gender	African	Asian	Coloured	White	Total
Female	48	1	-	6	55
Male	16	-	2	-	18
TOTAL	64	1	2	6	73
Employees with a disability	-	-	-	-	-

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

Salary band	Number of employees at beginning of period April 2022	Appointments	Terminations	Turnover rate
Lower skilled (Levels 1-2)	25	-	-	-
Skilled (Levels 3-5)	98	1	7	7
Highly skilled production (Levels 6-8)	148	3	11	7
Highly skilled supervision (Levels 9-12)	122	9	8	7
Senior Management service band A	29	2	2	7
Senior Management service band B	19	2	7	37
Senior Management service band C	4	-	6	150
Senior Management service band D	11	-	1	9
OSD	9	-	1	11
TOTAL	465	17	43	9

Note: Principals and Interns excluded

TABLE 3.5.2 - Annual Turnover Rates by Critical Occupation

Critical occupation	Number of employees at beginning of period April 2022	Appointments	Terminations	Turnover rate
Administrative related	89	4	6	7
Interns	25	-	10	40
Cleaners in offices, workshops, hospitals, etc.	31	-	1	3
Client inform clerks (switchboard, receptionists and information clerks)	14	-	3	21
Communication and information related	13	2	1	8
Finance and economics related	2	1	-	-
Financial and related professionals	20	1	5	25
Financial clerks and credit controllers	7	-	1	14
Food services aids and waiters	23	-	1	4
Household food and laundry services related	38	-	1	3
Human resources, organisational development and related professionals	7	-	-	-
Human resources clerks	11	-	-	-
Human resources related	11	-	-	-
Information technology related	14	1	1	7
Legal related (OSD)	9	-	1	11
Librarians and related professionals	2	-	1	50
Library mail and related clerks	7	-	-	-
Logistical support personnel	25	2	1	4
Material-recording and transport clerks	2	-	-	-
Messengers porters and deliverers	3	-	-	-
Motor vehicle drivers	20	1	1	5
Other occupations	10	-	7	70
Secretaries and other keyboard operating clerks	52	1	4	8
Risk management and security	1	-	-	-
Senior managers	54	4	8	15
TOTAL	490	17	53	11

Note: Principals excluded

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

TABLE 3.5.3 - Reasons why staff are leaving the department

Termination type	Number	Percentage of total resignations	Percentage of total employment	Total	Total employment
Death	1	2	0	43	490
Resignation	13	30	3	43	490
Expiry of contract	17	40	4	43	490
Transfers	4	9	1	43	490
Retirement	7	16	1	43	490
Dismissal	1	2	0	43	490
TOTAL	43	100	9	43	490



TABLE 3.5.4 - Granting of Employee Initiated Severance Packages

Category	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of packages approved by department
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-
Senior Management service band A	-	-	-	-
Senior Management service band B	-	-	-	-
Senior Management service band C	-	-	-	-
Senior Management service band D	-	-	-	-
OSD	-	-	-	-
TOTAL	-	-	-	-

TABLE 3.5.5 - Promotions by critical Occupation 1 April 2022 A67 and 31 March 2023

Occupation	Number of employees at beginning of period 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	90	1	1	61	68
Cleaners in offices, workshops, hospitals, etc.	31	-	-	25	81
Client inform clerks (switchboard, receptionists and information clerks)	14	-	-	8	57
Communication and information related	13	-	-	9	69
Finance and economics related	2	-	-	2	100
Financial and related professionals	20	-	-	12	60
Financial clerks and credit controllers	7	-	-	3	43
Food services aids and waiters	23	-	-	17	74
Household food and laundry services related	38	-	-	25	66
Human resources, organisational development and related professionals	7	-	-	6	86
Human resources clerks	11	-	-	9	82
Human resources related	11	-	-	9	82
Information technology related	14	-	-	11	79
Legal related	9	-	-	4	44
Librarians and related professionals	2	-	-	1	50
Library mail and related clerks	7	-	-	6	86
Logistical support personnel	25	-	-	18	72
Material-recording and transport clerks	2	-	-	1	50
Messengers porters and deliverers	3	-	-	3	100
Motor vehicle drivers	20	-	-	15	75
Other occupations	-	-	-	-	-
Secretaries and other keyboard operating clerks	52	-	-	33	64
Risk management and security	1	-	-	-	-
Senior managers	53	1	2	28	53
TOTAL	455	2	0	306	67

Note: Principals, Special Adviser and interns excluded

TABLE 3.5.6 - Promotions by Salary Band

Salary band	Number of employees at beginning of period April 2022	Promotions to another salary level	Salary level promotions as a percentage of employees by salary band	Progressions to another notch within a salary level	Notch progression as a percentage of employees by salary band
Lower skilled (Levels 1-2)	25	-	-	22	88
Skilled (Levels 3-5)	98	-	-	69	70
Highly skilled production (Levels 6-8)	148	1	1	92	62
Highly skilled supervision (Levels 9-12)	122	-	-	91	75
Senior Management (Levels >= 13)	53	1	2	28	53
OSD	9	-	-	4	44
TOTAL	455	2	0	306	67

Note: Principals, Special Advisers and interns excluded

3.6 Employment Equity

TABLE 3.6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational category (SASCO)

Occupational category	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Interns	7	-	-	7	-	10	-	-	10	-	17
OSD	4	-	-	4	-	3	1	-	4	-	8
Senior Officials and Managers (SMS)	24	5	-	29	2	22	4	3	29	3	63
Professionals (11-12)	33	1	1	35	3	34	4	5	43	2	83
Technicians and associate professionals (9-10)	13	1	1	15	-	28	-	-	28	2	45
Clerks (6-8)	48	2	-	50	-	76	6	2	84	4	138
Service shop and market sales workers (3-5)	37	3	-	40	-	47	7	-	54	-	94
Labourers and related workers (2)	9	-	-	9	-	15	1	-	16	-	25
TOTAL	175	12	2	189	5	235	23	10	268	11	473

Note: Principals excluded

TABLE 3.6.1B - Total number of Employees with disabilities

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	3	2	-	5	1	3	-	1	4	-	10

TABLE 3.6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational bands

Occupational band	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Interns	7	-	-	7	-	10	-	-	10	-	17
OSD	4	-	-	4	-	3	1	-	4	-	8
Senior Officials and Managers (SMS)	24	5	-	29	2	22	4	3	29	3	63
Professionals (11-12)	33	1	1	35	3	34	4	5	43	2	83
Technicians and associate professionals (9-10)	13	1	1	15	-	28	-	-	28	2	45
Clerks (6-8)	48	2	-	50	-	76	6	2	84	4	138
Service shop and market sales workers (3-5)	37	3	-	40	-	47	7	-	54	-	94
Labourers and related workers (2)	9	-	-	9	-	15	1	-	16	-	25
TOTAL	175	12	2	189	5	235	23	10	268	11	473



TABLE 3.6.3 - Recruitment

Occupational band	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Inadian	Female, Total Blacks	Female, White	Total
Interns	-	-	-	-	-	-	-	-	-	-	-
OSD	-	-	-	-	-	-	-	-	-	-	-
Senior Officials and Managers (SMS)	1	-	-	1	1	2	-	-	2	-	4
Professionals (11-12)	2	-	-	2	-	5	-	2	7	-	9
Technicians and associate professionals (9-10)	-	-	-	-	-	-	-	-	-	-	-
Clerks (6-8)	3	-	-	3	-	-	-	-	-	-	3
Service shop and market sales workers (3-5)	1	-	-	1	-	-	-	-	-	-	1
Labourers and related workers (2)	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7	-	-	7	1	7	-	2	9	-	17

TABLE 3.6.3B - Recruitment (Employees with disabilities)

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	-	-	-	-	-	-	-	-	-	-	-

TABLE 3.6.4 - Promotions

Occupational band	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Interns	-	-	-	-	-	-	-	-	-	-	-
OSD	-	-	-	-	-	-	-	-	-	-	-
Senior Officials and Managers (SMS)	-	-	-	-	-	1	-	-	1	-	1
Professionals (11-12)	-	-	-	-	-	-	-	-	-	-	-
Technicians and associate professionals (9-10)	-	-	-	-	-	-	-	-	-	-	-
Clerks (6-8)	-	-	-	-	-	1	-	-	1	-	1
Service shop and market sales workers (3-5)	-	-	-	-	-	-	-	-	-	-	-
Labourers and related workers (2)	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	2	-	-	2	-	2

TABLE 3.6.4B - Promotions (Employees with disabilities)

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	-	-	-	-	-	-	-	-	-	-	-

TABLE 3.6.5 - Terminations

Occupational band	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Inadian	Female, Total Blacks	Female, White	Total
Interns	3	-	-	3	-	7	-	-	7	-	10
OSD	-	-	-	-	-	1	-	-	1	-	1
Senior Officials and Managers (SMS)	8	-	-	8	-	4	1	-	5	1	14
Professionals (11-12)	3	-	-	3	-	3	-	-	3	-	6
Technicians and associate professionals (9-10)	-	-	-	-	-	2	-	-	2	-	2
Clerks (6-8)	5	-	-	5	-	5	1	-	6	1	12
Service shop and market sales workers (3-5)	3	-	-	3	-	3	1	-	4	-	7
Labourers and related workers (2)	-	-	-	-	-	1	-	-	1	-	1
TOTAL	22	-	-	22	-	26	3	-	29	2	53

TABLE 3. 6.5B - Terminations (Employees with disabilities)

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	-	-	-	-	-	-	-	-	-	1	1

TABLE 3.6.6 - Disciplinary Action

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Disciplinary Action	-	-	-	-	-	-	-	-	-	-	-

TABLE 3.6.7 - Skills Development

Occupational category	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Interns	-	-	-	-	-	-	-	-	-	-	-
OSD	1	-	-	1	-	-	-	-	-	-	1
Senior Officials and Managers (SMS)	5	-	-	5	-	5	-	-	5	-	10
Professionals (11-12)	14	-	-	14	-	7	1	2	10	-	24
Technicians and associate professionals (9-10)	4	-	-	4	-	13	-	-	13	1	18
Clerks (6-8)	21	-	-	21	-	16	1	-	17	-	38
Service shop and market sales workers (3-5)	10	-	-	10	-	13	3	-	16	-	26
Labourers and related workers (2)	2	-	-	2	-	5	-	-	5	-	7
TOTAL	57	-	-	57	-	59	5	2	66	1	124
Employees with disabilities	-	-	-	-	-	1	-	-	1	-	1

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS 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 timeframes and disciplinary steps taken is presented here.

TABLE 3.7.1 - Signing of Performance Agreements by SMS Members as on 31 May 2022

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as percentage of total number of SMS members per level
Director-General/HOD	1	1	1	100
Salary level 16 but not HOD	1	-	-	-
Salary level 15	5	4	4	100
Salary level 14	26	18	15	83
Salary level 13	43	30	29	97
TOTAL	76	53	49	92

Note: Principals and Special Advisers are excluded in the above

TABLE 3.7.2 - Reasons for not having concluded Performance Agreements for all SMS members as on 31 May 2022

Two (2) cases of SMS members were treated in line with section 17.1 and 17.2 of Chapter 4 of the SMS Handbook. Two (2) SMS members failed to comply with the submission of his performance agreement and section 16(A) (2) will be invoked for not meeting the submission date of 31 May 2022.

TABLE 3.7.3 - Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2022

Two (2) cases of non-compliance were referred to labour relations for further processes, however one member's contract of employment was terminated end of March 2023



3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

TABLE 3.8.1 - Performance Rewards by Race, Gender and Disability

Race and gender	Number of beneficiaries	Number of employees as at April 2022	Percentage of total within group	Total cost (R'000)	Average cost per employee (R)
African, Female	9	227	4	171	19 046
African, Male	8	161	5	213	26 661
Asian, Female	-	7	-	-	-
Asian, Male	-	2	-	-	-
Coloured, Female	-	24	-	-	-
Coloured, Male	2	10	20	42	21 192
Total Blacks, Female	9	258	4	171	19 046
Total Blacks, Male	10	173	6	256	25 567
White, Female	3	11	27	65	21 768
White, Male	-	2	-	-	-
Employees with a disability	1	11	9	21	21 440
TOTAL	23	455	5	492	21 408

TABLE 3.8.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary band	Number of beneficiaries	Number of employees as at 1 April 2022 to 31 March 2023	Percentage of total within salary band	Total cost (R'000)	Average cost per employee (R)
OSD	-	8	-	-	-
Lower skilled (Levels 1-2)	-	25	-	-	-
Skilled (Levels 3-5)	-	94	-	-	-
Highly skilled production (Levels 6-8)	-	138	-	-	-
Highly skilled supervision (Levels 9-12)	1	126	1	12	11 534
TOTAL	1	391	0	12	11 534

TABLE 3.8.3 - Performance Rewards by Critical Occupation

Critical occupation	Number of beneficiaries	Number of employees as at 1 April 2022	Percentage of total within occupation	Total cost (R'000)	Average cost per employee (R)
Financial clerks and credit controllers	-	7	-	-	-
Household food and laundry services related	-	38	-	-	-
Human resources clerks	-	11	-	-	-
Human resources, organisational development and related professionals	-	7	-	-	-
Messengers porters and deliverers	-	3	-	-	-
Logistical support personnel	-	25	-	-	-
Finance and economics related	-	2	-	-	-
Other occupations	-	-	-	-	-
Legal related	-	9	-	-	-
Financial and related professionals	-	20	-	-	-
Administrative related	-	90	-	-	-
Communication and information related	1	13	8	12	11 534
Secretaries and other keyboard operating clerks	-	52	-	-	-
Cleaners in offices, workshops, hospitals, etc.	-	31	-	-	-
Library mail and related clerks	-	7	-	-	-
Human resources related	-	11	-	-	-
Material-recording and transport clerks	-	2	-	-	-
Senior managers	22	53	42	502	22 831
Client inform clerks (switchboard, receptionists and information clerks)	-	14	-	-	-
Motor vehicle drivers	-	20	-	-	-
Food services aids and waiters	-	23	-	-	-
Risk management and security	-	1	-	-	-
Information technology related	-	14	-	-	-
Librarians and related professionals	-	2	-	-	-
TOTAL	23	455	5	514	22 340

Note: Principals, special Advisers and Interns excluded

TABLE 3.8.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

Salary band	Number of beneficiaries	Number of employees as at 1 April 2022	Percentage of total within salary band	Total cost (R'000)	Average cost per employee (R)	Total cost as a percentage of the total personnel expenditure	Personnel cost SMS (R'000)
Band A	16	29	55	382	23 883	1	34 724
Band B	6	19	32	120	20 033	0	29 302
Band C	-	4	-	-	-	-	8 510
Band D	-	11	-	-	-	-	27 776
TOTAL	22	63	35	502	22 833	1	100 312



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

Salary band	Employment at beginning of period 1 April 2022	Percentage of total at beginning of period	Employment at end of period	Percentage of total at end of period	Change in employment	Percentage of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
TOTAL	-	-	-	-	-	-	-	-	-

TABLE 3.9.2 - Foreign Workers by Major Occupation

Major occupation	Employment at beginning of period 1 April 2022	Percentage of total at beginning of period	Employment at end of period	Percentage of total at end of period	Change in employment	Percentage of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
TOTAL	-	-	-	-	-	-	-	-	-

3.10 Leave utilisation

The Public Service Commission identified the need for 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 January 2022 to December 2022

Salary band	Total days	Percentage of 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)	Total number of employees using sick leave	Total number of days with medical certification
Interns	24	46	7	2	3	92	289	11
Lower skilled (Levels 1-2)	284	84	25	9	11	172	289	237
OSD	17	47	3	1	6	657	289	8
Skilled (Levels 3-5)	481	81	68	24	7	4 196	289	390
Highly skilled production (Levels 6-8)	757	81	108	37	7	1 194	289	610
Highly skilled supervision (Levels 9-12)	422	86	60	21	7	1 264	289	362
Senior Management (Levels 13-16)	108	90	18	6	6	542	289	97
TOTAL	2 093	82	289	100	7	8 117	289	1 715

TABLE 3.10.2 - Disability Leave (Temporary and Permanent) for January 2022 to December 2022

Salary band	Total days	Percentage of 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)	Total number of days with medical certification	Total number of employees using disability leave
Interns	-	-	-	-	-	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-	-
OSD	-	-	-	-	-	-	-	-
Skilled (Levels 3-5)	256	100	2	100	128	254	256	2
Highly skilled production (Levels 6-8)	50	100	2	100	25	104	50	2
Highly skilled supervision (Levels 9-12)	40	100	4	100	10	109	40	4
Senior Management (Levels 13-16)	-	-	-	-	-	-	-	-
TOTAL	346	100	8	100	43	467	346	8

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires 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 January 2022 to December 2022

Salary band	Total days taken	Average per employee	Number of employees using annual leave
Interns	269	13	21
Lower skilled (Levels 1-2)	275	11	25
OSD	318	35	9
Skilled (Levels 3-5)	2 271	24	93
Highly skilled production (Levels 6-8)	3 482	24	147
Highly skilled supervision (Levels 9-12)	2 503	19	129
Senior Management (Levels 13-16)	1 035	15	69
TOTAL	10 153	21	493

TABLE 3.10.4 - Capped Leave for January 2022 to December 2022

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at end of period	Number of employees using capped leave	Total number of capped leave available at end of period	Number of employees as at end of period
Interns	-	-	-	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-
OSD	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	40	-	441	11
Highly skilled production (Levels 6-8)	-	-	17	-	295	17
Highly skilled supervision (Levels 9-12)	-	-	34	-	842	25
Senior Management (Levels 13-16)	-	-	20	-	217	11
TOTAL	-	-	28	-	1 795	64

TABLE 3.10.5 - Leave Payouts (Estimated)

Reason	Total estimated amount (R'000)	Number of employees	Estimated average per employee (R)
Annual - discounting with resignation (work days)	394	10	39 400
Annual - gratuity: death/retirement/medical retirement (work)	349	7	49 857
Capped - gratuity: death/retirement/medical retirement (work)	271	4	67 750
TOTAL	1 014		
Leave Payouts (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699 and 0701	1 014	21	



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
Young employees below the age of 35 years	Voluntary testing initiatives to be scaled up.

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 her/his name and position.	Yes		Mumsey Maake, Director: Employee Health and Wellness and Gender Mainstreaming
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available.	Yes		Yes. The total number of designated employees involved in health promotion program is Four (4) and the annual allocated budget for employee health and wellness is R 702 000.00.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Yes, The Presidency has established a spiritual support group, Aerobics and Fun Walk club, Athletics Club, Netball, and Soccer clubs. Health screening and HIV/AIDS, and TB campaigns are conducted on a quarterly basis. Chronic Disease management programme has also been introduced.
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.	Yes		1. M Maake – Chairperson, 2. Mr R Nemaalili – member; 3. Ms A Buwa – member, 4. Mr N Tshishonga – member, 5. Ms G Luthuli – member, 6. Ms B Maluleke – member, 7. Ms M Alexander – member, 8. Mr A Mbali – member, 9. Mr S Mballo, 10. Mr M Mrwetyana – member, 11. Mr W Mdovu – member, 12. Mr R Mankanyi – member, 13. Mr J Manaiwa, 14. Mr A Mothwa, 15. Ms T Rambau – EHW Administrator, 16. Ms W Buthelezi – member; 17. Ms A Masehe – Ex officio member (OHS Specialist)
5. Has the department reviewed the employment policies and practices of your department 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		The following policies were reviewed to ensure HIV/AIDS, STI and TB mainstreaming, Wellness Management, Health and Productivity Management
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		There are Departmental initiatives on management of Diversity. Counseling is also provided for employees who are HIV positive through the appointed external service provider.
7. Does the department encourage its employees to undergo Voluntary Counseling and Testing? If so, list the results that you have achieved.	Yes		A total number of 31 employees (23 females and 8 males) tested for HIV
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Yes		The Department conduct an annual assessment to monitor and evaluate the health promotions through the System Monitoring Tool (SMT), which is used as the basis for planning and implementation of the health promotion programme for the subsequent financial year.

3.12 Labour Relations

TABLE 3.12.1 - Collective Agreements for the period 1 April 2022 to 31 March 2023

Collective Agreements for the period 1 April 2022 to 31 March 2023	Number	Percentage of total
None	-	-

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

TABLE 3.12.2 - Misconduct and Discipline Hearings Finalised for the period 1 April 2022 to 31 March 2023

Outcomes of disciplinary hearings	Number	Percentage of total	Total
-	-	-	-

TABLE 3.12.3 - Types of Misconduct Addressed and Disciplinary Hearings for the period 1 April 2022 to 31 March 2023

Type of misconduct	Number	Percentage of total	Total
-	-	-	-

TABLE 3.12.4 - Grievances Lodged for the period of 1 April 2022 to 31 March 2023

Number of grievances addressed	Number	Percentage of total	Total
Grievances Lodged for the period of 1 April 2022 to 31 March 2023	4	100	4

TABLE 3.12.5 - Disputes Lodged for the period 1 April 2022 and 31 March 2023

Disputes Lodged for the period 1 April 2022 and 31 March 2023	Number	Percentage of total
Disputes Lodged for the period 1 April 2022 and 31 March 2023	2	2
TOTAL	2	2

TABLE 3.12.6 - Strike Actions for the period 1 April 2022 to 31 March 2023

Actions for the period 1 April 2022 to 31 March 2023	Number	Percentage of total
Strike Actions for the period 1 April 2022 to 31 March 2023	-	-
TOTAL	-	-

TABLE 3.12.7 - Precautionary Suspensions for the period of 1 April 2022 to 31 March 2023

Precautionary Suspensions for the period of 1 April 2022 to 31 March 2023	Number	Percentage of total
Precautionary Suspensions for the period of 1 April 2022 to 31 March 2023	1	1
TOTAL	1	1

3.13 Skills development

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

TABLE 3.13.1 - Training Needs identified

Occupational category	Gender	Number of employees at beginning of period of 1 April 2022	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers (SMS)	Female	30	-	13	2	15
	Male	23	-	14	3	17
Professionals (11-12)	Female	43	-	31	4	35
	Male	37	-	26	5	31
Technicians and associate professionals (9-10)	Female	27	-	18	1	19
	Male	15	-	10	1	11
Clerks (6-8)	Female	97	-	72	2	74
	Male	51	-	38	-	38
Service and sales workers (3-5)	Female	56	-	43	-	43
	Male	42	-	36	-	36
OSD	Female	5	-	3	-	3
	Male	4	-	2	-	2
Elementary occupations (2)	Female	16	-	16	-	16
	Male	9	-	9	-	9
Gender sub totals	Female	274	-	196	9	205
	Male	181	-	135	9	144
TOTAL		455	-	331	18	349



TABLE 3.13.2 - Training Provided

Occupational category	Gender	Number of employees at beginning of period 1 April 2022	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers (SMS)	Female	30	-	4	1	5
	Male	23	-	1	4	5
Professionals (11-12)	Female	43	-	7	3	10
	Male	37	-	12	2	14
Technicians and associate professionals (9-10)	Female	27	-	9	5	14
	Male	15	-	3	1	4
Clerks (6-8)	Female	97	-	15	2	17
	Male	51	-	21	-	21
Service and sales workers (3-5)	Female	56	-	16	-	16
	Male	42	-	10	-	10
OSD	Female	5	-	-	-	-
	Male	4	-	1	-	1
Elementary occupations (2)	Female	16	-	5	-	5
	Male	9	-	2	-	2
Gender sub totals	Female	274	-	56	11	67
	Male	181	-	50	7	57
TOTAL		455	-	106	18	124

3.14 Injury on duty

The following tables provide basic information on injury on duty.

TABLE 3.14.1 - Injury on Duty

Nature of injury on duty	Number	Percentage of Total
Required basic medical attention only	1	-
Temporary total disablement	-	-
Permanent disablement	-	-
Fatal	-	-
TOTAL	1	-

3.15 Utilisation of Consultants

The following tables relate 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:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which 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			
	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
The Socio-Economic Impact Assessment system IT Portal Development and Enhancement	9	175	R992 996
Implementation of the Business Continuity Management and Resilience programme	6	249	R2 979 464

TABLE 3.15.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs			
	Percentage of ownership by HDI groups	Percentage of management by HDI groups	Number of consultants from HDI groups that work on the project
The Socio-Economic Impact Assessment system IT Portal Development and Enhancement	N/A		7
Implementation of the Business Continuity Management and Resilience programme	38.8%		6

TABLE 3.15.3 - Report on consultant appointments using Donor funds			
	Total number of consultants that worked on the project	Duration: Work days	Donor and contract value in Rand
TOTAL	15	424	R3 972 460

TABLE 3.15.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs			
	Percentage of ownership by HDI groups	Percentage of management by HDI groups	Number of consultants from HDI groups that work on the project
None	-	-	-





I. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES**I.1. Irregular expenditure****a) Reconciliation of irregular expenditure**

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Opening balance	22 738	34 804
Add: Irregular expenditure confirmed	213	-
Less: Irregular expenditure condoned	(37)	(908)
Less: Irregular expenditure not condoned and removed	(12 201)	(11 157)
Less: Irregular expenditure recoverable	-	(1)
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	10 713	22 738

In terms of the 2021/2022 AFS, the opening balance was R34 887, the balance was revised to due identified duplicated transactions. The revised opening balance for 2021/22 is R34 804

Reconciling notes

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	213	-
TOTAL	213	-

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

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	6 205	22 299
Irregular expenditure under investigation	439	439
TOTAL	6 644	22 738

Irregular Expenditure amounting to R4 069 000 determination is concluded and condonation submission is in process.

c) Details of current and previous year irregular expenditure condoned

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	37	908
TOTAL	37	908

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

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	12 201	11 157
TOTAL	12 201	11 157

e) Details of current and previous year irregular expenditure recovered

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	1
TOTAL	-	1

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

There is no write-off of irregular expenditure in the 2022/23 financial year

Additional disclosure relating to Inter-Institutional Arrangements

g) There are no Inter-Institutional Arrangements entered into during the year under review.

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

DISCIPLINARY STEPS TAKEN

Warning letters are issued to the officials found responsible for irregular expenditure amounting to R174 000.

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Opening balance	19	566
Add: Fruitless and wasteful expenditure confirmed	5	31
Less: Fruitless and wasteful expenditure written off	(10)	(570)
Less: Fruitless and wasteful expenditure recoverable	(5)	(8)
CLOSING BALANCE	9	19

Include discussion here where deemed relevant.

Reconciling notes

DESCRIPTION	2022/2023	2021/2022
	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	5	31
TOTAL	5	31

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

DESCRIPTION ¹	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	9	19
Fruitless and wasteful expenditure under investigation	-	-
TOTAL	9	19

Include discussion here where deemed relevant.

c) Details of current and previous year fruitless and wasteful expenditure recovered

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	5	8
TOTAL	5	8

Include discussion here where deemed relevant.

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

DESCRIPTION	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	10	570
TOTAL	10	570

Include discussion here where deemed relevant.

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

There are no disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure incurred in the 2022/23 financial year.

1.3. Unauthorised expenditure

There is no unauthorised expenditure incurred in the 2022/23 financial year.

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

There is no material losses through criminal conduct incurred in the 2022/23 financial year.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

DESCRIPTION	Number of invoices	Consolidated Value
		R'000
Valid invoices received	8 968	303 713
Invoices paid within 30 days or agreed period	8 962	301 792
Invoices paid after 30 days or agreed period	6	1 921
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	0	0
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	15	5 538

The late payment of the invoices is a result of the department using a manual system in tracking the invoices. The department disputed the 5 invoices because the legal fee claims were not split among all responsible departments.

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
None				
TOTAL				

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
Website hosting and development	SITA	Price increase	SLA/CM-08/2021	R6 240 852,38	00	R94 293,07
VMWare License	EOH Mthombo	Variation	SLA/CM-02/2019	R3 023 565,69	00	R605 070,67
To facilitate and manage travelling services	Club Travel (Pty) Ltd	Expansion	PO:2021/22:001	R1 104 465,41	00	R294 304,62
TOTAL				R10 368 883,48	00	R993 668,36



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 1: THE PRESIDENCY

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of The Presidency set out on pages 144 to 178, 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 Presidency 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) prescribed by the National Treasury 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.

Other matters

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

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

7. On 23 December 2022 National Treasury issued Instruction 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 22 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 Presidency. 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.

8. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the Annual Report.

Unaudited supplementary information

9. The supplementary information set out on pages 179 to 187 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.

Responsibilities of the accounting officer for the financial statements

10. 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.
11. 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

12. 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.
13. 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

14. 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.
15. 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.

Programme	Page numbers	Purpose
Administration	87	The programme is responsible for the provision of strategic, technical, and operational support to the President and the Deputy President to enable them to lead and oversee the implementation of the government programme and electoral mandate and to ensure enhanced service delivery to the people of South Africa.
Executive Support	94	To provide strategic and administrative support to enable the cabinet and FOSAD to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.
Policy and Research Services	95	To provide policy and research support to the political principals in The Presidency in the exercise of their Constitutional mandate and within the context of government priorities.

16. 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.

17. 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 is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
18. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
19. I did not identify any material findings on the reported performance information of any of the selected programme's

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement.

Report on compliance with legislation

22. 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.

23. 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.
24. 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.
25. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the Annual Report

26. The accounting officer is responsible for the other information included in the Annual Report, which includes the directors' report and the audit committee's 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.
27. 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.
28. 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.
29. The other information I obtained prior to the date of this auditor's report are the accounting officers report and human resource oversight report, and general information I, the foreword of the Minister and Director-General and governance information are expected to be made available to us after 31 July 2023.

30. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
31. When I do receive and read the general information i.e. the foreword of the Minister and Director-General and governance information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. 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.
33. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
30 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- the Auditor-General's responsibility for the audit
- the selected legislative requirements for compliance testing.

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this

auditor's report. However, future events or conditions may cause a department to cease operating as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b); PFMA 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2); 45(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c) Treasury Regulation 16A3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) and (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) and (iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	Section 16(1)

Legislation	Sections or regulations
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) and 25(7A)
Preferential Procurement Policy Framework Act	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
Preferential Procurement Regulations 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
State Information Technology Agency Act	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.4(c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)





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APPROPRIATION PER PROGRAMME									
	2022/23						2021/22		
	Approved 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
Programme									
1. Administration	538 306	-	(2 653)	535 652	475 410	60 243	88.80%	519 258	446 528
2. Executive Support	53 617	-	2 653	56 270	51 248	5 022	91.10%	58 162	54 630
3. Policy and Research Services	26 360	-	-	26 360	16 036	10 324	60.80%	27 159	17 053
Subtotal	618 283	-	-	618 283	542 694	75 589	87.80%	604 579	518 211
Statutory Appropriation	7 704	-	-	7 704	5 870	1 834	76.20%	7 542	5 706
President and Deputy President salary	7 704	-	-	7 704	5 870	1 834	76.20%	7 542	5 706
TOTAL	625 987	-	-	625 987	548 564	77 423	87.60%	612 121	523 917

	2022/23		2021/22	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)	625 987		612 121	
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	743		807	
Actual amounts per statement of financial performance (total revenue)	626 730		612 928	
Actual amounts per statement of financial performance (total expenditure)		548 564		523 917

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2022/23						2021/22		
	Approved 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
Economic classification									
Current payments	608 013	(12 137)	-	595 876	520 715	75 161	87.40%	589 077	502 908
Compensation of employees	390 860	-	-	390 860	342 006	48 854	87.50%	377 858	339 261
Goods and services	217 153	(12 137)	-	205 016	178 709	26 307	87.20%	211 219	163 647
Transfers and subsidies	3 046	-	-	3 046	1 277	1 769	41.90%	4 056	2 078
Provinces and municipalities	46	-	-	46	6	40	13.00%	4	4
Departmental agencies and accounts	-	-	-	-	-	-	-	40	-
Foreign governments and international organisations	-	-	-	-	-	-	-	463	463
Households	3 000	-	-	3 000	1 271	1 729	42.20%	3 549	1 611
Payments for capital assets	14 928	11 622	-	26 550	26 057	493	98.10%	17 788	17 731
Machinery and equipment	14 928	11 454	-	26 382	25 889	493	98.10%	17 788	17 731
Intangible assets	-	168	-	168	168	-	100.00%	-	-
Payments for financial assets	-	515	-	515	515	-	100.00%	1 200	1 200
TOTAL	625 987	-	-	625 987	548 564	77 423	87.60%	612 121	523 917

STATUTORY APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2022/23						2021/22		
	Approved 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
Economic classification									
Current payments	7 704	-	-	7 704	5 870	1 834	76.20%	7 542	5 706
Compensation of employees	7 704	-	-	7 704	5 870	1 834	76.20%	7 542	5 706
TOTAL	7 704	-	-	7 704	5 870	1 834	76.20%	7 542	5 706

PROGRAMME 1: ADMINISTRATION									
	2022/23						2021/22		
	Approved 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
Sub-Programme									
1. Management	400 422	(5 316)	(2 653)	392 453	346 207	46 246	88.20%	367 171	334 251
2. Support services to the President	77 108	5 316	-	82 424	82 318	106	99.90%	84 164	70 464
3. Support services to the Deputy President	60 776	-	-	60 776	46 885	13 891	77.10%	58 923	41 813
Total for Sub-Programmes	538 306	-	(2 653)	535 653	475 410	60 243	88.80%	519 258	446 528
Economic classification									
Current payments	522 225	(12 137)	(2 653)	507 435	448 947	58 488	88.50%	498 094	427 322
Compensation of employees	344 370	-	-	344 370	308 980	35 390	89.70%	332 607	304 190
Goods and services	177 855	(12 137)	(2 653)	163 065	139 967	23 098	85.80%	165 487	123 132
Transfers and subsidies	2 876	-	-	2 876	1 128	1 748	39.20%	3 911	1 953
Provinces and municipalities	46	-	-	46	6	40	13.00%	4	4
Departmental agencies and accounts	-	-	-	-	-	-	-	40	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	463	463
Households	2 830	-	-	2 830	1 122	1 708	39.60%	3 404	1 486
Payments for capital assets	13 205	11 622	-	24 827	24 820	7	100.00%	16 054	16 054
Machinery and equipment	13 205	11 622	-	24 827	24 820	7	100.00%	16 054	16 054
Payments for financial assets	-	515	-	515	515	-	100.00%	1 199	1 199
TOTAL	538 306	-	(2 653)	535 653	475 410	60 243	88.80%	519 258	446 528

PROGRAMME 2: EXECUTIVE SUPPORT									
	2022/23						2021/22		
	Approved 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
1. Cabinet Services	53 617	-	2 653	56 270	51 248	5 022	91.10%	58 162	54 630
Total for Sub-Programmes	53 617	-	2 653	56 270	51 248	5 022	91.10%	58 162	54 630
Economic classification									
Current payments	52 075	-	2 653	54 728	50 181	4 547	91.70%	56 825	53 370
Compensation of employees	18 486	-	-	18 486	13 939	4 547	75.40%	18 158	14 703
Goods and services	33 589	-	2 653	36 242	36 242	-	100.00%	38 667	38 667
Transfers and subsidies	150	-	-	150	149	1	99.30%	20	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	150	-	-	150	149	1	99.30%	20	-
Payments for capital assets	1 392	-	-	1 392	918	474	65.90%	1 316	1 259
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 392	-	-	1 392	918	474	65.90%	1 316	1 259
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	1	1
TOTAL	53 617	-	2 653	56 270	51 248	5 022	91.10%	58 162	54 630

PROGRAMME 3: POLICY AND RESEARCH SERVICES									
	2022/23						2021/22		
	Approved 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
Sub-Programme									
2. Economic, Trade and Investment	18 226	(203)	-	18 023	9 402	8 621	52.20%	18 967	10 762
3. Socioeconomic Impact Assessment System	8 134	203	-	8 337	6 634	1 703	79.60%	8 192	6 291
Total for Sub-Programmes	26 360	-	-	26 360	16 036	10 324	60.80%	27 159	17 053
Economic classification									
Current payments	26 009	-	-	26 009	15 717	10 292	60.40%	26 616	16 510
Compensation of employees	20 300	-	-	20 300	13 217	7 083	65.10%	19 551	14 662
Goods and services	5 709	-	-	5 709	2 500	3 209	43.80%	7 065	1 848
Transfers and subsidies	20	-	-	20	-	20	-	125	125
Households	20	-	-	20	-	20	-	125	125
Payments for capital assets	331	-	-	331	319	12	96.40%	418	418
Machinery and equipment	331	(168)	-	163	151	12	92.60%	418	418
Intangible assets	-	168	-	168	168	-	100.00%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	26 360	-	-	26 360	16 036	10 324	60.80%	27 159	17 053

1. Details of transfers and subsidies as per Appropriation Act (after Virement)

Details of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure IA-H of the Annual Financial Statements.

2. Details of specifically and exclusively appropriated amounts voted (after Virement)

Details of these transactions can be viewed in the note on Annual Appropriation to the Annual Financial Statements.

3. Details on payments for financial assets

Details of these transactions 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 Per programme

PROGRAMME	Final budget	Actual Expenditure	Variance	Variance as a% of Final budget
	R'000	R'000	R'000	%
Administration	535 653	475 410	60 243	11.25%
Executive Support	56 270	51 248	5 022	8.92%
Policy and Research Services	26 360	16 036	10 324	39.17%
TOTAL	618 283	542 694	75 589	-

Underspending in Programme 1 Administration: compensation of employees is due to vacant posts, posts vacated in the middle of the financial year, delay in filling key posts due to departmental optimisation/reconfiguration process. Subsequent to year-end, sixty-seven (67) critical posts have been approved to be filled in the coming financial year. Underspending in goods and services due to outstanding invoices not received at year end (accruals) and invoices received and not processed at year end (payables), cancelled/delayed trips not undertaken due to other commitments (e.g. President cancelling the DAVOS trip to focus on Electricity crisis) clustering of engagements (convening combined sessions on particular areas of work). Virtual planning of meetings also had an impact on communication and travel and subsistence expenditure. Underspending on transfer and subsidies is due to less spending on households/leave payouts than anticipated based on previous trends, payment is dependent on officials who exit the department through resignation/ death or retirement.

The underspending in Programme 2 Executive Support: compensation of employees is due to vacant posts, posts vacated in the middle of the financial year, delay in filling key posts due to departmental optimisation/reconfiguration process. Subsequent to year-end, three (3) critical posts have been approved to be filled in the coming financial year. Underspending on transfer and subsidies is due to less spending on households/leave payouts than anticipated based on previous trends, payment is dependent on officials who exit the department through resignation/ death or retirement. Underspending on payment for capital assets is due to expiry of finance lease relating to photocopier machines.

The Underspending in Programme 3 Policy and Research Services (PRS): compensation of employees is due to vacant posts, posts vacated in the middle of the financial year, delay in filling key posts due to departmental optimisation/reconfiguration process. Subsequent to year-end, six (6) critical posts have been approved to be filled in the coming financial year. Underspending on goods and services is due to planned meetings/workshops that were conducted virtually and programmes that could not be undertaken due to non-responsiveness from bidders for the experts on certain projects (Policy experts for SEIAS, etc.).

4.2 Per economic classification

ECONOMIC CLASSIFICATION	Final budget	Actual Expenditure	Variance	Variance as a% of Final budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	390 860	342 006	48 854	12.50%
Goods and services	205 016	178 709	26 307	12.83%
Transfers and subsidies				
Provinces and municipalities	46	6	40	86.96%
Households	3 000	1 271	1 729	57.63%
Payments for capital assets				
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	26 382	25 889	493	1.87%
Intangible assets	168	168	-	-
Payments for financial assets	515	515	-	-
TOTAL	625 987	548 564	77 423	-

PERFORMANCE	Note	2022/23	2021/22
		R'000	R'000
REVENUE			
Annual appropriation	1	618 283	604 579
Statutory appropriation	2	7 704	7 542
Departmental revenue	3	743	807
TOTAL REVENUE		626 730	612 928
EXPENDITURE			
Current expenditure		520 715	502 908
Compensation of employees	4	342 006	339 261
Goods and services	5	178 709	163 647
Transfers and subsidies		1 277	2 078
Transfers and subsidies	7	1 277	2 078
Expenditure for capital assets		26 057	17 731
Tangible assets	8	25 889	17 731
Intangible assets	8	168	-
Unauthorised expenditure approved without funding		-	-
Payments for financial assets	6	515	1 200
TOTAL EXPENDITURE		548 564	523 917
SURPLUS/(DEFICIT) FOR THE YEAR		78 166	89 011
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		77 423	88 204
Annual appropriation		75 589	86 368
Statutory appropriation		1 834	1 836
Departmental revenue and NRF receipts	13	743	807
SURPLUS/(DEFICIT) FOR THE YEAR		78 166	89 011

POSITION	2022/23		2021/22	
	Note	R'000		R'000
ASSETS				
Current assets		77 991		89 469
Cash and cash equivalents	9	76 016		88 110
Prepayments and advances	10	68		40
Receivables	11	1 907		1 319
Non-current assets		93		185
Receivables	11	93		185
TOTAL ASSETS		78 084		89 654
LIABILITIES				
Current liabilities		77 780		89 190
Voted funds to be surrendered to the Revenue Fund	12	77 423		88 204
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	13		84
Payables	14	344		902
TOTAL LIABILITIES		77 780		89 190
NET ASSETS		304		464
		2022/23		2021/22
	Note	R'000		R'000
Represented by:				
Recoverable revenue		304		464
TOTAL		304		464

NET ASSETS	2022/23		2021/22	
	Note	R'000		R'000
Recoverable revenue				
Opening balance		464		245
Transfers:		(160)		219
Debts recovered (included in departmental revenue)		(160)		-
Debts raised		-		219
Closing balance		304		464
TOTAL		304		464

CASH FLOW	2022/23		2021/22
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		626 730	612 724
Annual appropriation funds received	1.1	618 283	604 579
Statutory appropriation funds received	2	7 704	7 542
Departmental revenue received	3	717	566
Interest received	3	26	37
Net (increase)/decrease in net working capital		(1 174)	(326)
Surrendered to Revenue Fund		(89 018)	(57 844)
Current payments		(520 715)	(502 908)
Payments for financial assets		(515)	(1 200)
Transfers and subsidies paid		(1 277)	(2 078)
Net cash flow available from operating activities	15	14 031	48 368
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(26 057)	(17 731)
Proceeds from sale of capital assets	3	-	204
(Increase)/decrease in non-current receivables	11	92	(120)
Net cash flow available from investing activities		(25 965)	(17 647)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(160)	219
Net cash flows from financing activities		(160)	219
Net increase/(decrease) in cash and cash equivalents		(12 094)	30 940
Cash and cash equivalents at beginning of period		88 110	57 170
Cash and cash equivalents at end of period	16	76 016	88 110

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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.

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.

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.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

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.

6. Comparative information

6.1 Prior period comparative information

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.

6.2 Current year comparison with budget

A comparison between the approved, Final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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.

Appropriated funds are measured at the amounts receivable.

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.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and/penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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.

8.2 Other expenditure

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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3	Accruals and payables not recognised
	Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	Leases
8.4.1	Operating leases
	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.
	The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases
	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.
	The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.
	Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:
	<ul style="list-style-type: none">• cost, being the fair value of the asset; or• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9.	Aid assistance
9.1	Aid assistance received
	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.
	CARA Funds are recognised when receivable and measured at the amounts receivable.
	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.
9.2	Aid assistance paid
	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.
10.	Cash and cash equivalents
	Cash and cash equivalents are stated at cost in the statement of financial position.
	Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.
	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.
11.	Prepayments and advances
	Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.
	Prepayments and advances are initially and subsequently measured at cost.
	Prepayments and advances are expensed when they are budgeted for in the year under review 2022/23
12.	Loans and receivables
	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.
13.	Investments
	Investments are recognised in the statement of financial position at cost.
14.	Financial assets
14.1	Financial assets (not covered elsewhere)
	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.
	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-off.

14.2	Impairment of financial assets	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.
15.	Payables	Payables recognised in the statement of financial position are recognised at cost.
16.	Capital assets	
16.1	Immovable capital assets	<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>
16.2	Movable capital assets	<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>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	Intangible capital assets	<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> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	Project costs: Work-in-progress	<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>
17.	Provisions and contingents	
17.1	Provisions	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.
17.2	Contingent liabilities	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.
17.3	Contingent assets	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.
17.4	Capital commitments	Capital commitments are recorded at cost in the notes to the financial statements.
18.	Unauthorised expenditure	<p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p> <p>Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of</p> <ul style="list-style-type: none"> • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.

19. Fruitless and wasteful expenditure	<p>Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:</p> <ul style="list-style-type: none"> • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
20. Irregular expenditure	<p>Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:</p> <ul style="list-style-type: none"> • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
21. Changes in accounting estimates and errors	<p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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>
22. Events after the reporting date	<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>
23. Principal-Agent arrangements	<p>The department is party to a principal-agent arrangement for <i>[include details here]</i>. In terms of the arrangement the department is the <i>[principal/agent]</i> and is responsible for <i>[include details here]</i>. 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>
24. Departures from the MCS requirements	<p>Management has concluded that the financial statements present fairly the department's primary and secondary information.</p>
25. Capitalisation reserve	<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>
26. Recoverable revenue	<p>Amounts are recognised as recoverable revenue when a payment made in a previous financial 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>
27. Related party transactions	<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 full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28. Inventories	<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>
29. Public-Private Partnerships	<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>
30. Employee benefits	<p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.</p> <p>Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.</p> <p>The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
31. Transfer of functions	<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>
32. Mergers	<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

I. ANNUAL APPROPRIATION

I.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

PROGRAMMES	2022/23			2021/22		
	Final budget R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final budget R'000	Appropriation Received R'000	Funds not requested/ not received R'000
Administration	538 306	538 306	-	519 258	519 258	-
Executive Support	53 617	53 617	-	58 162	58 162	-
Policy and Research Services	26 360	26 360	-	27 159	27 159	-
TOTAL	618 283	618 283	-	604 579	604 579	-

2. STATUTORY APPROPRIATION

	2022/23	2021/22
	Note R'000	R'000
President and Deputy President salaries	7 704	7 542
TOTAL	7 704	7 542
Actual Statutory Appropriation received	7 704	7 542

3. DEPARTMENTAL REVENUE

	2022/23	2021/22
	Note R'000	R'000
Tax revenue	-	-
Sales of goods and services other than capital assets	3.1 260	264
Interest, dividends and rent on land	3.2 26	37
Sales of capital assets	3.3 -	204
Transactions in financial assets and liabilities	3.4 457	302
Total revenue collected	743	807
TOTAL	743	807

3.1. Sales of goods and services other than capital assets

	2022/23	2021/22
	Note R'000	R'000
Sales of goods and services produced by the department	260	264
Sales by market establishment	107	107
Other sales	153	157
Sales of scrap, waste and other used current goods		
TOTAL	260	264

3.2. Interest, dividends and rent on land

		2022/23	2021/22
	Note	R'000	R'000
Interest		26	37
TOTAL	3	26	37

3.3. Sales of capital assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		-	204
Machinery and equipment		-	204
TOTAL	3	-	204

3.4. Transactions in financial assets and liabilities

		2022/23	2021/22
	Note	R'000	R'000
Other receipts including Recoverable Revenue		457	302
TOTAL	3	457	302

Transfers received		2022/23	2021/22
	Note	R'000	R'000
Other governmental units		-	-
Higher education institutions		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Households and non-profit institutions		-	-
TOTAL	3	-	-

3.4.1. Donations received in-kind (not included in the main note or sub note)

		2022/23	2021/22
	Note	R'000	R'000
<i>List in-kind donations received</i>			
Sponsorship for the Sustainable Infrastructure Development Symposium of South Africa		-	5 250
The Common Purpose SA: training of senior managers on leadership		-	195
2022/23 Financial Year		-	-
The International Labour Organization (ILO)		5	-
Auwal Socio-Economic Research Institute		-	-
Tricontinental: Institute for Social Research		-	-
Masimanyane Women Rights International		-	-
The International Labour Organization (ILO)		3	-
Industrial Development Corporation (IDC)		-	-
The GIZ Sustainable Development Goals Initiative		143	-
Financial and Fiscal Commission (FFC)		18	-
TOTAL		169	5 445

The Ford Foundation approved a grant to The Presidency for the period 1 January 2022 to 31 December 2022 in support for The President's key priority of ending Gender-Based Violence across national, regional and global levels. National Treasury advised that the funding be redirected to a Non-Governmental Organisation (NGO). The funding was redirected to Masimanyane Women Rights International. The NGO operated as the fiscal host and deployed four (4) gender experts to The Presidency as professional services. The GIZ sponsorship was converted from Euros to South African Rands using the 01 December 2022 closing rates. Reference: <https://www.exchangerates.org.uk/EU-ZAR-exchange-rate-history.html>

4. COMPENSATION OF EMPLOYEES

4.1. Analysis of balance

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Basic salary	217 783	217 006
Performance award	547	1 583
Service based	120	203
Compensative/circumstantial	22 162	19 024
Other non-pensionable allowances	64 731	65 223
TOTAL	305 343	303 039

4.2. Social contributions

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Employer contributions		
Pension	24 634	24 386
Medical	11 976	11 783
Bargaining council	53	53
TOTAL	36 663	36 222
Total compensation of employees	342 006	339 261
Average number of employees	488	508

5. GOODS AND SERVICES

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Administrative fees	2 458	1 321
Advertising	63	591
Minor assets	949	586
Bursaries (employees)	1 151	757
Catering	2 031	964
Communication	5 955	6 726
Computer services	53 356	66 393
Consultants: Business and advisory services	3 884	5 757
Legal services	21 401	19 739
Contractors	2 327	2 544
Agency and support/outsourced services	7 310	2 446
Entertainment	2	-
Audit cost - external	6 078	6 882
Fleet services	2 668	2 336
Consumables	4 613	3 035
Operating leases	5 138	12 822
Property payments	2	-
Rental and hiring	66	53
Travel and subsistence	54 891	28 541
Venues and facilities	1 194	234
Training and development	1 743	695
Other operating expenditure	1 429	1 225
TOTAL	178 709	163 647

The increase in expenditure for goods and services for 2022/23 as compared to 2021/22 is due to the declaration of the end of State of National Disaster (COVID-19) which resulted in an increase in costs relating to travel and subsistence after the easing of travel restrictions.

5.1. Minor assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		949	586
Buildings and other fixed structures		-	-
Machinery and equipment		949	586
TOTAL	5	949	586

An increase in minor assets for 2022/23, as compared to 2021/22, was due to procurement of information technology equipment (i.e. desktop computers and computer peripherals).

5.2. Computer services

		2022/23	2021/22
	Note	R'000	R'000
SITA computer services		43 042	47 484
External computer service providers		10 314	18 909
TOTAL	5	53 356	66 393

The decrease in expenditure resulted from a decrease in the value of invoices paid relating to external service providers for operating system software and invoices paid to SITA (i.e. for SITA datalines and for SITA system operational support).

5.3. Audit cost - external

		2022/23	2021/22
	Note	R'000	R'000
Regularity audits		6 078	6 882
TOTAL	5	6 078	6 882

A decrease in audit fees resulted from timing differences for billing, and the changes to the audit team which impacted on the audit process (e.g. the audit planning starting later) and fewer members in the membership of the audit team for planning and the interim audit (i.e. there were fewer members to the team) as compared to the prior year.

5.4. Consumables

		2022/23	2021/22
	Note	R'000	R'000
Consumable supplies		2 133	1 709
Uniform and clothing		52	19
Household supplies		1 857	1 507
Building material and supplies		15	12
Communication accessories		49	31
IT consumables		48	81
Other consumables		112	59
Stationery, printing and office supplies		2 480	1 326
TOTAL	5	4 613	3 035

The increase in expenditure for 2022/23 resulted from the declaration of the end of the State of National Disaster (COVID-19) which saw a decrease in virtual working arrangements and a return to an office-working arrangement, which saw an increase in the purchase of office and household consumable items.

5.5. Property payments

		2022/23	2021/22
	Note	R'000	R'000
Other		2	-
TOTAL	5	2	-

Costs incurred in 2022/23 is due to costs associated with deep cleaning offices at the Cape Town office of The Presidency.

5.6. Travel and subsistence

		2022/23	2021/22
	Note	R'000	R'000
Local		32 586	21 371
Foreign		22 305	7 170
TOTAL	5	54 891	28 541

The increase in expenditure is due to the declaration of the end of State of National Disaster (COVID-19), which meant that officials were now permitted once again to travel within and across the borders of south Africa which they were not allowed to do in the previous financial year when the country was in lockdown.

5.7. Other operating expenditure

		2022/23	2021/22
	Note	R'000	R'000
Professional bodies, membership and subscription fees		178	169
Resettlement costs		18	-
Other		1 233	1 056
TOTAL	5	1 429	1 225

The increase in expenditure is largely due to an increase in courier services for documents between the Union Buildings and the Cape Town offices of The Presidency.

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

	Note	2022/23	2021/22
Name of Commission/Committee of Inquiry	5	R'000	R'000
Audit Committee (AC)		294	210
Security Expert Panel		-	478
Independent Commission for the Remuneration of Public Office Bearers		973	437
TOTAL		1 267	1 125

Increase in the sitting allowance for the members of the commission and appointment of a service provider to conduct a market-related remuneration review in the current year.

6. PAYMENTS FOR FINANCIAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Other material losses written off	6.1	488	1 114
Debts written off	6.2	25	86
Forex losses	6.3	2	-
TOTAL		515	1 200

The decrease in expenditure relating to theft and losses is dependent on the number of write-offs approved by the Loss Control Committee of The Presidency. The monetary value of approved write-offs was less in the 2022/23 as compared to the 2021/22 financial year.

6.1. Other material losses written off

		2022/23	2021/22
Nature of material losses written off	Note	R'000	R'000
<i>Group major categories, but list material items</i>			
Damages and Losses		488	1 114
TOTAL	6	488	1 114

6.2. Debts written off

		2022/23	2021/22
Nature of debts written off	Note	R'000	R'000
<i>Group major categories, but list material items</i>			
Other debt written off			
Staff debt		25	86
TOTAL		25	86
Total debt written off	6	25	86

6.3. Forex losses

		2022/23	2021/22
Nature of losses	Note	R'000	R'000
<i>Group major categories, but list material items</i>			
Foreign Exchange Losses(cancelled trip)		2	-
TOTAL	6	2	-

7. TRANSFERS AND SUBSIDIES

		2022/23	2021/22
	Note	R'000	R'000
Provinces and municipalities	29, 1A	6	4
Foreign governments and international organisations	Annex 1B	-	463
Households	Annex 1C	1 271	1 611
TOTAL		1 277	2 078

The reduction in expenditure incurred in the 2022/23 financial year as compared to the 2021/22 financial year, is a result of fewer cases of the households/leave pay-outs of officials who left the department in the 2022/23 financial year. Payment is dependent on the number of officials who exit the department through resignation/ death or retirement and who have households/leave pay-outs due. Furthermore, for the year under review, the Ford Foundation funding has been redirected to a non-governmental organisation.

7.1. Donations made in kind (not included in the main note)

		2022/23	2021/22
	Note	R'000	R'000
<i>List in-kind donations made</i>	<i>Annex 1E</i>		
Mr Nosi Molepo's father		1	-
Ms Johana Lefifi's father		1	-
Ms Ntombikayise Marothi's father		1	-
Ms Nomusa Zondi's mother		1	-
The late Ms Sophia Dhlamini Wreath		1	-
Ms Phumzile Binda's father		1	-
Ms Xoliswa Boqwana's daughter		1	-
The late Ms Christine Masombuka wreath		1	-
Donations of office furniture and computer equipment			
Sivile Primary School		68	-
Phakamondo Primary School		98	-
Mafumbuka Primary School		54	-
Kondelelani Primary School		36	-
Ubuhebezwe Primary School		30	-
Atlegang Gender Justice NGO		21	-
TOTAL		315	-

New disclosure note and therefore no comparative amounts disclosed.

8. EXPENDITURE FOR CAPITAL ASSETS

	Note	2022/23	2021/22
		R'000	R'000
Tangible capital assets		25 889	17 731
Machinery and equipment	25	25 889	17 731
Intangible capital assets		168	-
Software	26	168	-
TOTAL		26 057	17 731

The increase in expenditure for 2022/23 as compared to 2021/22 on machinery and equipment results from cyclical procurement of IT hardware and software.

8.1. Analysis of funds utilised to acquire capital assets - Current year

Name of entity	2022/23		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	26 057	-	26 057
Buildings and other fixed structures	-	-	-
Machinery and equipment	26 057	-	26 057
TOTAL	26 057	-	26 057

8.2. Analysis of funds utilised to acquire capital assets - Prior year

Name of entity	2021/22		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	17 731	-	17 731
Buildings and other fixed structures	-	-	-
Machinery and equipment	17 731	-	17 731
TOTAL	17 731	-	17 731

8.3. Finance lease expenditure included in Expenditure for capital assets

	2022/23	2021/22
	R'000	R'000
Tangible capital assets		
Machinery and equipment	9 020	9 781
TOTAL	9 020	9 781

9. CASH AND CASH EQUIVALENTS

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Consolidated Paymaster General Account	75 872	87 966
Cash on hand	144	144
TOTAL	76 016	88 110

10. PREPAYMENTS AND ADVANCES

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Travel and subsistence	68	40
TOTAL	68	40
Analysis of Total Prepayments and advances		
Current Prepayments and advances	68	40
TOTAL	68	40

The increase is attributable to more foreign trips undertaken due to the end of the State of National Disaster.

10.1. Advances paid (Not expensed)

	2022/23				
<i>Note</i>	Amount as at 1 April 2022	Less: Amounts expensed in current year	Add/Less: Other	Add Current year advances	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
National departments	-	-	-	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other entities	-	-	-	-	-
TOTAL	-	-	-	-	-

	2021/22				
<i>Note</i>	Amount as at 1 April 2022	Less: Amounts expensed in current year	Add/Less: Other	Add Current year advances	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
National departments	9	(9)	-	-	-
TOTAL	9	(9)	-	-	-

10.2. Prepayments (Expensed)

	2022/23				
	Amount as at 1 April 2022	Less: Received in the current year	Add/Less: Other	Add Current year prepayments	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Goods and services	8 751	(15 674)	-	7 421	498
TOTAL	8 751	(15 674)	-	7 421	498

	2021/22				
	Amount as at 1 April 2021	Less: Received in the current year	Add/Less: Other	Add Current year prepayments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Goods and services	13 692	(17 561)	-	12 620	8 751
Transfers and subsidies	2	(4)	-	2	-
TOTAL	13 694	(17 565)	-	12 622	8 751

The variance between the current and prior year is attributable to the prior period error.

11. RECEIVABLES

	Note	2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	443	-	443	-	-	-
Staff debt	11.2	541	93	634	367	185	552
Other receivables	11.3	923	-	923	952	-	952
TOTAL		1 907	93	2 000	1 319	185	1 504

The increase in the Claims Recoverable is attributed to the overpayment of claims from DIRCO at the year-end (March)

11.1. Claims recoverable

	Note	2022/23	2021/22
		R'000	R'000
National departments		443	-
TOTAL	11	443	-

11.2. Staff debt

	Note	2022/23	2021/22
		R'000	R'000
Debt account		401	552
Salary GEHS refunds		233	-
TOTAL	11	634	552

11.3. Other receivables

	Note	2022/23	2021/22
		R'000	R'000
Fruitless and wasteful expenditure		7	14
Telephone control account		37	21
Disallowances Damages and losses		879	917
TOTAL	11	923	952

11.4. Impairment of receivables

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Estimate of impairment of receivables	278	277
TOTAL	278	277

12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Opening balance	88 204	57 110
Prior period error	-	-
As restated	88 204	57 110
Transferred from statement of financial performance (as restated)	77 423	88 204
Conditional grants surrendered by the provincial department	-	-
Paid during the year	(88 204)	(57 110)
Closing balance	77 423	88 204

Less funds to be surrendered to the National Revenue Fund in the current year due to the increased spending and payment of invoices.

13. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Opening balance	84	11
Prior period error	-	-
As restated	84	11
Transferred from statement of financial performance (as restated)	743	807
Paid during the year	(814)	(734)
Closing balance	13	84

14. PAYABLES - CURRENT

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Clearing accounts	14.1 344	437
Other payables	14.2 -	465
TOTAL	344	902

The decrease in the payable is attributable to no donor funding to be surrendered in the current year.

14.1. Clearing accounts

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Salary related	344	437
TOTAL	344	437

14.2. Other payables

		2022/23	2021/22
	Note	R'000	R'000
Telephone		-	1
Transfer to Ford Foundation		-	464
TOTAL	14	-	465

15. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

		2022/23	2021/22
	Note	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		78 166	89 011
Add back non-cash/cash movements not deemed operating activities		(64 135)	(40 643)
(Increase)/decrease in receivables		(588)	631
(Increase)/decrease in prepayments and advances		(28)	(31)
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables - current		(558)	(926)
Proceeds from sale of capital assets		-	(204)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		26 057	17 731
Surrenders to Revenue Fund		(89 018)	(57 844)
Surrenders to RDP Fund/Donors		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generating		14 031	48 368

16. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

		2022/23	2021/22
	Note	R'000	R'000
Consolidated Paymaster General account		75 872	87 966
Cash on hand		144	144
TOTAL		76 016	88 110

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

17.1. Contingent liabilities

			2022/23	2021/22
Liable to	Nature	Note	R'000	R'000
Claims against the state		Annex 2A	-	-
Intergovernmental payables		Annex 4	20 663	11 101
Other		Annex 2A	2 781	1 461
TOTAL			23 444	12 562

The increase in the unconfirmed balance is attributable to the payments done in the last week of March 2023 and the disputed claims from The Department of Justice. These claims were incorrectly billed against The Presidency.

The increase in the contingent liabilities is attributable to the incorrect billing by Club Travel and State Information Technology Agency (SITA).

There are a number of cases that are possible obligations for The Presidency but the cases are either not yet finalised or costs still need to be taxed by the Taxing Master. In those cases where the matter is not yet finalised and the state is not successful, The Presidency could bear all or some of the adverse costs. In terms of the amounts that are yet to be determined by the taxing master, Rule 45(2) of the Uniform Rules of the High Court applies and provides that "No process of execution shall issue for levying and raising of any costs awarded by the court to any party, until they have been taxed by the taxing master or agreed to in writing by the party concerned in a fixed sum."

17.2. Contingent Assets

There is one case that is a possible asset for the State as costs were awarded in our favour. The State Attorney must recover costs in favour of the State. No reliable estimate is however available yet as it still needs to be taxed by the Taxing Master. Rule 45(2) of the Uniform Rules of the High Court applies and provides that "No process of execution shall issue for levying and raising of any costs awarded by the court to any party, until they have been taxed by the taxing master or agreed to in writing by the party concerned in a fixed sum."

18. CAPITAL COMMITMENTS

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Machinery and equipment	3 984	2 769
TOTAL	3 984	2 769

19. ACCRUALS AND PAYABLES NOT RECOGNISED

19.1. Accruals

	2022/23			2021/22
	30 Days	30+ Days	Total	Total
<i>Listed by economic classification</i>	<i>Note</i>	R'000	R'000	R'000
Goods and services		11 133	12	11 145
Capital assets		860	14 924	15 784
Other		85	-	85
TOTAL		12 079	14 936	27 014

	2022/23	2021/22
<i>Listed by programme level</i>	<i>Note</i>	R'000
Administration		18 473
Executive Support		8 319
Policy and Research Services		222
TOTAL		27 014

The material difference is caused by high amount and volume of transactions under Open Vouchers. These are outstanding transactions on the Travel Management Company's side that have not yet been submitted to The Presidency for processing.

19.2. Payables not recognised

	Note	2022/23			2021/22
		30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Listed by economic classification					
Goods and services		2 640	-	2 640	206
Other		7	1	8	-
TOTAL		2 647	1	2 648	206

Listed by programme level	Note	2022/23	2021/22
		R'000	R'000
Administration		2 644	141
Executive Support		-	65
Policy and Research Services		4	-
TOTAL		2 648	206

The increase in the Payable is attributable to the invoices received late in March and needed to be verified before authorisation

Included in the above totals are the following:

	Note	2022/23 R'000	2021/22 R'000
Confirmed balances with other departments	Annex 4	-	-
Confirmed balances with other government entities	Annex 4	6 902	-
TOTAL		6 902	-

20. EMPLOYEE BENEFITS

	Note	2022/23 R'000	2021/22 R'000
Leave entitlement		22 628	24 086
Service bonus		6 537	6 315
Performance awards		-	-
Capped leave		3 648	3 807
Other		258	120
TOTAL		33 071	34 328

At this stage the department is not able to reliably measure the long-term portion of the Negative leave credits: -53 days. Monetary value: -71390.

21. LEASE COMMITMENTS

21.1. 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	-	-	-	324	324
Total lease commitments	-	-	-	324	324

	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	-	-	-	2 043	2 043
Later than 1 year and not later than 5 years	-	-	-	96	96
Total lease commitments	-	-	-	2 139	2 139

Operating leases comprise of lease agreements relating to the lease of Cell phones, PABX, photocopiers, water dispensers, and G-Fleet. The decrease is as a result of the expired cell phone contracts which have not been upgraded. Most of the G-Fleet contracts expired and subsequently terminated.

Finance 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	-	-	-	9 751	9 751
Later than 1 year and not later than 5 years	-	-	-	3 160	3 160
Total lease commitments	-	-	-	12 911	12 911

	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	-	-	-	5 202	5 202
Later than 1 year and not later than 5 years	-	-	-	3 635	3 635
Total lease commitments	-	-	-	8 837	8 837

** This note excludes leases relating to public private partnerships as they are separately disclosed in the note on Public Private Partnerships.

Finance Leases comprise of lease agreements relating to the lease of Cell phones, PABX, and photocopiers. The increase resulted from cell phone upgrades, renewed photocopiers, and the new SITA contract.

22. UNAUTHORISED, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

	2022/23	2021/22
<i>Note</i>	R'000	R'000
Unauthorised expenditure - current year	-	-
Irregular expenditure - current year	213	-
Fruitless and wasteful expenditure - current year	5	31
TOTAL	218	31

The irregular expenditure is attributable to non-compliance with SCM regulation with regard to obtaining three quotations "SCM Instruction note 02 of 2021-22, para 3.2.4". Furthermore the Department also exceeded the 15% variation threshold.

23. RELATED PARTY TRANSACTIONS

The following entities reported to the Minister in The Presidency during the financial year under consideration: Statistics South Africa, Brand South Africa, and the State Security Agency. There are no transactions between The Presidency and the aforementioned entities.

24. KEY MANAGEMENT PERSONNEL

	2022/23	2021/22
	R'000	R'000
Political office bearers (<i>provide detail below</i>)	6 147	5 700
Officials:		
Level 15-16	40 533	44 731
Level 14 (Incl CFO if at a lower level)	31 986	31 297
Family members of key management personnel	-	-
TOTAL	78 666	81 728

Included in the Key Management Personnel are the Ministers and the Deputy Ministers.

25. PROVISIONS

	2022/23	2021/22
<i>Note</i>	R'000	R'000
<i>Please specify</i>		
DA v President of RSA and EFF v President of RSA and Others	3 200	3 200
Corruption Watch NPC – Freedom under Law/President of RSA and others	653	-
TOTAL	3 853	3 200

DA v President of RSA and EFF v President of RSA and Others – The matter has been finalised and the court awarded costs in favour of the Applicants. The costs issue is at the taxation stage and we await the ruling from the tax master. The State Attorneys provided the estimate.

Corruption Watch NPC – Freedom under Law/President of RSA and others – The matter has been finalised and the court awarded costs in favour of the Applicants. The costs issue is at the taxation stage and we await the ruling from the tax master. The estimate has been calculated by management using the tax bill of costs received with the final court ruling.

25.1. Reconciliation of movement in provisions - Current year

	2022/23			
	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3 200	-	-	3 200
Increase in provision	-	653	-	653
Closing balance	3 200	653	-	3 853

Reconciliation of movement in provisions - Prior year

	2021/22			
	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3 200	-	-	3 200
Closing balance	3 200	-	-	3 200

DA v President of RSA and EFF v President of RSA and Others - The matter has been finalised and the court awarded costs in favour of the Applicants. The costs issue is at the taxation stage and we await the ruling from the tax master. The State Attorneys provided the estimate.

Corruption Watch NPC – Freedom under Law/President of RSA and others - The matter has been finalised and the court awarded costs in favour of the Applicants. The costs issue is at the taxation stage and we await the ruling from the tax master. Estimate calculated by way of checklist in Q2 of 2022/2023 financial year.

26. NON-ADJUSTING EVENTS AFTER REPORTING DATE

In terms on Section 97 of the Constitution of the Republic of South Africa, 1996, on 24 May 2023, The President transferred powers and functions entrusted by the Electricity Regulation Act, 2006 (Act No. 4 of 2006), and all amendments from the Minister of Mineral Resources and Energy to the Minister of Electricity. The transferred powers and functions under the Electricity Regulation Act, 2006: Section 34(1) and 34(2) of the Electricity Regulations Act, 2006.

27. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2023

	2022/23				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	16	-	-	-	16
Heritage assets	16	-	-	-	16
Machinery and equipment	106 244	-	16 979	2 819	120 404
Transport assets	2 360	-	861	-	3 221
Computer equipment	75 140	-	12 791	2 429	85 502
Furniture and office equipment	23 026	-	452	298	23 180
Other machinery and equipment	5 718	-	2 875	92	8 501
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	106 260	-	16 979	2 819	120 420

The Fixed Assets Register includes the non-cash additions for the last financial year 2021/2022, the value for major assets is R34 954,00. The additions comprise of cash paid and assets received but not paid under major assets to the value of R109 610,36 for the current year.

Movable tangible capital assets under investigation

	Number	Value
	Note	R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:		
Machinery and equipment	7	95
TOTAL	7	95

The above major assets are those that could not be verified as at 31 March 2023, there is an on-going investigation.

27.1. Movement in movable tangible capital assets per asset register for the year ended 31 March 2022

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	16	-	-	-	16
Heritage assets	16	-	-	-	16
Machinery and equipment	100 977	-	7 950	2 683	106 244
Transport assets	2 360	-	-	-	2 360
Computer equipment	70 633	-	7 047	2 540	75 140
Furniture and office equipment	22 499	-	670	143	23 026
Other machinery and equipment	5 485	-	233	-	5 718
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	100 993	-	7 950	2 683	106 260

27.2. Minor assets

Movement in minor capital assets per the asset register for the year ended 31 March 2023

	2022/23					
	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	-	-	-	16 578	-	16 578
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	992	-	992
Disposals	-	-	-	480	-	480
TOTAL MINOR ASSETS	-	-	-	17 090	-	17 090

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	341	-	341
Number of minor assets at cost	-	-	-	15 901	-	15 901
TOTAL NUMBER OF MINOR ASSETS	-	-	-	16 242	-	16 242

Minor capital assets under investigation

	Number	Value
	Note	R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:		
Machinery and equipment	23	17

The above minor assets are those that could not be verified as at 31 March 2023, there is an on-going investigation.

Movement in minor assets per the asset register for the year ended 31 March 2022

	2021/22					
	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	-	-	-	16 144	-	16 144
Additions	-	-	-	586	-	586
Disposals	-	-	-	152	-	152
TOTAL MINOR ASSETS	-	-	-	16 578	-	16 578

	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
	Number of R1 minor assets	-	-	-	341	-
Number of minor assets at cost	-	-	-	11 474	-	11 474
TOTAL NUMBER OF MINOR ASSETS	-	-	-	11 815	-	11 815

27.3. Movable tangible capital assets written off

Movable capital assets written off for the year ended 31 March 2023

	2022/23					
	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
Assets written off	-	-	-	3 299	-	3 299
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	3 299	-	3 299

Movable capital assets written off for the year ended 31 March 2022

	2021/22					
	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
Assets written off	-	-	-	2 835	-	2 835
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	2 835	-	2 835

28. INTANGIBLE CAPITAL ASSETS

Movement in intangible capital assets per asset register for the year ended 31 March 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	1 239	168	-	1 407
TOTAL INTANGIBLE CAPITAL ASSETS	1 239	168	-	1 407

28.1. Movement in intangible capital assets per asset register for the year ended 31 March 2022

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	1 239	-	-	-	1 239
TOTAL INTANGIBLE CAPITAL ASSETS	1 239	-	-	-	1 239

29. PRIOR PERIOD ERRORS

29.1. Correction of prior period errors

	Note	2021/22		
		Amount before error correction	Prior period error	Restated
		R'000	R'000	R'000
<i>Other: (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)</i>				
Prepayment Expensed (Goods and services)	10.2	5 864	2 887	8 751
Accruals and Payables not recognised	19	7 324	2 685	10 009
NET EFFECT		13 188	5 572	18 760

The restatement is due to a formula error in the prior year prepayments. The accruals and payables not recognised were understated due to omitted invoice.

30. TRANSFER OF FUNCTIONS AND MERGERS

30.1. Transfer of functions

On 6 March 2023, The President announced a number of changes to the National Executive to ensure that government is properly capacitated and directed to give effect to the commitments made in the State of the Nation Address, amongst the changes in the executive, The President announced the appointment of the Minister in The Presidency, Ms. Khumbudzo Ntshavheni. This portfolio was under Vote 08 (DPME) in the previous financial year. The Minister is supported by two Deputy Ministers, Mr Kenneth Morolong and Ms. Nomasonto Motaung. In addition, The President announced the appointment of the Minister of Electricity, Dr. Kgosisetsho David Ramakgopa. These changes have no impact in The Statement of Financial Position of The Presidency.

31. 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	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury/ National Department	DORA and other transfers	Actual transfer	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
City of Tshwane	-	-	46	46	6	-	-	-	4	
TOTAL	-	-	46	46	6	-	-	-	4	

32. COVID-19 RESPONSE EXPENDITURE

	2022/23	2021/22
	Note	R'000
Compensation of employees		-
Goods and services		52
TOTAL	Annex 5	52

The decrease in COVID-19 spending is attributable to the end of the State of National Disaster.

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of Municipality	2022/23											2021/22	
	Grant allocation				Transfer			Spent				DORA and other transfers	Actual transfers
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
City of Tshwane	-	-	46	46	6	-	-	-	-	-	-	-	4
TOTAL	-	-	46	46	6	-	-	-	-	-	-	-	4

ANNEXURE 1B

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	2022/23				2021/22			
	TRANSFER ALLOCATION				EXPENDITURE			
	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
Transfers								
Foreign government/international organisation	-	-	-	-	-	-	-	463
Total	-	-	-	-	-	-	-	463
TOTAL	-	-	-	-	-	-	-	463

ANNEXURE IC

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLD	2022/23				2021/22			
	TRANSFER ALLOCATION				EXPENDITURE			
	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
Transfers								
Households	3 000	-	-	3 000	1 271	42%	3 549	1 611
Total	3 000	-	-	3 000	1 271		3 549	1 611
TOTAL	3 000	-	-	3 000	1 271		3 549	1 611

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
Received in kind			
The Common Purpose SA	Training of Senior Managers on Leadership	-	195
Sponsorship for the Sustainable Infrastructure Development Symposium of South Africa		-	
Huawei	Funding Support in terms of organising the Symposium	-	1 000
Sasol	Towards Technical Costs	-	1 000
Anglo-American	Towards venue costs, conference gifts and accommodation	-	1 000
Telkom	Towards Branding and Streaming	-	1 050
Industrial Development Corporation (IDC)	Venue and catering	-	700
Digital Council Africa(DCA)	Conference organising partner	-	350
American Tower Corporation	Conference sponsoring partner	-	150
2022/23 Financial Year			
The International Labour Organization (ILO)	The International Labour Organization (ILO) Sponsorship for Flights, accommodation and shuttle in Cape Town for two staff members from branch PRS	5	-
AUWAL Socio-Economic Research Institute	Donation of professional services for four researchers	-	-
Tricontinental: Institute for Social Research	Donation of professional services for one researcher	-	-
Masimanyane Women Right International	Donation of professional services two gender specialists and two researchers	-	-
The International Labour Organization (ILO)	Accommodation for PRS Acting Head	3	-
	Donation of professional services-one technical expert	-	-
Industrial Development Corporation (IDC)	Operation Vulindlela under PMO Office		
The GIZ Sustainable Development Goals Initiative	Sponsorship of Accommodation, Ground Transport and subsistence for study tour to Denmark on digital transformation in the Public Services	143	-
Financial and Fiscal Commission (FFC)	Financial and Fiscal Commission (FFC) sponsorship for participation at its strategic workshop in Cape Town. Sponsorship covered Air travel, shuttle service and hotel accommodation	18	-
Subtotal		169	5 445
TOTAL		169	5 445

The Ford Foundation approved a grant to The Presidency for the period 1 January 2022 to 31 December 2022 in support for The Presidency's key priority of ending Gender-Based Violence across national, regional and global levels. National Treasury advised that the funding be redirected to a Non-Governmental Organisation (NGO). The funding was redirected to Masimanyane Womens Rights International. The NGO operated as the fiscal host and deployed four (4) gender experts to The Presidency as professional services. The GIZ sponsorship was converted from Euros to South African Rands using 01 December 2022 closing rates. Reference: <https://www.exchangerates.org.uk/EU-ZAR-exchange-rate-history.html>

ANNEXURE I E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP <i>(Group major categories but list material items including name of organisation)</i>	2022/23	2021/22
	R'000	R'000
Made in kind		
Appreciation of Guest speakers		
Ms Nkhensani Sithole-Pitso guest speaker on Awareness on Lupus Condition (fruit basket)	-	1
Prof. Thobeka Nkomo VIP guest speaker for Women in Leadership Seminar	-	1
Ms Welma VIP guest speaker for Alzheimer and Dementia condition session. Ms Pedro VIP guest speaker for (FAMSA session on GBV (Dried nuts)	-	1
Wreath gestures and donation made to bereaved families		
Mr Thabiso Moloji's mother	-	1
The late Ms Anna Nikele	-	1
Ms Amanda Buwa's mother (re-imburement)	-	1
Ms Mamosala Mosala's parents	-	2
Ms Fragrance January's mother (re-imburement)	-	1
Ms Glen Zulu's father	-	1
Ms Caroline Mahiangu's mother (re-imburement)	-	1
Ms Lethabo Matlala-Khalo's mother	-	1
Ms Nthabiseng Mollo's mother	-	1
Ms Futhi Ntshingila's mother	-	1
2022/23 Financial Year		
Mr Nosi Molepo's father	1	-
Ms Johana Lefifi's father	1	-
Ms Ntombikayise Marothi's father	1	-
Ms Nomusa Zondi's mother	1	-
The late Ms Sophia Dhlamini wreath	1	-
Ms Phumzile Binda's father	1	-
Ms Xoliswa Boqwane's daughter	1	-
The late Ms Christine Masombuka wreath	1	-
Donations of office furniture and computer equipment		
Sivile Primary School	68	-
Phakamonolo Primary School	98	-
Mafumbuka Primary School	54	-
Kondelelani Primary School	36	-
Ubuhlebezwe Primary School	30	-
Atlegang Gender Justice NGO	21	-
TOTAL	315	14

ANNEXURE 2A

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

NATURE OF LIABILITY	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/can- celled/reduced during the year	Liabilities recoverable (Provide details here- under)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Other					
Disputed invoices Wing Naledi	3	-	(3)	-	-
Dispute invoices Nexus	981	-	(922)	-	59
Disputed invoices BYTES	23	-	-	-	23
Performance awards	454	-	(454)	-	-
Disputed invoices Club Travel	-	1 007	-	-	1 007
Disputed invoices SITA	-	1 692	-	-	1 692
Subtotal	1 461	2 699	1 379	-	2 781
TOTAL	1 461	2 699	1 379	-	2 781

ANNEXURE 3

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23*	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	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
Department								
DIRCO	-	-	442	-	442	-	-	-
Subtotal	-	-	442	-	442	-	-	-
TOTAL	-	-	442	-	442	-	-	-

The increase in the Claims Recoverable is attributed to the overpayment of claims from DIRCO at the year-end (March).

ANNEXURE 4

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	Payment 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
DEPARTMENTS								
Current								
Justice	-	-	10 958	10 361	10 958	10 361	31/03/2023	4 708
International Relation and Cooperation	-	-	5 245	41	5 245	41	31/03/2023	5 170
Public Works and Infrastructure	-	-	699	699	699	699	-	-
Subtotal	-	-	16 902	11 101	16 902	11 101	-	9 878
Non-current								
Total Departments	-	-	16 902	11 101	16 902	11 101	-	9 878
OTHER GOVERNMENT ENTITIES								
Current								
SITA (IT Services)	2 461	-	439	-	2 900	-	-	-
SITA (e-Cabinet)	4 441	-	3 322	-	7 763	-	-	-
Subtotal	6 902	-	3 761	-	10 663	-	-	-
Total Other Government Entities	6 902	-	3 761	-	10 663	-	-	-
TOTAL INTERGOVERNMENT PAYABLES	6 902	-	20 663	11 101	27 565	11 101	-	-

The increase in the unconfirmed balance is attributable to the payments done in the last week of March 2023 and the disputed claims from The department of Justice. These claims were incorrectly billed against The Presidency.

ANNEXURE 5

COVID-19 RESPONSE EXPENDITURE

Per quarter and in total

EXPENDITURE PER ECONOMIC CLASSIFICATION	2022/23				2021/22	
	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	Total R'000	Total R'000
Compensation of employees	-	-	-	-	-	-
Goods and services	11	34	7	-	52	386
<i>List all applicable SCOA level 4 items</i>						
Consumable Supplies	11	23	6	-	40	42
Travel and Subsistence	-	11	1	-	12	32
Operating Payment	-	-	-	-	-	312
TOTAL COVID-19 RESPONSE EXPENDITURE	11	34	7	-	52	386

The decrease in the COVID-19 spending is attributable to the end of the National State of Disaster.



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