

# the dtic Overview & Annual Performance Plan 2024/2025

**Presentation to the Portfolio Committee on  
Trade, Industry and Competition  
12 July 2024, 10h00**



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, **growing the economy**

the dtic Customer Contact Centre: 0861 843 384

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# Top Strategic Priorities

The main strategic priorities in the FY will focus on:

1. Review and accelerated implementation of **industrialisation** Policy and Strategy that promotes jobs and rising incomes.
2. **Transformation** that builds an inclusive economy,
3. **Building capable state** – build greater capacity to ensure that national objectives are achieved through our ability to plan and develop strategies
4. Creating **stability across the dtic family**, solve systemic and alignment across the state, and **filling strategic vacancies**



Industrial policy and strategy is at the top on their agenda aimed at:

1. Combining economic growth with transformation
2. Growing employment (Jobs)
3. Boosting local production,
4. Growing exports and expanding African trade,
5. Increasing investment and
6. Establishing a more reliable and low-cost energy system while greening the economy overall.



Priorities from the Government of National Unity, Statement of Intent, and SONA will shape the Strategic Plans and Annual Performance Plans towards advancing Transformation, Industrialisation and Job Creation.

# Context – “Big Shifts” the APP is responding to

**SA ENERGY challenges,  
sluggish economy and  
need for job creation**

**... Slow GLOBAL  
GROWTH...**

**But opportunities with  
AFRICAN TRADE and  
new sectors**

## **BIG SHIFTS:**

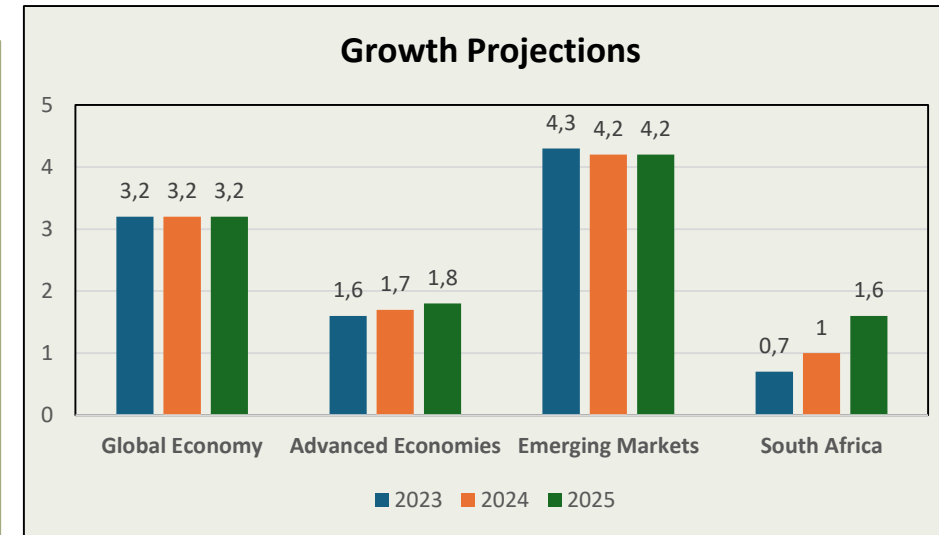
**Geo-political landscape,  
Technology, Climate change**



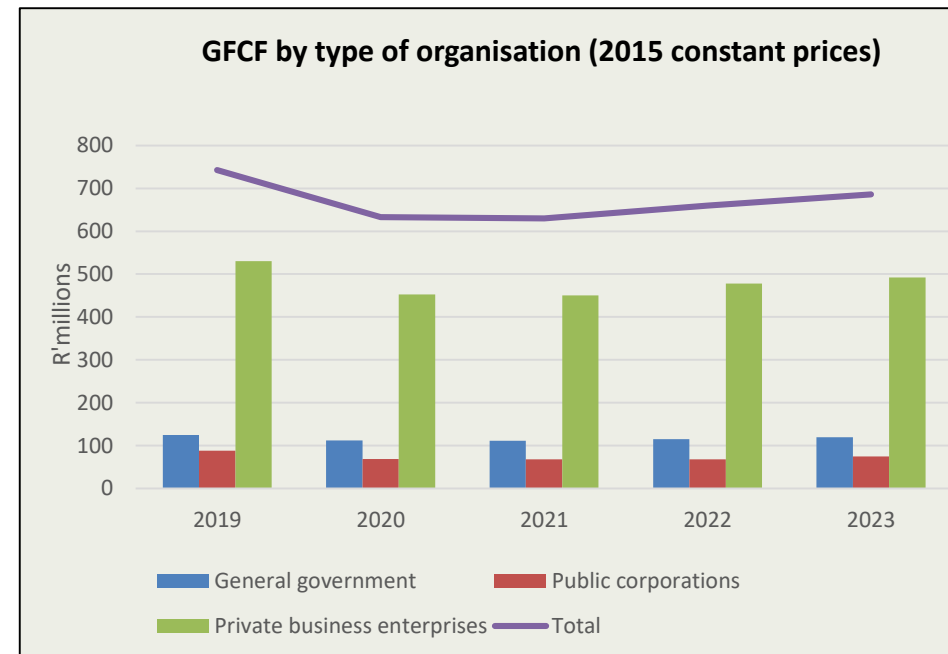
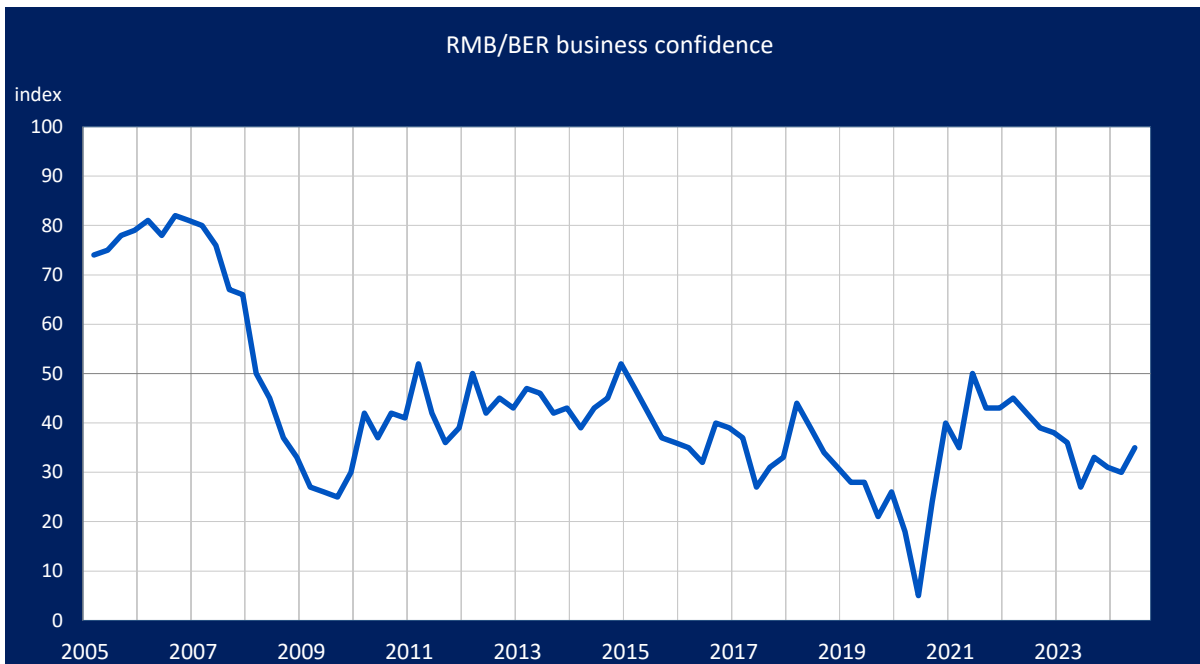
# Context – What the APP is responding to

## Global & Domestic Economic Context

- Global growth is expected to range from 2.7-3.2% over next 3 years.
- SA GDP decreased by 0.1% in 20224Q1 as domestic demand weakened while structural constraints persisted, and global conditions remained unfavourable.
- SA investment performance has been weaker than is necessary to put the economy on a strong growth path.
- While exports have increased by 1.4%, imports grew by 9% in 2023
- SA exports to the Continent continue to grow and are an important destination for high value-added, manufactured exports.

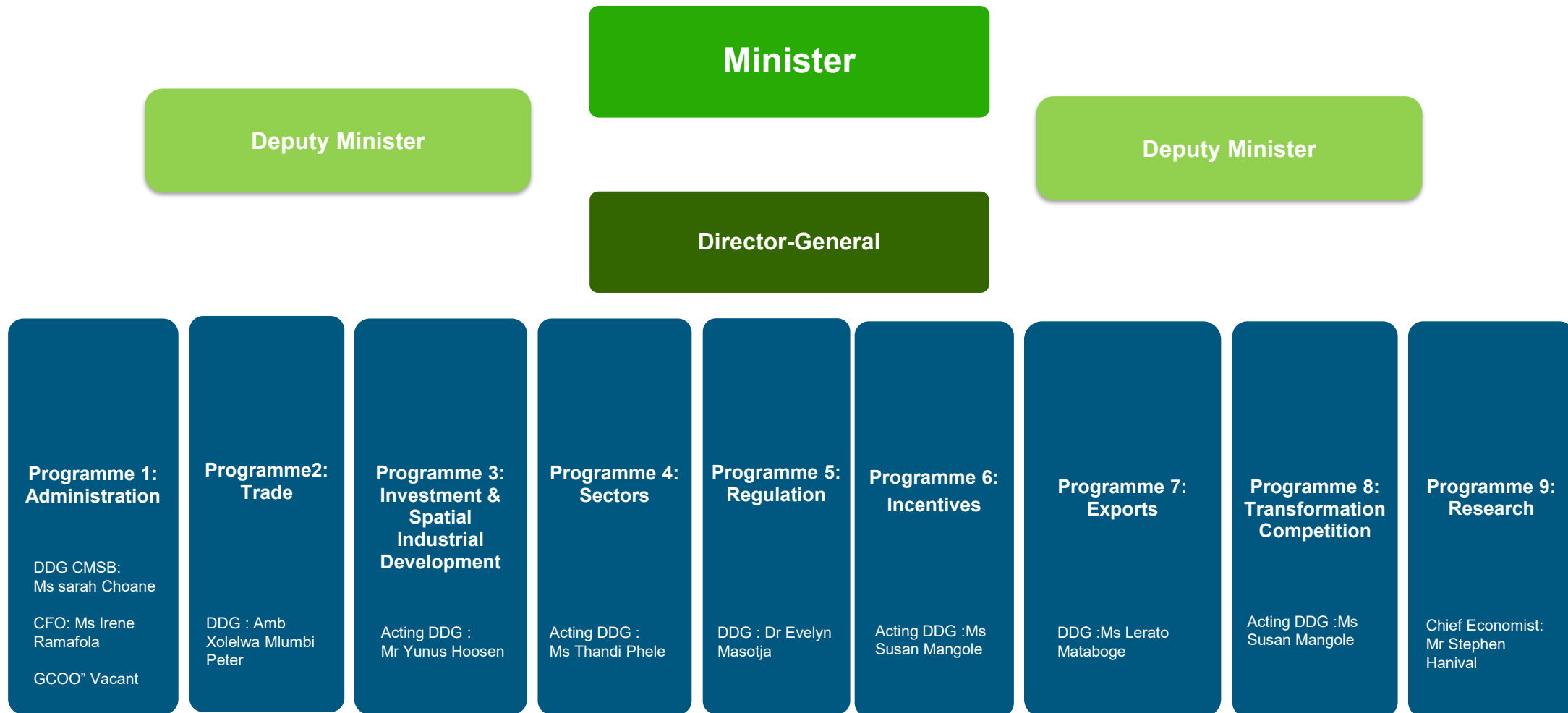


Source: IMF, April 2024: World Economic Outlook & BER



**Business confidence remains stubbornly low leading to disappointing investment rates and weak demand for manufactured goods (incl. capital equipment).**

# About the dtic Programme Structure



# The dtic at a Glance - Summary



## PROGRAMME STRUCTURE

09 →

the dtic work is organized in 9 programmes focusing on economic research, industrial sectors, Investments, incentives, regulation, transformation & competition, international trade, export and administration. It is responsible for 19 entities and 45 pieces of legislation covering a substantial part of South Africa's economic policy landscape.



## KEY PERFORMANCE OUTPUTS AND OUTPUT INDICATORS

45 →

The APP sets out 45 departmental Outputs in the 2024/25 reporting period. Branches contribute to the delivery of the 45 Outputs and have defined Branch indicators and targets at branch level.



## MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019/2024 PRIORITIES

02 →

The work of the dtic is closely aligned to MTSF priorities 2 and 7 which cover (i) economic transformation and job creation, and (ii) a better world and Africa. **The 2024/2029 MTDp development is still in progress.**



## PRIORITISED LEGISLATION

07 →

- i. Companies Amendment Bill;
- ii. Companies Second Amendment Bill
- iii. Patent Amendment Bill;
- iv. Design Amendment Bill
- v. National Building Regulations & Building Standards Amendment Bill;
- vi. International Trade Administration Act Amendment Bill;
- vii. Trade Marks Amendment Bill



## 2024/25 BUDGET ALLOCATION

R9,6bn →

Of the R9.6 bn, **35%** is allocated for business incentives (AIS, GBS, Film & TV, et al.); **5%** for infrastructure programmes (SEZ, CIP); **18%** to support various external programmes (namely; CTFL programme, SEF at the IDC; **21%** for transfers to entities; **2%** for NPOs (Proudly South African, Intsimbi future production technologies initiatives et al.) and membership fees to foreign organisations (WTO, WIPO, et al.), while **19%** is for operational expenditure (mainly COE & Goods and Services).

# The dtic at a Glance - Summary

## Human Resource Management



### NUMBER OF POSTS

1183



The current organizational structure of **the dtic** provides for 1183 approved positions of which 1056 (89.3% occupancy) were filled and 127 (10.7% vacancy rate) were vacant as on 31 March 2023. Of the 127 vacancies, 120 posts have been frozen due to budgetary constraints in respect of carry-through costs for the medium term. Key positions to be prioritised for filling are the DG and 3 DDG Posts.



### EMPLOYMENT EQUITY

55%  
4.7%



Employment Equity Cabinet targets exceeded: **55%** Women employed in Senior Management Service level and **4.7%** Persons with Disabilities employed by the department.



### KEY PROJECTS

03



The review of the structure is underway to ensure that it is Fit For Purpose. The review will be underpinned by the Organisational Culture and the competency and skills alignment projects



# the dtic Family (1)

## Development Finance Institutions (DFI's)

Name of Public Entity	Nature of operations
The Industrial Development Corporation (IDC)	The IDC's mandate includes proactively maximising its development impact through effective and sustainable industrial development, not only in South Africa, but across the continent. It is further mandated to contribute to an inclusive economy by, among others, funding black-owned companies, black industrialists, women and youth empowered enterprises.
National Empowerment Fund (NEF)	The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black business across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be government's funding agency in facilitating the implementation of B-BBEE in terms of the BEE Codes of Good Practice.
Export Credit Insurance Corporation (ECIC)	Promotes trade with countries outside the Republic by providing for the insurance, on behalf of the Government of the Republic, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions, and provides for matters connected therewith.





# the dtic Family (2)

## Technical Infrastructure Institutions

Name of Public Entity	Nature of operations
National Metrology Institute of South Africa (NMISA)	The NMISA is responsible for realising, maintaining and disseminating the International System of Unit (SI). It maintains and develops primary scientific standards of physical quantities for South Africa and compares those standards with other national standards to ensure global measurement equivalence.
National Regulator for Compulsory Specifications (NRCS)	The NRCS is responsible for the administration and maintenance of compulsory specifications and the implementation of regulatory and compliance systems for compulsory specifications.
South African Bureau of Standards (SABS)	The SABS aims to develop, promote and maintain South African national standards, promote quality in connection with commodities, products and services, and render conformity assessment services and matters connected therewith.
South African National Accreditation System (SANAS)	The aim of SANAS is to accredit or monitor for Good Laboratory Practice compliance purposes organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP-compliant facilities.



# the dtic Family (3)

## Regulators

Name of Public Entity	Nature of operations
<b>The Competition Commission</b>	The Competition Commission was established in terms of the Competition Act, 1998, to regulate competition between firms in the market.
<b>The Competition Tribunal</b>	The Competition Tribunal is an independent adjudicative body. It is required to grant exemptions, authorise or prohibit large mergers or prohibit a merger, adjudicate in relation to any conduct prohibited in terms of chapter 2 or 3 of the Act, and grant an order for costs in on matters presented to it by the Competition Commission.
<b>The International Trade Administration Commission (ITAC)</b>	Fosters economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Union Area by establishing an efficient and effective system for the administration of international trade subject to this Act and the Southern African Customs Union agreement. Its core functions are customs tariff investigations, trade remedies, and import and export control.
<b>Companies and Intellectual Property Commission (CIPC)</b>	Responsible for registration of companies, cooperatives and intellectual property rights • Promotion of compliance with relevant legislation
<b>National Consumer Commission (NCC)</b>	Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose, establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; and promote a consistent legislation and enforcement framework relating to consumer transactions
<b>National Consumer Tribunal (NCT)</b>	The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application, or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs and can exercise any other power conferred on it by law. It also reviews decisions made by the National Credit Regulator, the National Consumer Commission and single-member panels of the tribunal.

# the dtic Family (4)

## Regulators

Name of Public Entity	Nature of operations
<b>Companies Tribunal (CT)</b>	The Companies Tribunal adjudicates in relation to any application that may be made to it in terms of this Act, and makes any order provided for in this Act in respect of such an application. It also assists in the resolution of disputes as contemplated in Part C of Chapter 7 of the Act, and performs any other function assigned to it by or in terms of the Act, or in any law mentioned in Schedule 4.
<b>National Credit Regulator (NCR)</b>	The NCR promotes a fair and non-discriminatory marketplace for access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes black economic empowerment and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of over-indebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaux and debt counselling services
<b>National Gambling Board (NGB)</b>	The NGB was established to monitor and investigate, when necessary, the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities.
<b>National Lotteries Commission (NLC)</b>	The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of lottery sales to worthy causes.

# APP: 45 Output Targets

The new approach focuses on meaningful **outputs**.

The 45 output and targets have been clustered into 12 functional focus areas:

01	Investment	07	Energy
02	Industrial production	08	Green economy targets
03	Exports	09	Stakeholder engagement and impacts
04	Industrial support	10	Addressing crime
05	Transformation	11	Red tape and state capability targets
06	Jobs	12	Improving the capacity and responsiveness of the state and social partnership

# Outputs: Investments

- The following tables indicate the functional focus of these outputs. Output numbering refers to the classification found in the APP
- Pillar numbering references the section dealing with the aims of industrial policy.
- Outcome numbers refer to: Industrialisation (1), Transformation (2) and Capable State (3) though it should be seen as indicative, as an Output intended to cover a particular Outcome can and does have positive spillover effects on the other Outcomes.
- The following section and tables will highlight the twelve output areas /clusters.

## Investments

Number	Output	Pillar	Outcome
<b>Output 1</b>	R350 billion in investment pledges secured across the state	4	1
<b>Output 23</b>	100 Investor facilitation and unblocking interventions provided	4	1
<b>Output 17</b>	1 new SEZs designated and support work with provinces related to industrial parks	4	1,2

# Outputs: Industrial production & Exports

## Industrial production

Number	Output	Pillar	Outcome
<b>Output 2</b>	R60 billion in additional local output committed or achieved	2	1
<b>Output 11</b>	R200 billion in Black Industrialist output achieved	1	1,2

## Exports

Number	Output	Pillar	Outcome
<b>Output 3</b>	R900 Billion in manufacturing exports	3	1
<b>Output 4</b>	R400 Billion in manufacturing exports to other African countries	3	1,2
<b>Output 5</b>	R9 Billion in exports of Global Business Services (GBS)	3	1
<b>Output 27</b>	20 Successful export interventions to support the implementation of the AFCFTA	3	1
<b>Output 28</b>	10 High impact trade interventions completed	3	1,3
<b>Output 41</b>	5 Finalisation of legal instruments under the AfCFTA (Tariff offers, Schedule of Commitments, Rules of Origin, Protocols and Annexes to protocols)	3	3

# Outputs: Industrial support & Transformation

## Industrial Support

Number	Output	Pillar	Outcome
<b>Output 6</b>	R32 Billion in support programmes administered by or in partnership with the dtic-group	1	1,2,3
<b>Output 7</b>	R15 Billion support programmes to enterprises in areas outside the 5* main metros	1	1,2
<b>Output 8</b>	R8 Billion in financial support programmes and procurement contracts approved to SMMES, women and youth- empowered businesses	1	1
<b>Output 9</b>	R 8 Billion in financial support programmes to enterprises in labour absorbing sectors	1, 6	1
<b>Output 43</b>	1 Operationalization of an Adjudication process for incentive applications	1	1, 3

## Transformation

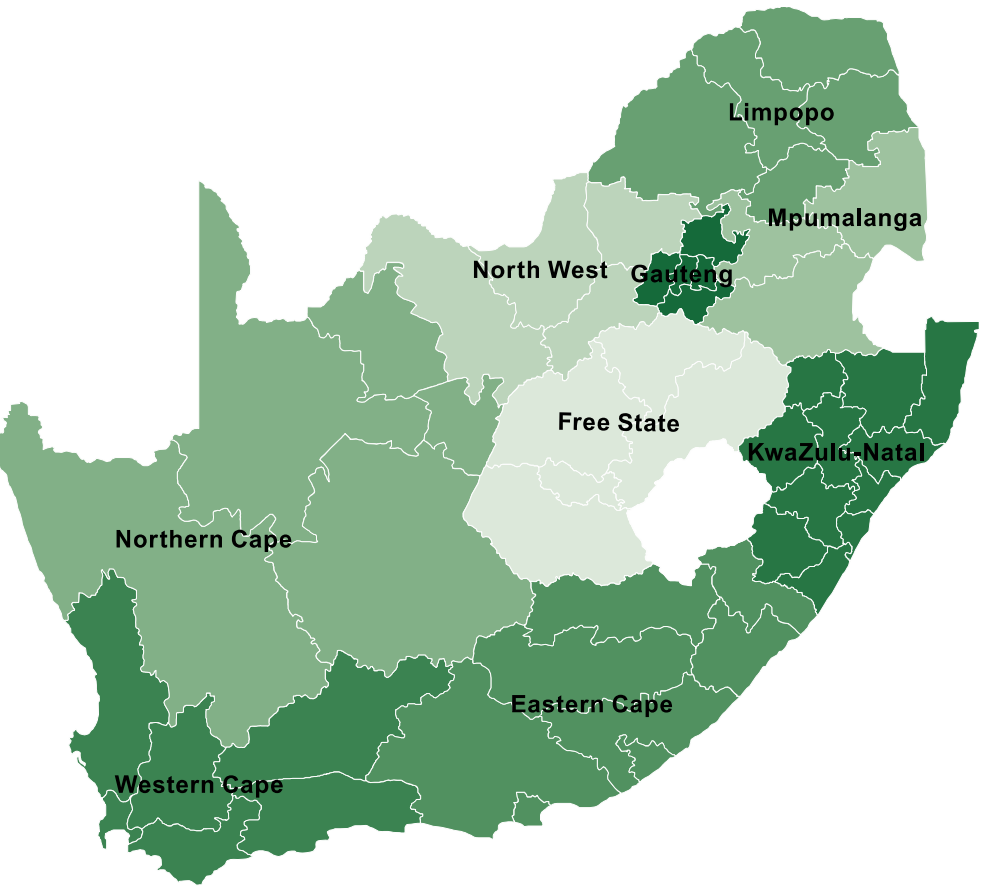
Number	Output	Pillar	Outcome
<b>Output 10</b>	R 900 Million in Equity Equivalent Investment Programme agreements	1	1,2
<b>Output 15</b>	20 000 additional workers with shares in their companies	1	1
<b>Output 16</b>	10 High-impact outcomes on addressing market concentration through the implementation of market inquiry outcomes	1	1,2



# DEEPENING TRANSFORMATION THROUGH THE SUPPORT OF PROJECTS IN DISTRICTS OUTSIDE OF THE 5 MAIN METROS

All eight metros and all 44 district municipalities were supported

2023/24



## WESTERN CAPE

- ▶ CAPE WINELANDS DISTRICT MUNICIPALITY
- ▶ CENTRAL KAROO DISTRICT MUNICIPALITY
- ▶ CITY OF CAPE TOWN METROPOLITAN MUNICIPALITY
- ▶ GARDEN ROUTE DISTRICT MUNICIPALITY
- ▶ OVERBERG DISTRICT MUNICIPALITY
- ▶ WEST COAST DISTRICT MUNICIPALITY

## LIMPOPO

- ▶ CAPRICORN DISTRICT MUNICIPALITY
- ▶ MOPANI DISTRICT MUNICIPALITY
- ▶ SEKHUKHUNE DISTRICT MUNICIPALITY
- ▶ VHEMBE DISTRICT MUNICIPALITY
- ▶ WATERBERG DISTRICT MUNICIPALITY

## GAUTENG

- ▶ CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
- ▶ CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
- ▶ CITY OF TSHWANE METROPOLITAN MUNICIPALITY
- ▶ SEDIBENG DISTRICT MUNICIPALITY
- ▶ WEST RAND DISTRICT MUNICIPALITY

## NORTHERN CAPE

- ▶ FRANCES BAARD DISTRICT MUNICIPALITY
- ▶ JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY
- ▶ NAMAKWA DISTRICT MUNICIPALITY
- ▶ PIXLEY KA SEME DISTRICT MUNICIPALITY
- ▶ ZF MGCWU DISTRICT MUNICIPALITY

## FREE STATE

- ▶ FEZILE DABI DISTRICT MUNICIPALITY
- ▶ LEJWELEPUTSWA DISTRICT MUNICIPALITY
- ▶ MANGAUNG METROPOLITAN MUNICIPALITY
- ▶ THABO MOFUTSANYANA DISTRICT MUNICIPALITY
- ▶ THABO MOFUTSANYANA DISTRICT MUNICIPALITY
- ▶ XHARIEP DISTRICT MUNICIPALITY

## KWAZULU-NATAL

- ▶ AMAJUBA DISTRICT MUNICIPALITY
- ▶ ETHEKWINI METROPOLITAN MUNICIPALITY
- ▶ HARRY GWALA DISTRICT MUNICIPALITY
- ▶ ILEMBE DISTRICT MUNICIPALITY
- ▶ KING CETSHWAYO DISTRICT MUNICIPALITY
- ▶ UGU DISTRICT MUNICIPALITY
- ▶ UMGUNGUNDLOVU DISTRICT MUNICIPALITY
- ▶ UMKHANYAKUDE DISTRICT MUNICIPALITY
- ▶ UMZINYATHI DISTRICT MUNICIPALITY
- ▶ UTHUKELA DISTRICT MUNICIPALITY
- ▶ ZULULAND DISTRICT MUNICIPALITY

## NORTH WEST

- ▶ BOJANALA PLATINUM DISTRICT MUNICIPALITY
- ▶ DR KENNETH KAUNDA DISTRICT MUNICIPALITY
- ▶ DR RUTH SEGOMOTSI MOMPATI DISTRICT MUNICIPALITY
- ▶ NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

## EASTERN CAPE

- ▶ ALFRED NZO DISTRICT MUNICIPALITY
- ▶ AMATHOLE DISTRICT MUNICIPALITY
- ▶ BUFFALO CITY METROPOLITAN MUNICIPALITY
- ▶ CHRIS HANI DISTRICT MUNICIPALITY
- ▶ JOE GQABI DISTRICT MUNICIPALITY
- ▶ NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
- ▶ OR TAMBO DISTRICT MUNICIPALITY
- ▶ SARAH BAARTMAN DISTRICT MUNICIPALITY

## MPUMALANGA

- ▶ EHLANZENI DISTRICT MUNICIPALITY
- ▶ GERT SIBANDA DISTRICT MUNICIPALITY
- ▶ NKANGALA DISTRICT MUNICIPALITY

# Outputs: Jobs and Energy

## Jobs

Number	Output	Pillar	Outcome
Output 12	1 Million jobs supported or covered by the dtic group and/ or master plans	6	2
Output 13	100 000 jobs to be created (50 000 social economy fund part-time or temporary job opportunities and 50 000 full-time jobs)	6	1,2
Output 14	160 000 jobs in Black Industrialists firms retained	1, 6	1,2

## Energy

Number	Output	Pillar	Outcome
Output 18	R 1 Billion Support to enterprises including SMMEs to mitigate impact of load shedding by IDC and NEF	5	1,2
Output 19	1500 Megawatts of energy from projects facilitated	5	1,3
Output 20	550 Megawatts of energy available for the grid	5	1,3
Output 21	5 Projects successfully managed through the Energy One-Stop Shop	5	3
Output 22	2 Expedited regulatory amendments and flexibility, to promote energy efficiency	5	1,2,3

# Outputs: Green economy & Stakeholder engagement

## Green economy targets

Number	Output	Pillar	Outcome
Output 29	4 Interventions to respond to green trade barriers	5	1
Output 30	1 EV white paper implementation	5	1
Output 31	1 Green hydrogen commercialisation framework implementation	5	1

## Stakeholder engagement and impacts

Number	Output	Pillar	Outcome
Output 25	9 Business Forums hosted aimed at supporting increased FDI, exports and outward investment hosted	1	1,2,3
Output 32	1000 Case studies of firms, workers, entrepreneurs, professionals or communities' impacted by the dtic measures; including 12 local films/documentaries telling the SA story	1	1
Output 33	Community outreach programmes by the dtic group in 10 districts	1	1,2,3
Output 37	2 Conferences, summits, and international forums hosted	1	1,2,3
Output 45	10 Successful actions completed on price monitoring and excessive pricing or price gouging or price restraint	1	1,2,3

# Outputs: Addressing crime & Red tape and state capability

## Addressing crime

Number	Output	Pillar	Outcome
<b>Output 24</b>	Grey-listing: 2 Implementation of remedial actions by CIPC of the Financial Action Task Force (FATF) requirements to meet immediate outcome 5 (IO5) in South Africa's Action Plan	1	3
<b>Output 42</b>	1 Metal trading system implemented	1,5	1,2,3

## Red tape and state capability

Number	Output	Pillar	Outcome
<b>Output 39</b>	9 Impact evaluations of dtic policy or programme interventions	All	3
<b>Output 40</b>	5 High-impact measures to reduce red tape or improve turnaround times in administration of incentives and work of agencies		
<b>Output 44</b>	6 Impact assessments or enhancements of trade instruments or measures	2,3	1,2,3

# Outputs: State capacity/responsiveness and social partnership

## Improving the capacity and responsiveness of the state and social partnership

Number	Output	Pillar	Outcome
<b>Output 26</b>	4 Pieces of priority legislation amended, tabled or submitted to Executive Authority, Cabinet or Parliament	All	1,2,3
<b>Output 34</b>	8 Master Plans managed	All	1,2,3
<b>Output 35</b>	Oversight of dtic entities to ensure that at least 96% of planned KPIs are achieved	All	1,2,3
<b>Output 36</b>	3 Projects to assist industrial innovation and support firms	All	1,2,3
<b>Output 38</b>	50 Mergers and acquisitions where public interest conditions have been incorporated	All	1,2

# Outputs: four types

## 45 Outputs -

Have been developed to guide the work of **the dtic**-group in the financial year. These targets are divided into four types:



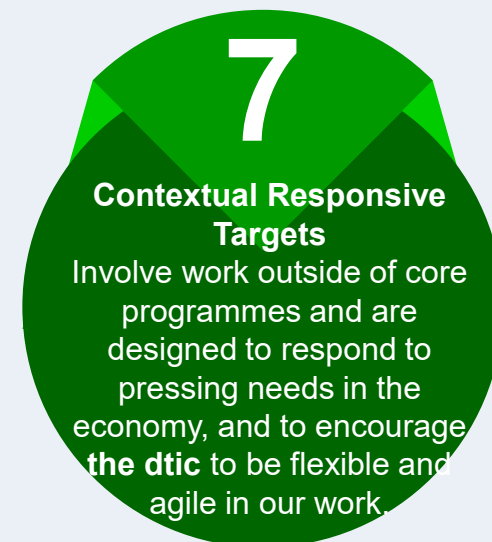
Investment  
Local output  
Exports  
Jobs  
Ownership



Incentives and support  
Partner funds  
Market concentration  
SEZ  
Facilitation  
Trade Masterplans  
Mergers public interest conditions



Events and outreach  
Entity oversight  
Innovation support  
Legislation  
Green economy  
Impact assessment & capacity development  
Price gouging



Energy  
Grey-listing  
Metal trading system

# APP: Core outputs and targets

**Ten core targets** represent the real impact we aim to achieve in the economy, and measure crucial indicators like local output, job creation, and the performance of black industrialists. While all our targets are important, these Core targets are the apex priorities for the Department, and all programmes of **the dtic** are expected to contribute to the achievement of these essential Outputs.

**R350 billion**

In investment  
pledges secured  
across the state

**R60 Billion**

In additional local  
output committed or  
achieved

**R900 Billion**

In manufacturing  
exports

**R400 Billion**

In manufacturing  
exports to other  
African countries

**R9 Billion**

In exports of (Global  
Business Services  
GBS)

**R200 Billion**

In Black  
Industrialist  
Output Achieved

**1 Million**

Jobs Supported or  
covered by the dtic  
group and / Master  
Plans

**100 000**

Jobs to be created  
(50 000 SEF & 50 000  
full-time jobs)

**160 000**

Jobs in Black  
Industrialists firms  
retained


**20 000**

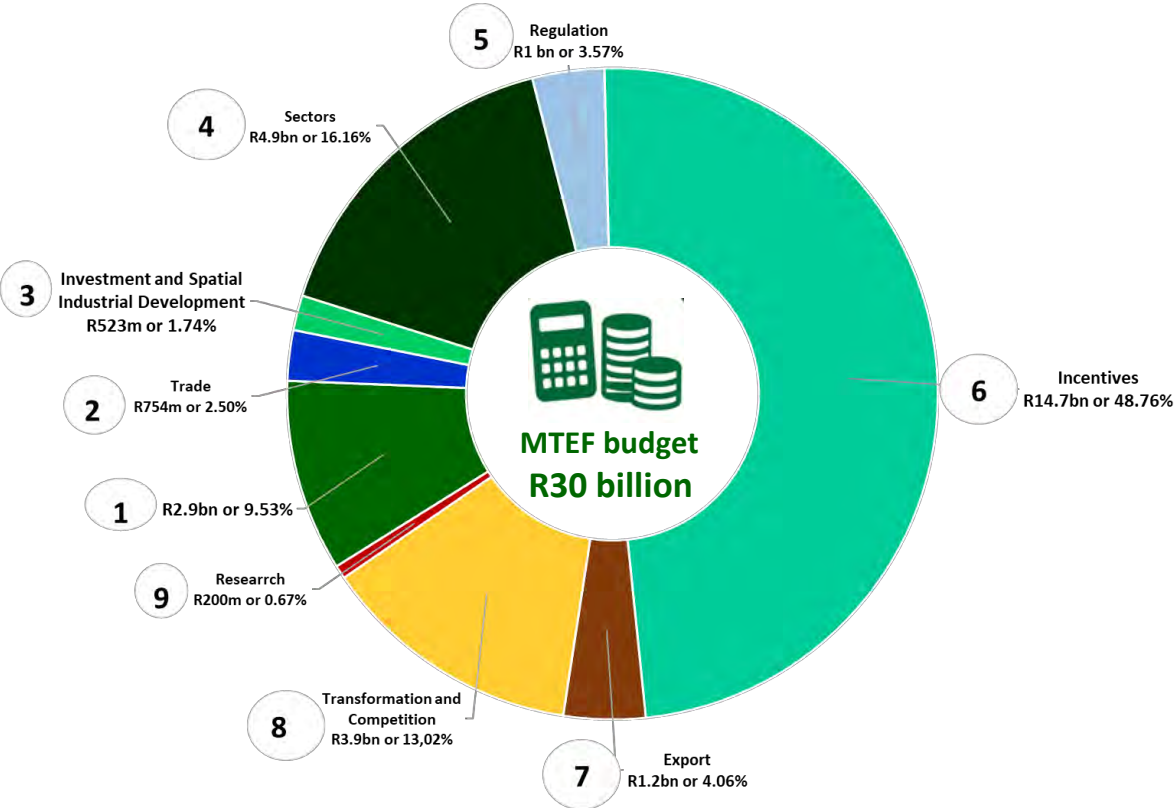
Additional workers  
with shares in their  
companies



# THE DTIC ALLOCATED BUDGET

# 2024 MTEF BUDGET AT A GLANCE – 2024/25 TO 2026/27

Description	2024/25 R'000	2025/26 R'000	2026/27 R'000	TOTAL R'000
 <b>Baseline</b>	9 600 229	10 023 794	10 487 340	30 111 363



# BUDGET AT A GLANCE – 2024/25 TO 2026/27 ~ CONTINUED

Programme	Adjusted appropriation	Medium-term expenditure estimate				Average growth rate (%)
R million	2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	
1. Administration	825,4	881,0	971,9	1 015,5	7,16% ▲	
2. Trade	256,2	241,6	251,3	261,2	0,65% ▲	
3. Investment and Spatial Industrial Development	140,2	167,1	174,6	181,3	8,96% ▲	
4. Sectors	1 578,3	1 431,5	1 673,9	1 760,0	3,70% ▲	
5. Regulation	349,3	346,1	357,4	371,9	2,12% ▲	
6. Incentives	5 439,1	4 034,5	5 199,8	5 447,0	0,05% ▲	
7. Export	419,5	388,0	407,8	426,8	0,58% ▲	
8. Transformation and Competition	1 647,3	2 047,1	919,8	953,7	-16,65% ▼	
9. Research	54,4	63,3	67,2	69,8	8,70% ▲	
<b>Total</b>	<b>10 709,5</b>	<b>9 600,2</b>	<b>10 023,8</b>	<b>10 487,3</b>	<b>-0,70% ▼</b>	

## Economic classification

<b>Current payments</b>	<b>1 713,3</b>	<b>1 790,4</b>	<b>1 932,9</b>	<b>2 022,4</b>	<b>5,68% ▲</b>
Compensation of employees	1 066,1	1 081,2	1 128,6	1 180,3	3,45% ▲
Goods and services	647,1	709,2	804,3	842,1	9,18% ▲
Interest and rent on land	0,1	–	–	–	-100,00% ▼
<b>Transfers and subsidies</b>	<b>8 933,7</b>	<b>7 791,9</b>	<b>8 072,0</b>	<b>8 445,2</b>	<b>-1,86% ▼</b>
Departmental agencies and accounts	1 169,2	1 209,5	1 232,1	1 275,2	2,94% ▲
Foreign governments and international organisations	42,6	45,8	47,8	49,9	5,46% ▲
Public corporations and private enterprises	7 571,2	6 382,1	6 632,3	6 954,2	-2,79% ▼
Non-profit institutions	146,0	153,3	158,7	164,6	4,09% ▲
Households	4,7	1,1	1,1	1,1	-37,63% ▼
<b>Payments for capital assets</b>	<b>62,1</b>	<b>17,9</b>	<b>18,9</b>	<b>19,8</b>	<b>-31,68% ▼</b>
Machinery and equipment	48,9	13,0	13,7	14,4	-33,52% ▼
Software and other intangible assets	13,2	5,0	5,2	5,4	-25,57% ▼
<b>Payments for financial assets</b>	<b>0,5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100,00% ▼</b>
<b>Total</b>	<b>10 709,5</b>	<b>9 600,2</b>	<b>10 023,8</b>	<b>10 487,3</b>	<b>-0,70% ▼</b>

**-0.7%**



Expected decrease of the department's total expenditure from R10.7 billion in 2023/24 to R10.5 billion in 2026/27.

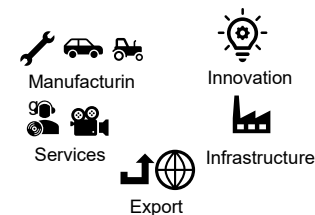
**R3.1**

**BILLION**



Cabinet approved reductions on the department's budget over the MTEF (main reductions being, **R2.2 billion** - incentive programmes and **R649.3 million** – entities)

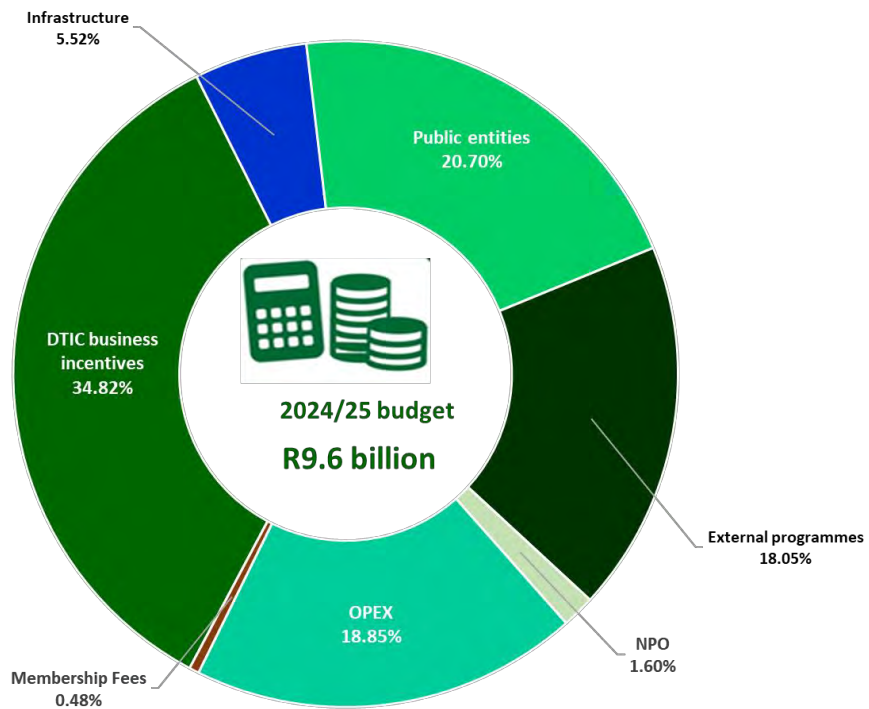
**49%**



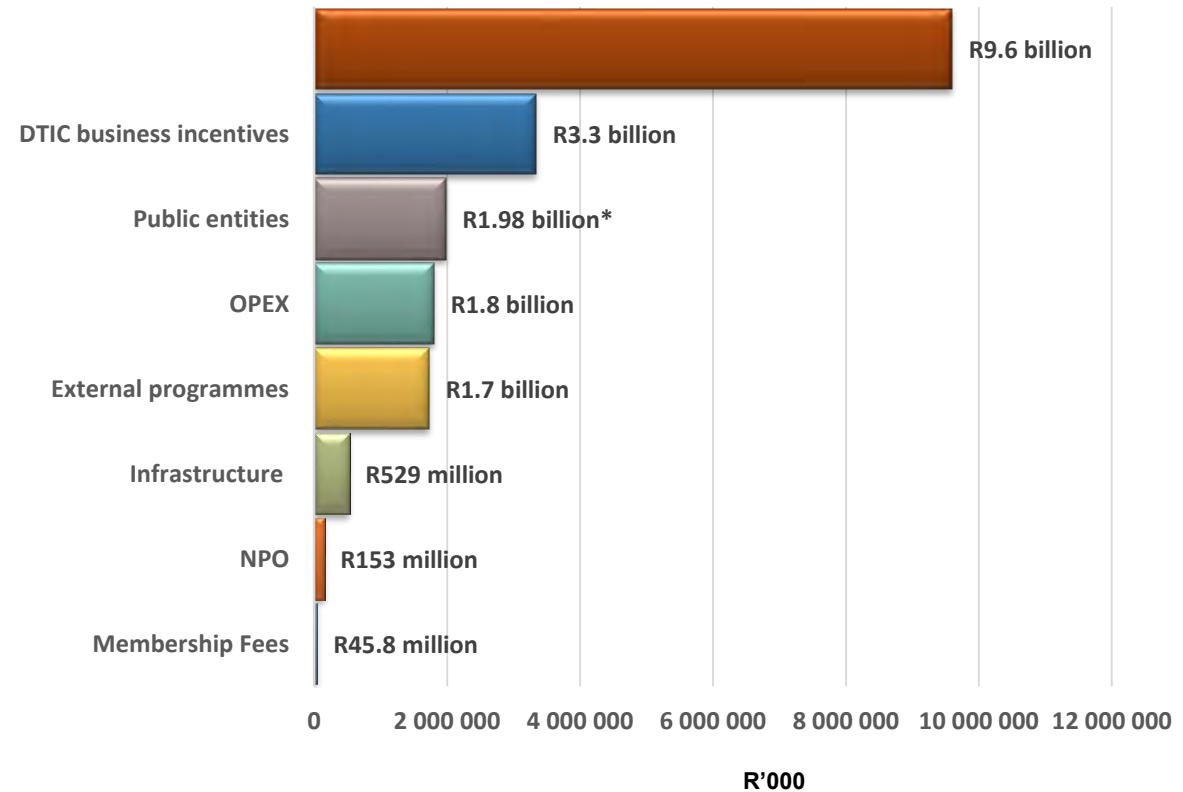
Allocations to the *Incentives* branch account for an estimated 49% (R14.7 billion) of the department's expenditure (R30 bn) over the MTEF period, mainly to fund incentive programmes

# 2024/25 BUDGET BY TYPE OF EXPENDITURE

2024/25 budget % by type of expenditure



Rand value of the 2024/25 budget by type of expenditure



\*Included in this amount is R271.7 million in respect of the Small Enterprise Finance Agency (SEFA)


# ENTITIES BUDGET AT A GLANCE – 2024/25 TO 2026/27

	R thousand	Founding legislation	Financial Relationship	Adjusted appropriation 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27
					2024/25	2025/26	2026/27	
	<b>Regulators</b>			<b>835 400</b>	<b>844 091</b>	<b>872 860</b>	<b>903 698</b>	<b>2,7% ▲</b>
1	Competition Commission	Competition Act, 1998 (Act No. 89 of 1998), as amended	Government grant	407 875	426 193	440 339	455 338	3,7% ▲
2	Competition Tribunal	Competition Act, 1998 (Act No. 89 of 1998), as amended	Government grant	38 433	40 159	41 492	42 905	3,7% ▲
3	Companies and Intellectual Property Commission (CIPC)	Companies Act, 2008 (Act No. 71 of 2008), as amended	Self-funded	–	–	–	–	N/A
4	Companies Tribunal	Companies Act, 2008 (Act No. 71 of 2008), as amended	Government grant	28 202	29 497	30 706	32 113	4,4% ▲
5	National Consumer Commission (NCC)	Consumer Protection Act, 2008 (Act No.68 of 2008)	Government grant	73 566	69 120	71 360	73 791	0,1% ▲
6	National Consumer Tribunal (NCT)	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Government grant	53 636	52 000	53 726	55 556	1,2% ▲
7	International Trade Administration Commission (ITAC)	International Trade Administration Act, 2002 (Act No. 71 of 2002)	Government grant	118 998	113 430	117 772	122 349	0,9% ▲
8	National Credit Regulator (NCR)	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Government grant	81 538	79 051	81 675	84 457	1,2% ▲
9	National Gambling Board (NGB)	National Gambling Act, 2004 (Act No. 7 of 2004)	Government grant	33 152	34 641	35 790	37 189	3,9% ▲
10	National Lotteries Commission (NLC)	Lotteries Act, 1997 (Act No. 57 of 1997), as amended	Self-funded	–	–	–	–	N/A
11	Takeover Regulation Panel (TRP)	Companies Act No 71 of 2008 (the Act), as amended	Self-funded	–	–	–	–	N/A
	<b>Development Finance Institutions</b>			<b>155 505</b>	<b>162 488</b>	<b>167 881</b>	<b>173 600</b>	<b>3,7% ▲</b>
1	Export Credit Insurance Corporation (ECIC)	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Government grant	155 505	162 488	167 881	173 600	3,7% ▲
2	Industrial Development Corporation (IDC)	The Industrial Development Corporation Act, 1940 (Act 22 of 1940)	Self-funded	–	–	–	–	N/A
3	National Empowerment Fund (NEF)	National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	Self-funded	–	–	–	–	N/A
	<b>Technical Infrastructure Institutions</b>			<b>663 595</b>	<b>708 846</b>	<b>712 017</b>	<b>736 270</b>	<b>3,5% ▲</b>
1	South African National Accreditation System (SANAS)	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Government grant	30 738	32 118	33 185	34 315	3,7% ▲
2	National Metrology Institute of South Africa (NMISA)	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Government grant	152 722	177 312	165 099	170 722	3,8% ▲
3	National Regulator for Compulsory Specifications (NRC)	Specifications Act, 2008 (Act No. 5 of 2008)	Government grant	138 611	144 634	149 235	154 319	3,6% ▲
4	South African Bureau of Standards (SABS)	Standards Act, 2008 (Act No. 8 of 2008)	Government grant	341 524	354 782	364 498	376 914	3,3% ▲
	<b>Total</b>			<b>1 654 500</b>	<b>1 715 425</b>	<b>1 752 758</b>	<b>1 813 568</b>	<b>3,1% ▲</b>

18


Total number of the dtic entities

+2.7%

Regulators


Expected growth in total expenditure from R835 million in 2023/24 to R903.6 million in 2026/27. Of the 11 regulatory entities, 3 are self-funded. 8 entities receive grant allocation and also generate some own revenue in line with the legislative mandates.

+3.7%



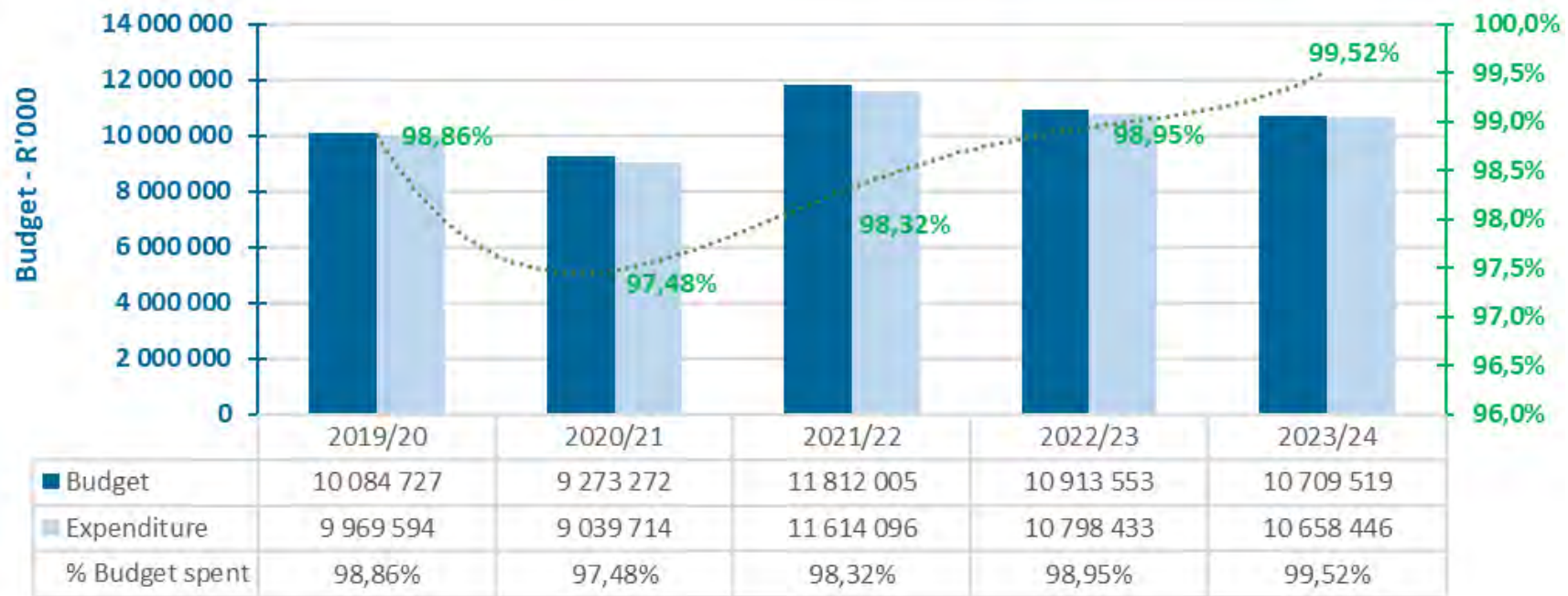
Expected growth in total expenditure from R155.5 million in 2023/24 to R173.6 million in 2026/27. Two of the 3 DFIs are self-funded, while ECIC receives a grant allocation for the Interest Make-up Scheme and also generate own revenue in line with its legislative mandate.

+3.5%

Technical Infrastructure Institutions

Expected growth in total expenditure from R663.5 million in 2023/24 to R736.2 million in 2026/27. All 4 entities receive grant allocation and also generate some own revenue in line with the legislative mandates.

# SPENDING AS % OF BUDGET (2019/20 TO 2023/24)



The graph above shows that despite the impact of COVID-19 and other shocks to the economy in 2020/21, there was consistency in the department’s spending pattern against its budgetary allocation over the past financial years.

**THANK YOU**