

# Department of Trade, Industry and Competition

## 2021/22 Second and Third Quarter Performance – some highlights

Portfolio Committee on Trade and Industry  
16 February 2022



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

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

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# ECONOMIC OVERVIEW

## Global Economic Outlook

- Global economy contracted by **3.1%** in 2020, reflecting a stronger-than-expected recovery across regions in the second half of 2020.
- The global economic growth rate for 2021 has been revised downward to 5.9% (from April's forecast of 6%) with the 2022 forecast remaining the same at 4.9%.
- The downward revision reflects supply disruptions in advanced economies and worsening pandemic dynamics in low-income developing countries.

## Risks to the Outlook

- However, overall risks have increased due to:
  - The emergence of more transmissible and deadlier COVID-19 variants which threaten the resilience of recovery,
  - More persistent supply-demand mismatches, and shocks leading to inflationary pressures, and
  - The start of monetary policy tightening.

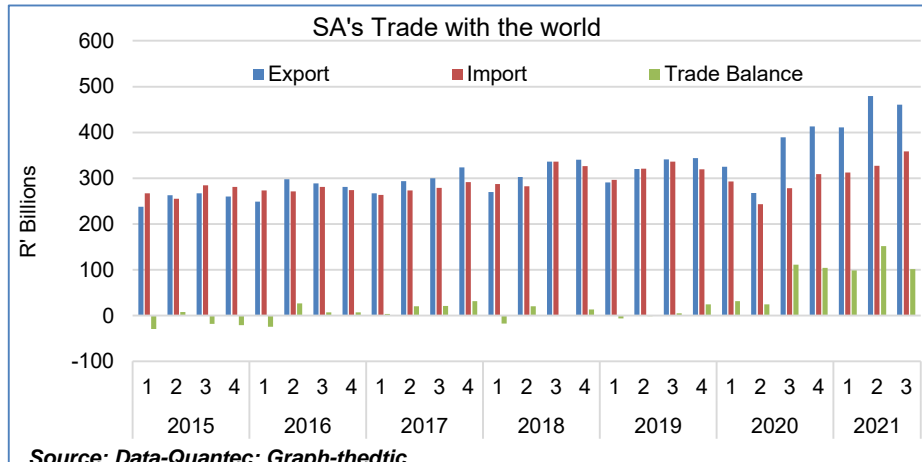


Source: IMF, World Economic Outlook (October 2021)

# ECONOMIC OVERVIEW

## Recovery is underpinned by finance.

- Real GDP decreased by 1.5% in 2021Q3, following four consecutive positive growth rates.
- The unrest that broke out in KZN and parts of Gauteng in July played a significant role in this decline
- However, on a year-on-year (y-on-y) basis, GDP increased by 2.9%.
- The GDP decline in Q3 is seen as a one quarter anomaly induced mainly by the unrest.



## Trade performance eases.

- Following four quarters of strong export growth and import suppression, the third quarter of 2021 saw exports easing to R461 billion, from R479 billion in 2021Q2; while SA imports from the rest of the world edged up to R358 billion, from R327 billion in 2021Q2.
- Despite a moderation in trade surplus, from R151 billion in 2021Q2 to R102 billion in 2021Q3, SA's trade balance with the rest of the world remains positive.
- The value of imports in 2021Q3, was largely driven by imports of machinery mainly from China followed by mineral products.

# SECOND QUARTER PERFORMANCE REPORT SUMMARY 2021/22

the dtic Performance Report Summary	Q2 KPIs	Q2 Targets	Targets Achieved	Percentage (%) Achievement	Budget Spent (%)
	40	40	34	85%	91.2%

PERFORMANCE REPORT PER PROGRAMME	KPI	Q2 TARGET	ACHIEVED
Programme 1: Administration	6	6	4
Programme 2: Trade Policy, Negotiations and Cooperation	2	2	2
Programme 3: Spatial Industrial Development and Economic Transformation	4	4	3
Programme 4: Industrial Competitiveness and Growth	6	6	4
Programme 5: Consumer and Corporate Regulation	2	2	2
Programme 6: Industrial Financing	5	5	4
Programme 7: Export Development, Promotion and Outward Investments	1	1	1
Programme 8: Inward Investment Attraction, Facilitation and Aftercare	6	6	6
Programme 9: Competition Policy and Economic Planning	3	3	3
Programme 10: Economic Research and Coordination	5	5	5
Total	40	40	34

## PROGRAMME 1: ADMINISTRATION

- Target of 50% for women in senior management positions exceeded by 4%. 54% as at 30 Sept 2021
- 3.9% of the workforce with disabilities employed, exceeding the 2% target set by Cabinet
- 54 interns were provided with experiential learning. 47 Interns remained in service as at 30 Sept 2021
- All eligible creditors payments processed within 30 days

## PROGRAMME 2: TRADE POLICY, NEGOTIATIONS AND COOPERATION

### AfCFTA

- Ongoing work on tariff offers and rules of origin under the AfCFTA alongside establishment of Committees on Investment, Competition, Intellectual Property Rights (IPR) in preparation for Phase II negotiation

### China

- The re-listing of South African oysters on China's import list by the end of August 2021 resulted in the saving of jobs in the oyster industry. This was achieved through various efforts, amongst them, engagements with the officials at the Chinese Embassy in SA and the General Administration of Customs of the People's Republic of China

### Non Proliferation

- The Comprehensive Nuclear Test-Ban-Treaty (CTBT) Organisation appointed a female official from the Council for Geoscience as one of the first surrogate inspectors internationally and the first in South Africa. The CTBT is implemented by **the dtic**

### WTO and Public Health

- Request to Norway, as the Chair for the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Council in the WTO to support the waiver of the TRIPS agreement to ensure sufficient production and equal distribution of vaccine by both developed and developing countries. The waiver will support South Africa's efforts to produce Covid-19 vaccine, creating jobs in the pharmaceutical industry

## PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

### SPECIAL ECONOMIC ZONES (SEZ)

- Dube TradePort SEZ secured new investments worth approximately R 600 million. These investments are expected to create an additional 841 direct jobs
- Coega signed four new investors with an estimated value of approximately R49 million, and these are expected to create an estimated 101 new direct jobs
- Tshwane Automotive SEZ is completing the construction of 12 factories with a private investment value of R4.33 billion. These investments are expected to create approximately 2 088 direct jobs
- Maluti-A-Phofung SEZ is completing the construction of factories for three investments with a combined value of R580 million, that are expected to create 290 direct jobs once they are fully operational
- Saldanha Bay IDZ is completing the construction of two manufacturing facilities with an investment value of R380 million. These are expected to create approximately 90 new direct jobs
- Richards Bay IDZ is completing the construction of an edible oil factory and a Titanium Dioxide factory with a combined private investment value of R5.8 billion. Both these are expected to create approximately 600 direct jobs.

## PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

### YOUTH EMPLOYMENT

- A total of 45 historically disadvantaged undergraduate students pursuing studies in textile and fashion design field were awarded financial support
- To enhance employability, a total of 1 204 Itukise Interns (against target of 1200) have been hosted in private companies to receive work experience related to their field of qualification
- Exemptions were granted for continued participation of seven companies in the Youth Employment (YES) Initiative, resulting in the continued participation/on-boarding of employment opportunities for black youth. Facilitated for the creation of 5181 new jobs created for black youth through the Youth Employment Service Initiative

### BLACK INDUSTRIALIST PROGRAMME

- A total of 47 enterprises (44 black owned) have been supported through Work Place Challenge (WPC) enterprise transformation intervention to enhance their productivity and competitiveness, boosting their survival capability in current economic conditions.

## PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

### B-BBEE

- A total of about 194 written queries were formally responded to. About 70 percent of those queries were B-BBEE Certificate/Affidavit-related, Covid-19 challenges affecting B-BBEE compliance from various entities, with skills development major issue for entities resulting in discounting 40% maximum points. Others were policy definition, and interpretation related issues across all elements and Y.E.S.

### INNOVATION & TECHNOLOGY

- **the dtic** led the Inventors Garage competition at the Innovation Summit. 20 finalists presented their innovations to investors and potential clients. The opening ceremony was attended by 88 viewers. Through the Khoabo Innovation Promotion Programme (KIPP), **the dtic** provided R120 000 to be distributed among the top 3 winners
- Three grassroots innovators were supported through the KIPP to the value of R2.1 million. Two of the businesses are youth owned and the third one is a 50:50 percent split between a male and female.

## TEXTILE, CLOTHING, LEATHER AND FOOTWEAR

- IDC developed a brochure for the Rapid Response Fund and distributed across different stakeholders and clients in KZN and Gauteng. Improved off-take with additional applications for the Working Capital Interest Subsidy (WCIS) in response to the Covid-19 relief to CTFL
- Successful bidders for the tender for Gauteng Department of Health for linen, patient clothing and theatre clothing were linked up with the local producer of the required fabric, Da Gama Textiles
- Tendering authorities have increased compliance with the local content requirements. Organs of State are approaching **the dtic** for assistance to make sure bidders comply with the local content requirements

## AGRO-PROCESSING AND RESOURCE BASED INDUSTRIES

- As part of the Poultry Masterplan, stakeholders agreed that allowing imported chicken pieces from multiple countries to be packed in 1 bag, could pose a health risk to consumers. Consequently, the Department of Health on 1 September 2021, introduced a new dispensation which requires that imported chicken pieces originate from 1 country and are labelled as such with no potential cross-contamination of chicken pieces from different countries. This ensures that consumers know exactly where the chicken they consume originates from and limits the risk of cross-contamination of especially frozen chicken pieces from multiple source countries.
- PG Bison announced an investment in their local production of R2 billion over a 3 year period, increasing their production capacity in the Mpumalanga facility by 200%, from 400m<sup>3</sup> to 1200m<sup>3</sup> per day of Medium Density Fibreboard (MDF). This is an investment in the forestry sector, and a raw material to the Furniture Industry.

**PRIMARY MINERALS PROCESSING AND CONSTRUCTION**

- Bulk earthworks and warehouse construction for Bushveld Vanadium electrolyte plant is in progress at ELIDZ. A first vanadium electrolyte plant to use South African mined vanadium for Energy storage
- Designation Instruction note for cement was issued by National treasury. Instruction note is the first of 11 construction material designation research
- The overall impact of designation is estimated to add at least 500,000 tons of production output to the local cement producers. Increased production will contribute to increased turnover and employment over the entire industry (estimated at 2.5% increase for both turnover and employment)

**AUTOMOTIVES**

- Two companies were approved for Automotive Industry Transformation Fund (AITF) support to the tune of R1.3 billion
- Formex, a 60% black owned company is a component manufacturer of exhaust and gearbox brackets located in the Eastern Cape province. The company retains a local content of 52% which is above the average vehicle local content of 40%. With the financial support, there will be 12 new jobs created and 435 jobs retained; and
- Cape Winelands Auto, a 51% black owned company located in the Western Cape with focus on buying out of dealerships. The financial support will enable the company to create two more jobs and retain 22 jobs

## PLASTICS

- **Sizabantu Piping Systems** is investing R70 million for the extrusion of 630mm PVC-O pipes and this will create a further 26 permanent employment positions. This investment is located in ELIDZ. Sectoral support: Designation and enforcement of PPPFA on pipes procurement as well as tender information and advice
- **Costpac:** An investment of R3 million and employed 10 people and currently invested another R2 million to introduce the trigger spray pump. **Sectoral support:** Business linkages to advance localisation in particular with packaging companies mainly for sanitizers
- **HOUP** invested R5 million to put up tooling using local engineering firm and licensed production to local manufacture to make vaccine thermal cooler boxes and a further R3 million is being invested to put up a 23.5 litre tooling. They employed extra 5 people. **Sectoral support:** Co-ordinating the market forces i.e demand & supply)

## COSMETICS

- Johnson's Baby South Africa was SABS certified for SANS 1043 which means that, their sanitary Pads and baby diapers products that are manufactured in South Africa can now carry the SABS Approved Mark. They are the first company in Africa to get this certification; and
- SA's unique dark green geranium oil now has an official standard, to drive up export prices. This formally sets apart the South African product in such a way that it can be branded by its country of origin, with the prospect of better exports – at better prices – as the global market recognises its value

## PHARMA AND MED SERVICE

- Commercialisation of Covid-19 diagnostic kit by a 100% black-owned company, at least 10 new jobs are to be created

**SUPPORT IN ACCREDITATION AND CERTIFICATION TO DEEPEN SA CAPABILITIES**

- LVSA Group is a local manufacturer, 100% Black owned company producing various valves for various applications. The valves manufactured by LVSA include, but not limited to metal seated, resilient seated gate valves, single/double centric butterfly valves, metal seated butterfly valves, check valves, sleeve valves, air valves and Forge range
- The company secured a debt loan of R105 million from IDC, R35 million from BIS and made a collective investment of R168 million in a production facility. 50 jobs have been created thus far; and
- Through the assistance of **the dtic** and SABS, LVSA is recommended for the approval of ISO9001:2015 to design, develop, manufacture and supply industrial valves. The manufacturer has also been audited and recommended by the American Petroleum Institute (API) for the approval of manufacturing and producing valves for the oil, gas and petroleum sector in September 2021. The manufacturing facility is located in Kingsburgh, Durban, KwaZulu-Natal, Ethekewini Municipality.

**COMPANIES AMENDMENT BILL**

- The Socio Economic Impact Assessment System (SEIAS) report on the Companies Amendment Bill was developed and approved by the Presidency in July 2021
- The Companies Amendment Bill was approved by Cabinet in September 2021 for wider public consultation. The Minister held a media briefing in September 2021 to discuss the key features of the Bill and to announce that the Bill will be published for comment in the Gazette. The Bill was published for public comment on 1 October 2021 and the process was be open for 30 days

**LIQUOR AMENDMENT BILL**

- The review of the Liquor amendment Bill continued in quarter 2. An intergovernmental meeting was held on 22 September 2021 chaired by the Acting Director-General of **the dtic** and attended by government Departments, to discuss a government wide response and measures to address liquor abuse challenges in South Africa. This follows developments since the Covid-19 pandemic and a need for a coordinated approach to ensure greater impact in addressing liquor abuse

**SPECIAL ECONOMIC ZONES (SEZ) ACT**

- A review of the Special Economic Zones (SEZ) Act of 2014 was conducted and proposed policy changes to the SEZ Act were identified for Minister's consideration

## PROJECT INVESTMENT

- During the quarter ending 30 September 2021, 45 projects were approved with a projected total investment value of R10,82 billion. These projects projected 16 409 jobs, and were approved to the projected grant value of R1,932bn

## CRITICAL INFRASTRUCTURE RECONSTRUCTION PROGRAMME (CIRP)

- The CIRP was approved in August 2021 to support investments that have been by affected by unrest and riots in the Gauteng and Kwa-Zulu Natal provinces; and the branch introduced an online application system for the administration of CIRP applications
- The revised Sector Specific Assistance Scheme (SSAS) guidelines with the virtual event component as well as the 100% grant funding for women, youth and people with disability business owners, was approved August 2021

## CRITICAL INFRASTRUCTURE PROGRAMME (CIP)

- The CIP approval for phase one funding of two newly designated Industrial Parks: Upington Industrial Park and Wild Coast Industrial Park
- These interventions contributed to growing the country's economy, developing skills, creating job opportunities, thus addressing the challenge of unemployment in the country.

# PROGRAMME 6: INDUSTRIAL FINANCING

## INDUSTRIALISATION STIMULATING INVESTMENT AND LOCALISATION (DISBURSEMENTS)

R1.6 bn disbursed  
R784.2m drawn down by 121 supported companies

R10.8bn in net investment by supported companies

Supported companies have procured R50.5bn from domestic suppliers

Economic Recovery Packages

Enterprises supported to build better

Approvals R586 m

Disbursements R70.5

Jobs to be retained 7 883

## INCREASED INTRA AFRICA TRADE TO SUPPORT AFRICA REGIONAL DEVELOPMENT (DISBURSEMENTS)

Supported companies have exported R2.8 bn

Supported countries reported exporting to Angola, Botswana, Comoros, Democratic Republic of Congo, eSwatini, Lesotho, Madagascar, Mozambique, Mauritius, Malawi, Namibia, Nigeria, Seychelles, Tanzania, Zambia, Zimbabwe

## INCREASED STRATEGIC INVESTMENT TOWARDS ECONOMIC GROWTH (APPROVALS)

Approvals of R3.1bn will result in net investment of R15bn

Net Projected investment includes automotive projects with R6.3bn

Projected investment will result in approximately 33 000 direct jobs to be supported

## INTERGOVERNMENTAL ACTION IN IMPLEMENTATION OF THE DDM (DISBURSEMENTS)

28 of the 52 municipalities is supported. Of these 28, 8 are metros and 20 are district municipalities. All 20 districts are largely rural. Projects in these districts received support amounting to R1bn and have supported 7 233 jobs.

## PROMOTING A STRONG AND INCLUSIVE ECONOMY (DISBURSEMENTS)

76% of beneficiaries paid are B-BBEE level 1-4  
42% Black-owned Projects  
18% Women-owned Projects  
9% Youth-owned Projects

## FUNCTIONAL, EFFICIENT AND INTEGRATED GOVERNMENT

The dtic, the IDC and NEF are working on the development of an Industrial Financing web portal, aligned applications and claim forms as well as integrated Reporting

## THE GREEN ECONOMY AND GREENING THE ECONOMY

Green energy initiatives by funded projects includes the use of solar power, installation of energy efficient equipment and storage of rain water

## Economic Recovery Packages supporting Industrialisation and assisting firms to build better and save jobs

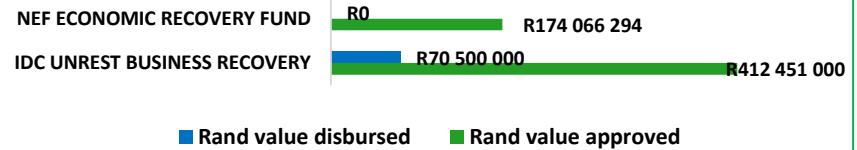
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40 Enterprises approved for the economic rebuilding support



2

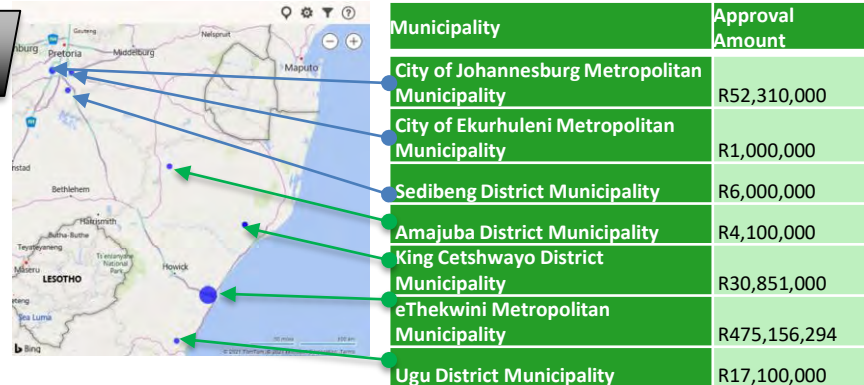
Total approvals is R586.5m with R70 million disbursed as at 31 August 2021



3

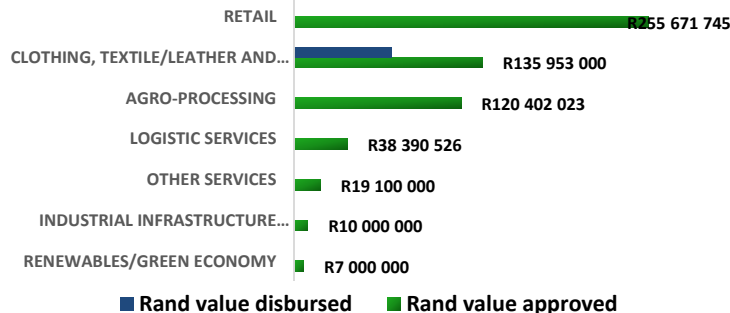
Designated Groups	IDC	NEF	TOTAL
BLACK-OWNED	5	26	31
WOMEN-OWNED	4	8	12
YOUTH-OWNED	2	1	3

4



5

### Supported Industries



6

### 16 863 JOBS TO BE SUPPORTED





## Covid19 Fund: R700m budget allocated



46 companies supported Nationally

## Immediate outcomes:

Increased accessible industrial finance  
measures to support investment in priority  
sectors in line with approved Master Plans

## PROGRAMME 7:EXPORT DEVELOPMENT, PROMOTION AND OUTWARD INVESTMENTS

### UNREST RELATED SUPPORT

- Participated in the working group consisting of operators in the South African Supply Chain to restore the efficiency and fluidity in the movement of goods through the N3, helping to minimize the negative effects on exports and the movement of goods destined to and from neighbouring countries
- Participated in the Maputo Corridor Export Support Initiative in collaboration with the Citrus Growers Association, Agribusiness Chamber, Minerals Council of South Africa. Several Government Departments and Entities which include Department of Agriculture, Land Reform and Rural Development (DALRRD), Department of Mineral Resource and Energy (DMRE), South African Revenue Services (SARS), BMA, Cross Border Road Transport Agency and Transnet endorsed the initiative
- Maputo Corridor Export Support Initiative is exploring enhancing the efficiency of the corridor as a major export and trade route, which could contribute to agricultural production from the Northern regions of South Africa, estimated at 100 million cartons (15kg equivalent), by 2025 flowing via the Maputo Corridor

# PROGRAMME 7:EXPORT DEVELOPMENT, PROMOTION AND OUTWARD INVESTMENTS

## TRADE ENGAGEMENTS AND EVENTS:

- Hosted around 21 virtual and physical trade seminars and business engagements with local and international partners, aimed at identifying and securing export opportunities for South African companies

## AFRICA

- Engagement with Cakesom, a key Kenyan vegetable and fruit importer, and the Fresh Produce Exporters' Forum (FPEF) regarding South Africa's export of apples to Kenya. Cakesom undertook an inward buying mission to South Africa from 28 August to 05 September 2021, during which they engaged with FPEF exporting members on potential export orders
- In collaboration with the South African Embassy in Mali, assisted Bathilys, a Malian company, to import R 300,000 worth of fruits from South Africa. Bathily is now gearing to find additional suppliers to place regular orders and the Fresh Produce Exports Forum is taking this forward

## ASIA

- Facilitated the participation of companies in the Malaysia International Halal Showcase (MIHAS) scheduled from 09 September – 31 December 2021. The show was held virtually and 9 SA companies were shortlisted to participate in the show. The show is one of the premier halaal shows in the Asia region

## PROGRAMME 8: INWARD INVESTMENT ATTRACTION, FACILITATION AND AFTERCARE

- 14 Ease of Doing Business Engagements i e Technical Working Groups, Business Meetings, Stakeholder Engagements
- 84 Intra company transfers, critical skills permanent residency visas facilitated
- Assisted with evaluation of 100 visa recommendations for technical experts of various companies
- 153 meetings with current and prospective investors

# PROGRAMME 9: COMPETITION POLICY AND ECONOMIC PLANNING

## MERGERS AND ACQUISITIONS

- The Minister was notified of 76 mergers, of these following the Mergers & Acquisition work stream's analysis and assessment, the Minister was advised to participate in 15 mergers based on public interest consideration

## DIS-CHEM PHARMACIES / PURE PHARMACY WAS APPROVED WITH THE FOLLOWING CONDITIONS:

- Use reasonable endeavours to ensure that the aggregate employment level in the pharmacy stores within the merged entity does not decrease for 3 years after the merger and will not retrench any employees 2 years post merger. Retrenched employees to be offered employment opportunities when suitable positions become available within the Dischem Group
- Dischem shall provide 150 learnership opportunities to qualifying pharmacists assistants and provide 2 bursaries to pharmacy students for each new store opened and provide internship opportunities to graduating pharmacists and full-time employees to qualified pharmacists
- Dischem shall maintain and increase its procurement spend from South African HDP controlled businesses by a specified percentage over a cumulative period of 5 years from merger implementation

# PROGRAMME 9: COMPETITION POLICY AND ECONOMIC PLANNING

## **ECP AFRICA FUND ACQUISITION OF BURGER KING SOUTH AFRICA MERGER WAS APPROVED ON THE FOLLOWING CONDITIONS:**

- Expansion commitments: involving an investment of R500 million to increase the number of Burger King stores from 90 to at least 150 and to employ no less than 1250 additional employees
- Employee Share ownership (ESOP): Workers will be provided an effective 5% interest in Burger King South Africa
- South Africa supply: Increase local procurement as a percentage of total procurement and improve compliance with Enterprise Supplier Development element of the merged entities Broad-Based Black Economic Empowerment scorecard.

## **THE PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION FUNDING**

- The funding request in respect of the Presidential Youth Employment Intervention (PYEI) was evaluated and an amount of R800 million was approved by the Minister of Finance as a direct charge against the National Revenue Fund in terms of section 6(1)(b) of the Appropriation Act, 2021

# PROGRAMME 9: COMPETITION POLICY AND ECONOMIC PLANNING

## COORDINATION WITH PROVINCES AFTER THE UNREST

- **the dtic** engaged three companies and requested financial contributions through pledges/commitments to the Economic Recovery Fund efforts. The three organisations agreed to support the Minister and the department made the following concessions:
  - Old Mutual pledged a cash contribution of R10 million to the Economic Recovery Fund.
  - ABinBev pledged a cash contribution of R50 million to the Economic Recovery Fund.
  - Mondi will contribute to the KZN Government.

# PROGRAMME 10 : ECONOMIC RESEARCH AND COORDINATION

## TRADE AND INVESTMENT KNOWLEDGE NETWORK WEBINAR

- Hosted a successful Trade and Investment Knowledge Network Webinar on the 10th of September 2021. The aim of the webinar was to create adequate space to engage and exchange knowledge on how to jump-start growth through stronger investment and trade partnerships, which could underpin the road to economic reconstruction and recovery. The webinar was attended by 109 participants constituting of National Sector Departments, Provincial Economic Departments and their Entities, Business and Labour representatives

## IMPORT TRACKER – Q2 2021

- Produced a Quarterly Import Tracker report - analysing trade data in the manufacturing sector, focusing on the following industries – Clothing, textiles, footwear & leather (CTFL), furniture, chemicals & plastics, steel & metal fabrication and the ICT sector. These industries' are prioritised as part of the Re-imagined Industrial Strategy. Industry import monitoring for possible surges is important to flag so as to avert injury to domestic firms and to preserve industry plans and jobs

## IHS ECONOMIC RESEARCH DATABASE

- A new economic database, the Rex Explorer from IHS Information and Insight PTY LTD, was procured. The database provides district/ location specific geographical economic data required for the District Development Model (DDM) work area. District Based Service Delivery Model, was approved by Cabinet as an important innovation in the implementation of service-delivery programmes and economic development

# PROGRAMME 10 : ECONOMIC RESEARCH AND COORDINATION

## REPORT ON EXECUTIVE PAY RATIOS

- Contributed towards development of an economic research report focusing on inclusive growth - Report on Executive Pay Ratios. This research report follows deliberations of the 2018 Presidential Jobs Summit which looked at how to support inclusive growth in workplaces, including increasing worker equity and representation in boards, and how to specifically address significant disparities in pay between executives and the lowest-earning workers
- Produced a report on South Africa's economic recovery journey: Where are the 'green shoots'? The report looks into the strategic issues affecting SA's economy and provides recommendations on how the potential within each green shoot can be harnessed to catapult economic growth at a national level.

# **FINANCIAL PERFORMANCE**


# FINANCIAL PERFORMANCE OVERVIEW

1 April 2021



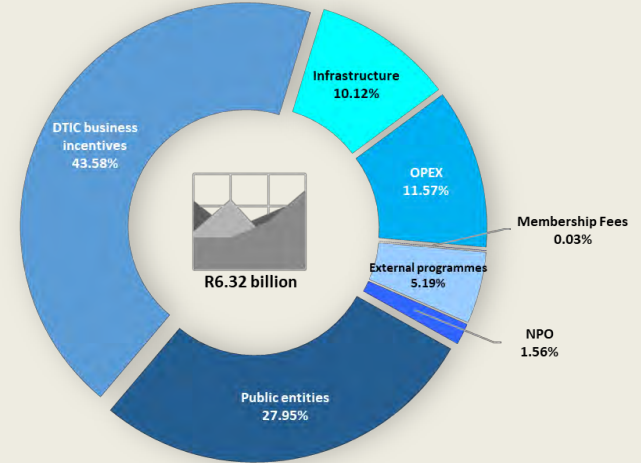
30 September 2021

 **R9 736 573 000** Annual Budget

 **R6 322 088 000** spent as at 30 September 2021

Spent YTD as % of annual budget = **65%**

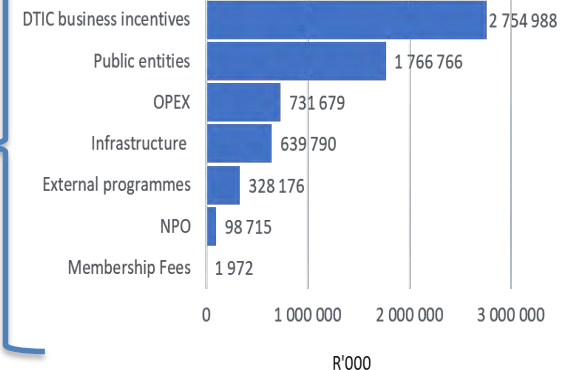
Q2 expenditure by type of spending



The R6.3 billion spent year to date comprises of:

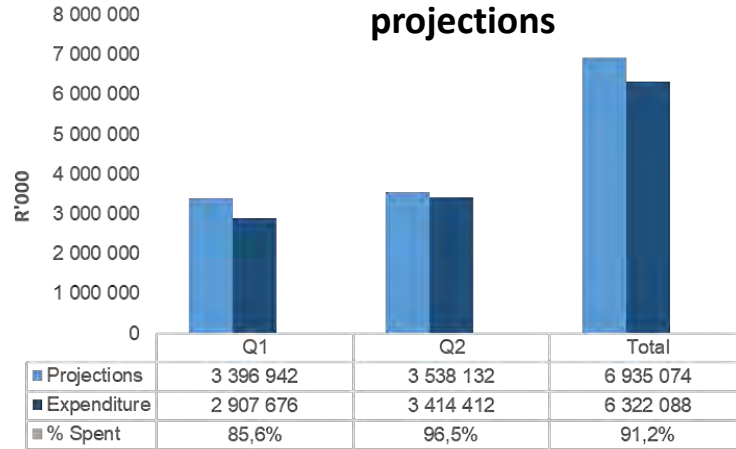
- R3.4 billion or 53,7% (i.e. business incentives and infrastructure) was disbursed to the beneficiaries across the various incentive programmes, followed by R1.8 billion or 28% transferred to the public entities.
- R328.2 million or 5,2% disbursed to various external programmes at the IDC and CSIR; while non-profit organisations and international organizations, which South Africa is a member accounted for R100.7 million or 1.5%.
- Spending on operational costs was R732 million or 11.6%.

Rand value by type of spending



# FINANCIAL PERFORMANCE OVERVIEW

## Quarter to quarter expenditure against projections

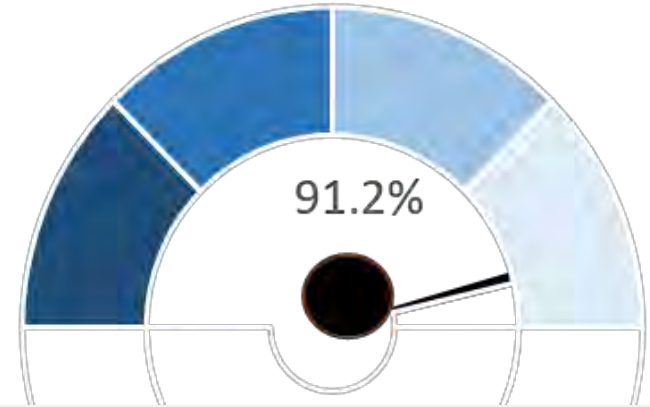


When compared with quarter 1 [R2.9 billion], expenditure for quarter 2 was R3.4 billion – an improvement from Q1. Of the expenditure of R3.4 billion in Q2, R2.8 billion was financial support provided under the various incentives programmes.

In support of businesses affected by the public unrest in KZN and Gauteng, **R2 billion** was allocated to the Economic Recovery and Reconstruction programme (R700m - reprioritisation within the department's baseline and R1.3 billion – allocation through the Special Appropriation), which is being done in partnership in partnerships with the IDC and NEF.

The Economic  
Recovery and  
Reconstruction  
programme  
disbursement in Q2  
**R1.8 billion**

## YTD expenditure as % of YTD projections



When compared to the YTD projections of R6.9 billion, spending is R6.3 billion or **91.2%**.

While slower than projected spending is being reported due to the impact of the COVID 19 pandemic, the revival of business activities in trade, export missions and export pavilions is starting to show.

In the area of incentive programmes, while R3.4 billion in financial support was provided to date, slower incentive disbursements is being reported in certain areas as some of the investment milestones on approved projects are being deferred.

# FINANCIAL PERFORMANCE PER PROGRAMME AND ECONOMIC CLASSIFICATION

Description	Budget 2021/22	Available budget	% budget available	Year-to-date (YTD) 1 April to 30 September 2021			
				Projected expenditure	Actual expenditure	Variance from projected expenditure	% variance from projected expenditure
	R'000	R'000		R'000	R'000	R'000	
Programme 1: Administration	857 651	507 790	59,2%	374 966	349 861	25 105	6,7%
Programme 2: Trade Policy, Negotiations and Cooperation	233 066	83 121	35,7%	152 801	149 945	2 856	1,9%
Programme 3: Spatial Industrial Development and Economic Transformation	183 352	124 607	68,0%	80 555	58 745	21 810	27,1%
Programme 4: Industrial Competitive and Growth	1 762 605	527 629	29,9%	1 245 065	1 234 976	10 089	0,8%
Programme 5: Consumer and Corporate Regulation	333 282	119 193	35,8%	210 714	214 089	(3 375)	-1,6%
Programme 6: Industrial Financing	4 871 050	1 403 750	28,8%	3 879 222	3 467 300	411 922	10,6%
Programme 7: Export Development, Promotion and Outward Investments	440 285	150 218	34,1%	313 880	290 067	23 813	7,6%
Programme 8: Inward Investment Attraction, Facilitation and After-care	70 161	46 053	65,6%	21 508	24 108	(2 600)	-12,1%
Programme 9: Competition Policy and Economic Planning	906 262	392 713	43,3%	638 446	513 549	124 897	19,6%
Programme 10: Economic Research and Coordination	78 859	59 412	75,3%	17 917	19 447	(1 530)	-8,5%
<b>Total</b>	<b>9 736 573</b>	<b>3 414 485</b>	<b>35,1%</b>	<b>6 935 074</b>	<b>6 322 088</b>	<b>612 986</b>	<b>8,8%</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 871 796</b>	<b>1 142 140</b>	<b>61,0%</b>	<b>805 734</b>	<b>729 656</b>	<b>76 078</b>	<b>9,4%</b>
Compensation of employees	1 046 619	545 759	52,1%	496 336	500 860	(4 524)	-0,9%
Goods and services	825 177	596 381	72,3%	309 398	228 796	80 602	26,1%
<b>Transfers and subsidies</b>	<b>7 828 423</b>	<b>2 236 330</b>	<b>28,6%</b>	<b>6 125 754</b>	<b>5 592 093</b>	<b>533 661</b>	<b>8,7%</b>
Incentive payments	4 686 646	1 291 868	27,6%	3 802 502	3 394 778	407 724	10,7%
Department entities	2 057 576	290 810	14,1%	1 840 766	1 766 766	74 000	4,0%
External Programmes	881 729	553 553	62,8%	378 601	328 176	50 425	13,3%
Non profit organisations (Partnerships with business associations, NEDLAC)	157 880	59 165	37,5%	101 535	98 715	2 820	2,8%
Membership fees (International organisations)	43 632	41 660	95,5%	2 160	1 972	188	8,7%
Households	960	-724	-75,4%	190	1 684	(1 494)	-786,4%
<b>Payments for capital assets</b>	<b>36 354</b>	<b>36 023</b>	<b>99,1%</b>	<b>3 586</b>	<b>331</b>	<b>3 255</b>	<b>90,8%</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>(7)</b>	<b>0,0%</b>	<b>-</b>	<b>7</b>	<b>(7)</b>	<b>0,0%</b>
<b>Total</b>	<b>9 736 573</b>	<b>3 414 485</b>	<b>35,1%</b>	<b>6 935 074</b>	<b>6 322 088</b>	<b>612 986</b>	<b>8,8%</b>

## **SECTION B**

### **THIRD QUARTER PERFORMANCE**

# THIRD QUARTER PERFORMANCE REPORT SUMMARY 2021/22

the dtic Performance Report Summary	Q3 KPIs	Q3 Targets	Targets Achieved	Percentage (%) Achievement	Budget Spent (%)
	35	35	27	77%	88%

PROGRAMME	KPI	Q3 TARGET	ACHIEVED
Programme 1: Administration	5	5	3
Programme 2: Trade Policy, Negotiations and Cooperation	5	5	5
Programme 3: Spatial Industrial Development and Economic Transformation	3	3	2
Programme 4: Industrial Competitiveness and Growth	2	2	1
Programme 5: Consumer and Corporate Regulation	2	2	2
Programme 6: Industrial Financing	2	2	0
Programme 7: Export Development, Promotion and Outward Investments	2	2	2
Programme 8: Inward Investment Attraction, Facilitation and Aftercare	6	6	5
Programme 9: Competition Policy and Economic Planning	3	3	3
Programme 10: Economic Research and Coordination	5	5	4
Total	35	35	27

# PROGRAMME 1: ADMINISTRATION

- All eligible creditors payments processed within 30 days
- Target of 50% for women in senior management positions exceeded by 3%. 53% women in senior positions as at end December 2021
- 3.9% of the workforce with disability employed, exceeding the 2% target set by Cabinet
- 54 Interns appointed for 2020/22 against the target of 54. 46 Interns remained in service as at 31 December 2021
- Internal Capacity Building Plan related to Structure-Fit-for-Purpose, culture change, coaching, upskilling and reskilling as well as recognition framework ongoing

## PROGRAMME 2: TRADE POLICY, NEGOTIATIONS AND COOPERATION

### AfCFTA

- Rules of Origin have been concluded on 87.7% of all tariff lines (4726 of a total of 5387)
- SACU has increased its tariff offer to the AfCFTA to 7023 tariff lines

### AGOA (USA)

- AGOA Forum took place from 20-21 October 2021
- Ministers endorsed SA's hosting of the next AGOA Forum in 2022
- A Cab Memo regarding SA's hosting of the 2022 AGOA Forum was presented to the GCAC cluster in November and the DG ICTS cluster in December. SA with African partners seeks to encourage the US to extend AGOA beyond its 2025 expire date, improve conditions of access and ensure the benefits of AGOA continue

### China

- Negotiations on the 10 Year Strategic Program on Cooperation between SA and China were finalized. TPNC inputs focussed on improving SA exports of manufactured goods and inward investment to support industrialization. A cab memo covering the negotiations was presented to Cabinet in November 2021

### G20

- Minister participated in the G20 Ministerial meeting on 11 & 12 October 2021

### WTO

- At the WTO worked focused on advancing the TRIPS waiver and fisheries negotiations in preparation for the WTO Ministerial in December, that was postponed due to the 4<sup>th</sup> wave of Covid-19 pandemic.

# PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

## Special Economic Zone (SEZ) Programme

- Tshwane Automotive SEZ operationalized the 2<sup>nd</sup> automotive component manufacturing company Aeroklas Duys, with an investment value of R98.8 million. The company is expected to create 375 jobs when fully operational
- Atlantis SEZ obtained an approval to be listed as a Government Business Enterprise (3D) by National Treasury under the PFMA

## Economic Transformation (B-BBEE)

- Facilitated the creation of 5181 new job opportunities for black youth through the Youth Employment Service (Y.E.S) Initiative using the B-BBEE instrument as an incentive
- JP Morgan's Equity Equivalent Investment Fund achieved the following by December 2021:
  - Medium to long term transactions - To date 473 applications have been received. 28 applications have been shortlisted for potential medium to long term finance with further information requested.
  - Short term transactions
    - 20 Deals totalling R24.57 million have already been paid out
    - 13 deals totalling R10.58 million have received proceeds (completed + in progress deals)
    - 6 Deals totalling R7.16 million have been received from concluded deals
    - 14 permanent jobs created

# PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

## **Mediterranean shipping company EEIP achieved the following:**

- The Maintenance and Repair part of the project is exceeding targets. In total 116 people (including 96 African males, 1 African female, 4 Coloured males and 4 Indian males) were trained and placed in the following disciplines in October 2021:-
  - 69 Ships maintenance and repair
  - 39 Industrial steel assistance
  - 3 semi skilled steel assistance
  - 3 semi skilled electricians
  - 1 semi-skilled rigger; and
  - 1 experiential training in welding

## **Turner & Townsend EEIP**

- Turner & Townsend is supporting 14 Black Industrialists that have been selected and gone through interviews and 7 of them are women owned

# PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

## Youth Employment and Empowerment

- A total of 51 historically disadvantaged undergraduate students pursuing studies in textile and fashion design field were awarded financial support
- Proposal for district expansion of Fashion Design Innovation Centre (FDIC) discussed during Textile Clothing Centre of Excellence (TCCoE) Strategic Planning session held in December 2021 with potential partnership with Department of Sports, Arts and Culture for complementary training on sewing
- To enhance their employability, a total of 1211 interns (against target of 1200) were hosted in private companies to receive work experience related to field of qualification
- On-going tracer study on completed interns recorded 57 interns who have been permanently employed at the end of the internship period
- A total of 67 enterprises (59 black owned) were supported through Workplace Challenge Programme (WPC) enterprise transformation intervention to enhance their productivity and competitiveness, boosting their survival capability in current economic conditions.

# PROGRAMME 4: INDUSTRIAL COMPETITIVENESS AND GROWTH

## Agro Processing and Resource Based Industries

- About R600 million of the South African Sugar Association (SASA) R1 billion transformation fund was disbursed
- PG Bison announced a R2.5 billion investment and the projects include:
  - a major capacity expansion to the existing BisonBord (particleboard) plant in eMkhondo (Piet Retief). The team is finalising the new dryer and chip preparation area, with completion planned for the first quarter of 2022. This will result in an increase in the plant's output capacity to 1,000m<sup>3</sup> per day, bringing it in line with the Ugie board plant
  - SupaWood (MDF) plant at Piet Retief: The signing of the contract for the new SupaWood (MDF) press with the Siempelkamp team took place in November 2021. Given the market's concern of the long-term supply of MDF products, this was aimed at increasing capacity from 420m<sup>3</sup> to 1,200m<sup>3</sup> per day, ensuring a long-term local product supply solution for Southern African markets. This R1.85 billion project will have both a positive and significant impact on direct and indirect jobs throughout the forestry and furniture value chain. The planned date for commissioning the plant is mid-2024
  - Value-add capacity to be built at the Boksburg plant in July 2022: Another SupaGloss and MelaWood line will be added to the Boksburg facility. This will help to meet market demand and product innovation;
  - Invested significantly in the Southern Cape Cluster, (Thesen Timber and Woodline Poles) in additional capacity improvement projects and value addition operations already done in 2021

# PROGRAMME 4: INDUSTRIAL COMPETITIVENESS AND GROWTH

## Automotives

- Toyota South Africa Motors (TSAM) launched the Toyota Corolla Cross at its Durban plant in Ethekwini in October 2021, with the value of investment for the project being R2.6 billion. To support this project, **the dtic** approved a total AIS grant amount of R518 million. The project sustained 2 628 jobs and created 308 new ones
- There are 56 local suppliers (including material suppliers) supplying parts for the Corolla Cross model; 23 of the suppliers are at a B-BBEE level 4 and lower with 16 being Black Owned;
- In order to improve local content, 5 Tier 1 suppliers were introduced to support the build of this model (Wekaba, Standard Profil, Isomoulders, Invusa and Expert Automotive Trim); 3 of these suppliers are Black Owned. (Wekaba, Invusa and Expert); and additionally, 2 current suppliers transformed to Black owned. The Corolla Cross model will comprise of 621 localized parts.
- TSAM will be collaborating with Standard Profil in order to design and produce all moulds in-house throughout the entire process from raw material to product. This capability will lead to Localisation of weather strip, run glass, moulding assy, seal hood, which were previously imported from Toyota Gosei in Japan. The components will be fitted to the Toyota Corolla. The project is estimated to generate revenue of R180 million (local sales) and the creation of 55 new jobs while retaining 298 jobs.

# PROGRAMME 5: CONSUMER AND CORPORATE REGULATION

- **Companies Amendment Bill**

- Companies Amendment Bill was published for public comments, from 1 October 2021 and closed on 02 November 2021

- **Liquor Policy**






- Inter Departmental engagements on the government measures and approach to liquor abuse were held in September and October 2021

- **Lotteries Act**

- Lotteries Regulatory Impact Assessment (RIA) was being finalized

## Q3 2021/22 INCENTIVE PERFORMANCE OVERVIEW

FUNDING APPROVED IN Q3 2021/22 TO SUPPORT INDUSTRIALISATION

PROJECTS SUPPORTED	APPROVAL AMOUNT	PROJECTED INVESTMENT	NEW JOBS TO BE CREATED	JOBS TO BE RETAINED
				
INVESTMENT MULTIPLIER 4.8				
63	R1 787 789 465	*R8 525 258 741	4 952	14 700

1  
NPO\*\*

**OWNERSHIP OF ENTERPRISES  
AND ORGANISATIONS  
SUPPORTED**

62  
ENTERPRISES

31  
PUBLICLY  
LISTED  
ENTERPRISES

21  
PRIVATE  
ENTERPRISES

  
Black-owned  
enterprises

21

Black  
industrialists  
4

Black  
emerging  
filmmakers  
7

  
Women-owned  
enterprises

6

  
Youth-owned  
enterprises

1

  
SMMEs

12

\* Includes SEZ Projected Investment

\*\*1 NPO approved for 5 estate sites, 5 shopping centres and 1 industrial park

# PROGRAMME 6: INDUSTRIAL FINANCING

PROJECTED LOCALISATION IN THE NEXT TWO TO THREE YEARS

Projected local procurement  
from supported projects in the  
**automotive** sector

R12 394 269 516



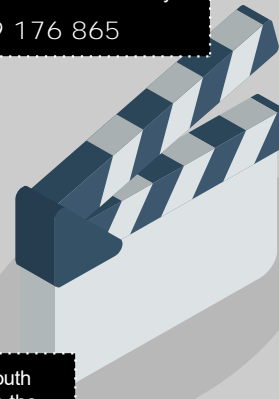
Projected local procurement from  
**SMMEs** for 121 supported projects

R245 551 843



Supported productions in South  
Africa have projected spending of  
R879 million in the local economy

R879 176 865

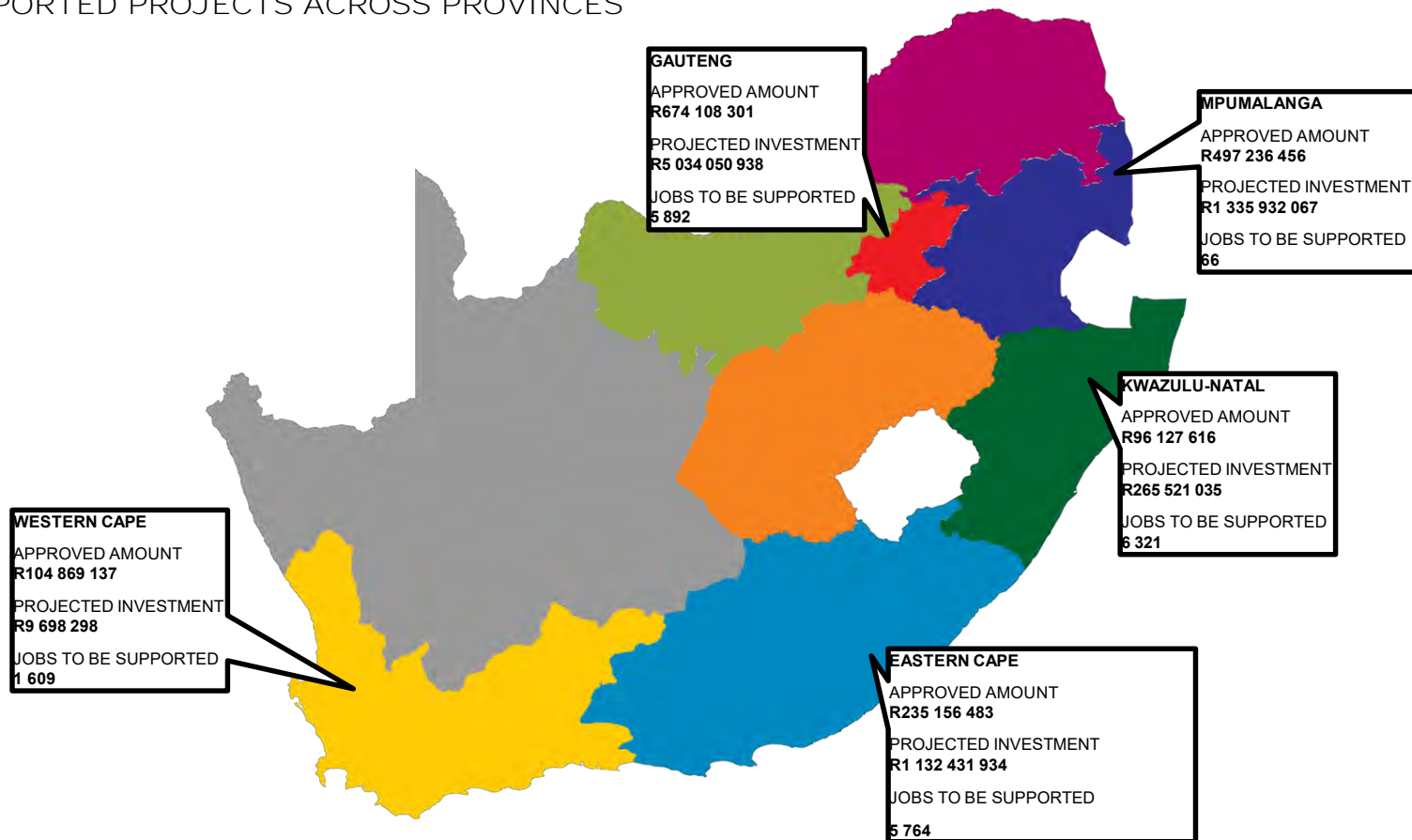


Supported productions in South  
Africa will procure services to the  
value of R476.9 million from Black  
suppliers
































R476 929 818

# PROGRAMME 6: INDUSTRIAL FINANCING

## SUPPORTED PROJECTS ACROSS PROVINCES

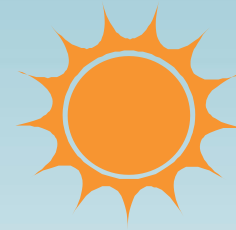





# INCREASED STRATEGIC INVESTMENT TOWARDS INCLUSIVE GROWTH OF THE SOUTH AFRICAN ECONOMY: KEY INDUSTRIES

							
Chemicals, plastics and gas	Industrial Infrastructure	Agro- Processing	Business Process Services	Creative industries	Domestic Appliances	Automotive	Oil and Gas
 R80 061 458	 R94 730 754	 R473 158 637	 R9 326 250	 R169 957 919	 R41 611 891	 R669 676 826	 R21 192 885
 R160 122 919	 R3 084 771 681	 R19 252 729	 ***R2 399 263 233	 ****R879 176 865	 R100 511 582	 R3 028 849 156	 R42 385 770
 57	 506	 67	 2 741	 775	 90	 12 267	 146



\*\*\*Export Revenue  
\*\*\*\*Domestic Support

\*\*\*Export Revenue  
\*\*\*\* Domestic Spend



 Approval Amount  
 Projected Investment  
 Jobs to be Supported

## DISBURSEMENTS IN Q3 2021/22 TO SUPPORT INDUSTRIALISATION

				
*DISBURSEMENTS	ACTUAL INVESTMENT	NEW DIRECT JOBS	CONSTRUCTION JOBS	JOBS RETAINED
R1 215 844 811	R4 541 857 743	19 914	1 241	6 850
* Excludes 12l draw downs INVESTMENT MULTIPLIER 3.7				

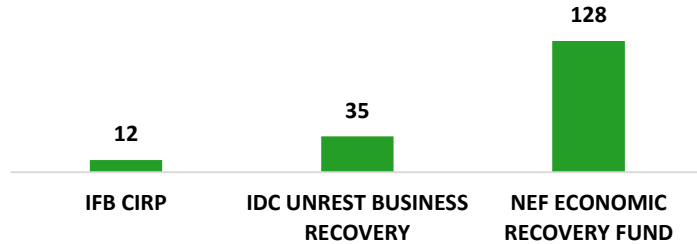


# PROGRAMME 6: INDUSTRIAL FINANCING

## ECONOMIC REBUILDING

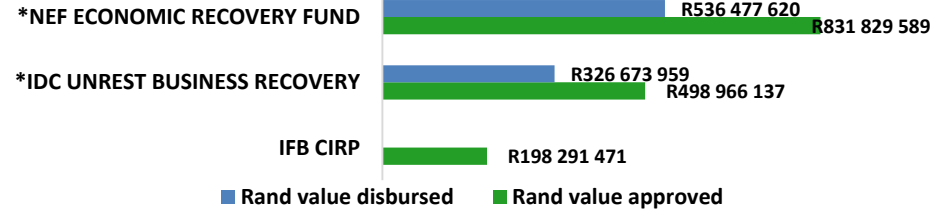
1

### 175 ECONOMIC RECOVERY APPROVALS



2

### Total approvals is R1.5bn with R799.2m disbursed as at 31 December 2021

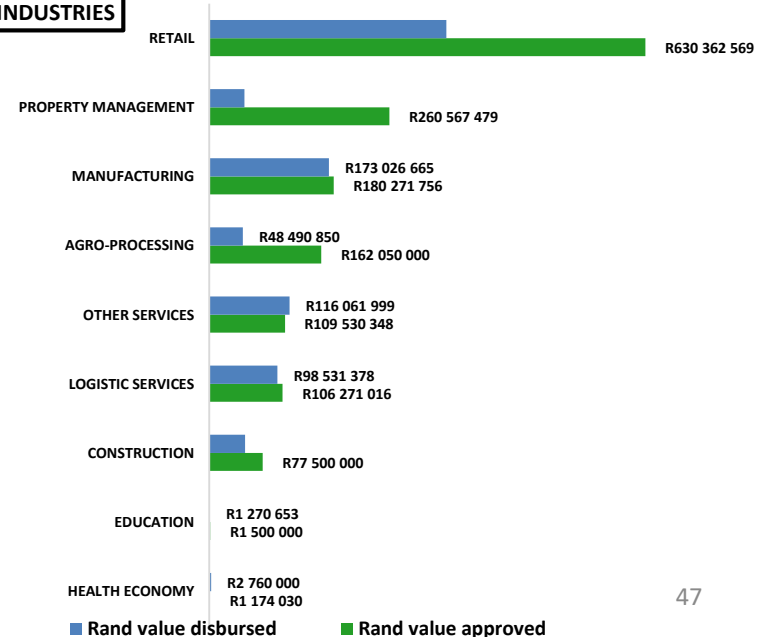


3

Designated Groups	IDC	NEF	IFB
BLACK-OWNED	22	117	0
WOMEN-OWNED	3	29	0
YOUTH-OWNED	2	11	0

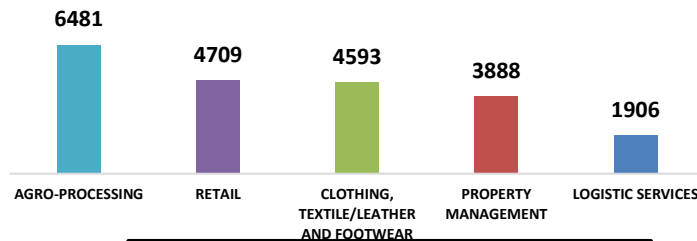
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### SUPPORTED INDUSTRIES



5

### 23 551 JOBS TO BE RETAINED



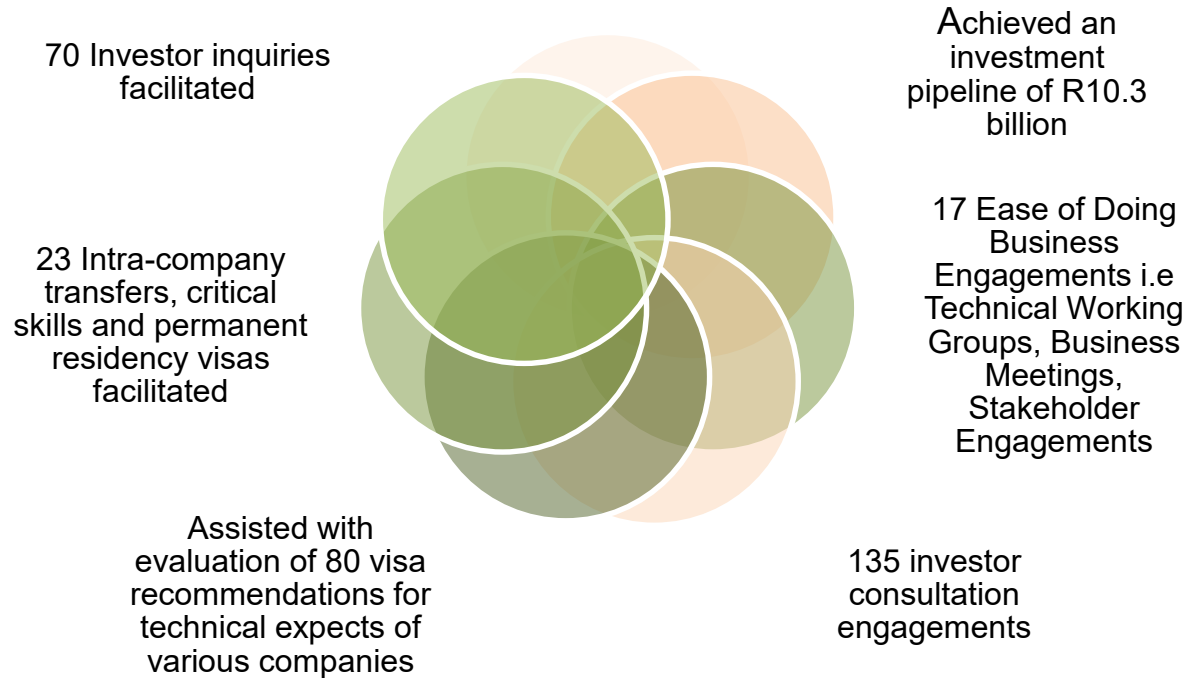
### TOP 5 INDUSTRIES: JOBS TO BE RETAINED

# PROGRAMME 7:EXPORT DEVELOPMENT, PROMOTION AND OUTWARD INVESTMENTS

## Export Promotion

- Organised and managed **the dtic's** participation at the online Africa Health from 25-29 Oct 2021. Ten (10) SA medical device manufacturers were approved through EMIA to participate at the event where they showcased their manufacturing capabilities. Africa Health is the continent's largest healthcare exhibition and is a leading platform for healthcare professionals and medical experts across Africa to collaborate and share insights in addressing the continent's specific health care needs. The platform enabled SA exhibitors to meet and develop business relations with buyers and distributors from across Africa and the world, thereby increasing the opportunity for exports of South African made products
- Organised and managed **the dtic's** participation at the multi-sectoral 2<sup>nd</sup> Intra African Trade Fair (IATF 2021) which was hosted in Durban, KZN from 15-21 November 2021
- Facilitated presentations and submissions of three projects by SA companies to the Afreximbank during the IATF 2021
  - Cato Ridge Multimodal Terminal, Durban, (Key Trade Enabling Infrastructure Project)
  - RailRunners South Africa
  - Honey Value Chain between SA and Zambia

# PROGRAMME 8: INVESTMENT ATTRACTION, FACILITATION AND AFTERCARE



# PROGRAMME 9 : COMPETITION POLICY AND ECONOMIC PLANNING

- The Minister was notified of 90 mergers. Of these he was advised to participate in 21 based on public interest considerations. Minister was also advised to participate in one merger from the previous quarter
- Report on Economic Concentration and Participation in SA Economy submitted to Cabinet and launched
- The CC reached two consent agreements with Ampath and Lancet in which the two leading pathology laboratories in SA agreed to reduce their prices for COVID-19 PCR tests for the next two years, capping the amount at R500, incl VAT
- Separate consent agreements were reached between the CC and Pathcare, Lancet and Ampath to immediately reduce their prices for COVID-19 rapid antigen tests to a maximum of R150 for a two year period. The consent agreements were confirmed as orders by the Tribunal in December 2021
- The CC published its fifth food price monitoring report which covered the structural issues in SA's food market system and the initiative to develop small-scale, localised farming. The report also tracked essential food pricing during the third wave of the pandemic
- The CC found that Fruit Stop, a family-owned grocery store, made excess profits during April to June 2020 in respect of raw ginger, ranging from 18% to 52%. The CC reached a consent agreement with Fruit Stop whereby the latter undertook to make donations of essential goods e.g. fruits, vegetables and groceries to the value of R23 110 to Amadea Safe House, a community-based organization in Pretoria. Furthermore, Fruit Stop agreed to immediately desist from the pricing conduct found by the CC and to reduce their gross profit margin charged in respect of raw ginger to 22% or less from the date of confirmation of the consent agreement.

# PROGRAMME 10 : ECONOMIC RESEARCH AND COORDINATION

- Hosted a Trade and Investment Knowledge Network Webinar in November 2021. The webinar aimed to create adequate space to engage a range of stakeholders in multi-layered dialogues ranging from forward-looking assessment to immediate practical actions on matters relating to supporting South Africa's export sector
- The Branch hosted a Virtual Colloquium on Opportunities in the Mobile Applications Development Industry in South Africa in November 2021. The outcomes of the colloquium will inform the government of the necessary actions to be considered to support mobile apps developers in South Africa
- Hosted a successful Webinar on Fiscal policy Options to promote economic growth, employment and industrialisation in South Africa in Dec 2021. The purpose of the workshop was to provide a platform for policy-makers, researchers and experts to share knowledge and expertise on fiscal policy options and identify recommendations to ensure that fiscal support for growth, employment and industrialisation is improved and its impact maximised in South Africa. The webinar was attended by policy stakeholders from National, Provincial and Local governments, as well as non-governmental institutions, including Financial and Fiscal Commission (FFC) the IDC, academia, research institutes

# FINANCIAL PERFORMANCE

# FINANCIAL PERFORMANCE OVERVIEW

1 April 2021



31 December 2021



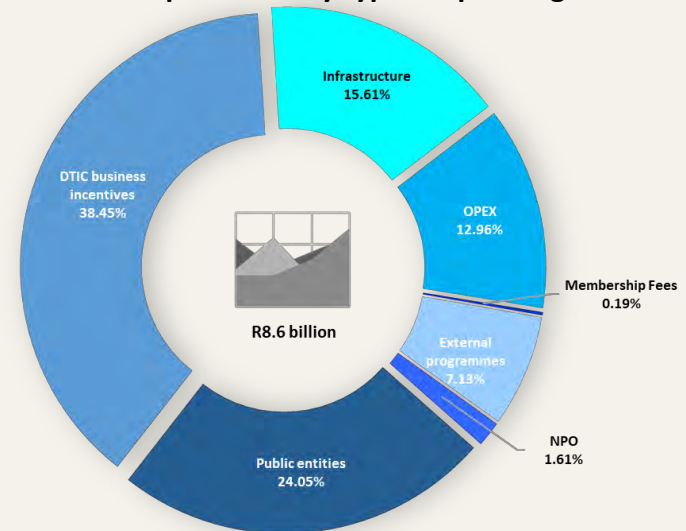
**R9 736 573 000** Annual Budget



**R8 557 021** spent as at 31 December 2021

Spent YTD as % of annual budget = **88%**

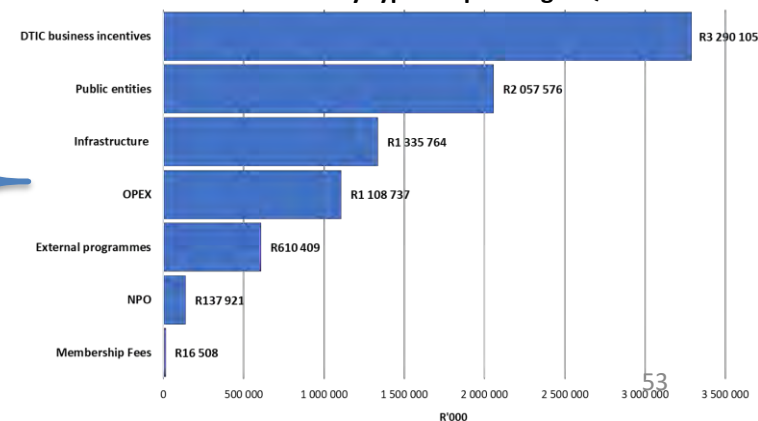
Q3 expenditure by type of spending



The R8.6 billion spent year to date comprises of:

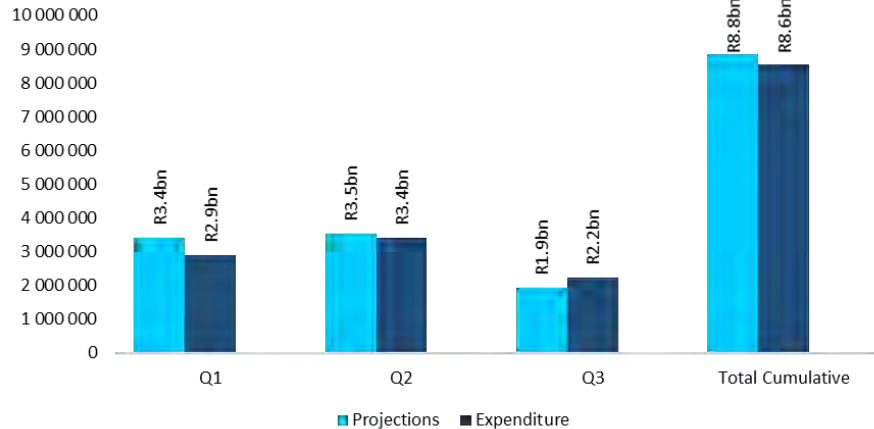
- R4.6 billion or 54.1% (i.e. business incentives and infrastructure) was disbursed to the beneficiaries across the various incentive programmes, followed by R2 billion or 24.1% transferred to the public entities.
- R610.4 million or 7.1% was disbursed to various external programmes at the IDC and CSIR; while non-profit organisations and international organizations, which South Africa is a member accounted for R154.4 million or 1.8%.
- Spending on operational costs was R1.1 billion or 12.9%.

Rand value by type of spending – Q3



# FINANCIAL PERFORMANCE OVERVIEW

## Quarterly expenditure against projections

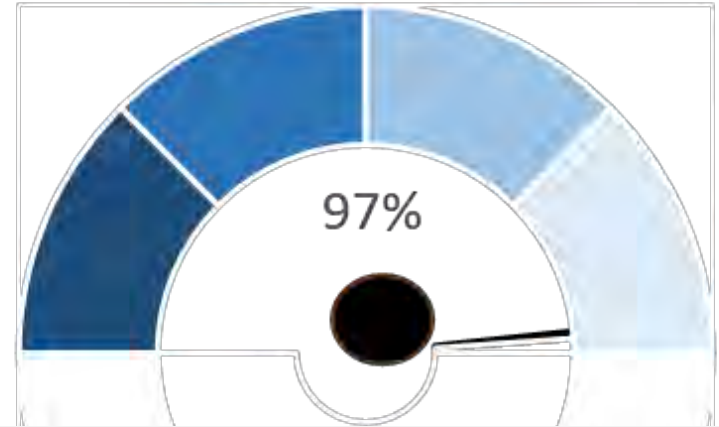


When compared with quarter 2 [R3.4 billion], expenditure for quarter 3 was modest at R2.2 billion – The R1.3 billion allocated through the special appropriation was disbursed in Q2. Of the expenditure of R2.2 billion in Q3, R1.2 billion or 55% was financial support provided under the various incentives programmes.

In support of businesses affected by the public unrest in KZN and Gauteng, **R2 billion** was allocated to the Economic Recovery and Reconstruction programme (R700m - reprioritisation within the department's baseline and R1.3 billion – allocation through the Special Appropriation), which is being done in partnership in partnerships with the IDC and NEF.

The Economic  
Recovery and  
Reconstruction  
programme  
disbursements  
**R1.59 bn**

## YTD expenditure as % of YTD projections



When compared to the YTD projections of R8.8 billion, spending is R8.6 billion or **97%**.

While slower than projected spending is being reported due to the impact of the COVID 19 pandemic, the revival of business activities in trade, export missions and export pavilions is starting to show. This is evident with the participation of 33 new companies in the Export promotion initiatives in the 3<sup>rd</sup> quarter.

# FINANCIAL PERFORMANCE PER PROGRAMME AND ECONOMIC CLASSIFICATION

Description	Budget 2021/22	Available budget	% budget available	Year-to-date (YTD) 1 April to 31 December 2021			
				Projected expenditure	Actual expenditure	Variance from projected expenditure	% variance from projected expenditure
	R'000	R'000		R'000	R'000	R'000	
Programme 1: Administration	857 651	338 400	39,5%	580 707	519 251	61 456	10,6%
Programme 2: Trade Policy, Negotiations and Cooperation	233 066	46 990	20,2%	175 930	186 076	-10 146	-5,8%
Programme 3: Spatial Industrial Development and Economic Transformation	183 352	89 608	48,9%	140 017	93 744	46 273	33,0%
Programme 4: Industrial Competitive and Growth	1 762 605	254 528	14,4%	1 521 389	1 508 077	13 312	0,9%
Programme 5: Consumer and Corporate Regulation	333 282	37 170	11,2%	302 152	296 112	6 040	2,0%
Programme 6: Industrial Financing	4 871 050	132 259	2,7%	4 803 868	4 738 791	65 077	1,4%
Programme 7: Export Development, Promotion and Outward Investments	440 285	95 258	21,6%	375 791	345 027	30 764	8,2%
Programme 8: Inward Investment Attraction, Facilitation and After-care	70 161	34 072	48,6%	36 573	36 089	484	1,3%
Programme 9: Competition Policy and Economic Planning	906 262	100 431	11,1%	889 043	805 831	83 212	9,4%
Programme 10: Economic Research and Coordination	78 859	50 834	64,5%	28 245	28 025	220	0,8%
<b>Total</b>	<b>9 736 573</b>	<b>1 179 552</b>	<b>12,1%</b>	<b>8 853 715</b>	<b>8 557 021</b>	<b>296 694</b>	<b>3,4%</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 871 796</b>	<b>767 760</b>	<b>41,0%</b>	<b>1 276 276</b>	<b>1 104 036</b>	<b>172 240</b>	<b>13,5%</b>
Compensation of employees	1 046 619	286 678	27,4%	756 362	759 941	-3 579	-0,5%
Goods and services	825 177	481 082	58,3%	519 914	344 095	175 819	33,8%
<b>Transfers and subsidies</b>	<b>7 824 831</b>	<b>373 070</b>	<b>4,8%</b>	<b>7 571 953</b>	<b>7 451 761</b>	<b>120 192</b>	<b>1,6%</b>
Incentive payments	4 686 646	60 777	1,3%	4 686 646	4 625 869	60 777	1,3%
Department entities	2 057 576	-	0,0%	2 057 576	2 057 576	-	0,0%
External Programmes	881 729	271 320	30,8%	686 306	610 409	75 897	11,1%
Non profit organisations (Partnerships with business associations, NEDLAC)	154 288	16 367	10,6%	135 330	137 921	-2 591	-1,9%
Membership fees (International organisations)	43 632	27 124	62,2%	5 655	16 508	-10 853	-191,9%
Households	960	-2 517	-262,2%	440	3 477	-3 037	-690,2%
<b>Payments for capital assets</b>	<b>36 354</b>	<b>35 156</b>	<b>96,7%</b>	<b>5 486</b>	<b>1 198</b>	<b>4 288</b>	<b>78,2%</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-26</b>	<b>0,0%</b>	<b>-</b>	<b>26</b>	<b>-26</b>	<b>0,0%</b>
<b>Total</b>	<b>9 732 981</b>	<b>1 175 960</b>	<b>12,1%</b>	<b>8 853 715</b>	<b>8 557 021</b>	<b>296 694</b>	<b>3,4%</b>

THANK YOU

NGIYATHOKOZA

KE A LEBOHA

KE A LEBOGA

SIYABONGA

INKOMU

NDO LIVHUWA

ENKOSI

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