DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

Annual Performance Plan 2025-2026









the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

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Executive Authority Statement

The Department of Trade, Industry and Competition (**the dtic) group** consists of the national Department and eighteen entities which are involved in industrial development, economic and consumer regulation, technical infrastructure, and development finance. In the course of the 2024/25 Financial Year, as the Executive Authority, I introduced the concept and practice of policy and programmatic deep-dives wherein internal and external specialists were invited to provide strategic insights to the senior management of the Department and all its entities. In these platforms, Senior managers and the executive teams were able to engage with the sourced insights, and collectively convert these into a SWOT analysis for the South African economy. This has in turn assisted **the dtic group** to jointly develop the Department's Strategic Plan 2025-30 and 2025/26 Annual Performance Plan (APP).

The APP is thus informed by the intense debates and discussions amongst over 100 senior managers and specialists including external representatives with a diversity of economic and ideological policy views. Consequently, this very ambitious APP reflects the value of joint planning across **the dtic** group and is sharply-focused on a limited number of strategic interventions which, when successfully implemented, will *grow* the Manufacturing sector, *sustain* and *create* jobs, and *transform* the economy and our people's lives.

In the process, Government will seek to achieve these objectives during a period of exceptional global economic uncertainty and political tensions in Europe, the Middle-East and Africa. In addition, the rules-based global economic and trade structures and multilateral institutions are under severe attack from a number of quarters. While these governing structures and institutions are by no means perfect, the alternative may be significantly worse if large economic powers and regions decide to abandon multilateral rules and pursue their own narrow self-interests. For a small, developing country such as South Africa, this could become a significant constraint to growth.

In addition, the structure of economic growth is evolving. According to the Organisation for Economic Cooperation and Development (OECD) Digital Economy Outlook 2024, the information and communication technology (ICT) sector grew by an average of 6.3% between 2013 and 2023, about three times faster than the total economy across the 27 OECD countries analysed. In 2023 alone, OECD countries experienced ICT growth averaging 7.6%, with growth of over 10% in the United Kingdom, Belgium, Germany, Austria, and the Netherlands. Digital services are also increasingly tradable, UNCTAD estimates that digital services trade exceeded US$4.5 trillion in 2023, with developing countries as a whole accounting for just US$1 trillion.

Digitalisation is consequently a key economic opportunity for South Africa, particularly given our youthful population and existing pockets of high-quality IT resources which can be built upon. Therefore, t**he dtic group** will prioritise growing the Global Business Services sector, implement a skills development programme for unemployed youth, and support the implementation of Government's Digital Economy Masterplan.

Economic growth is also increasingly influenced by the global pressure to reduce greenhouse gas (GHG) emissions in order to arrest climate change. Given the extent to which many of South Africa's industries depend on coal-fired electricity, this has become a significant threat to South Africa's exports especially to our large, traditional markets. De-carbonisation of energy production as well as manufacturing processes is therefore an imperative.

De-carbonisation efforts will be led by the Department through the designation of Special Economic Zones (SEZs) which are customised to support investments in the battery value-chain, renewable energy components, and green hydrogen. We will scale-up efforts to assist firms to become more resource and energy efficient, and finalise the New Energy Vehicle Roadmap.

South Africa's export profile – as a proxy for global competitiveness – shows that just 3 product groups, namely mineral commodities, precious stones and base metals, account for over 50% of South Africa's total exports. This is in stark contrast to South Africa's high-technology manufactured exports which account for less than 5% of total exports. This export profile reflects the extent to which our manufacturing sector is concentrated in 'mature' market segments where demand is stagnant and import competition fierce.

In addition, South Africa's concentrated markets and deep inequalities constrain the emergence of dynamic SMMEs producing new, innovative products and services. Strengthening the environment to encourage the emergence of these firms, improving their survival rate, and supporting their long-term success is therefore key to sustained economic growth and inclusion. **Diversification** – to support the emergence of SMMEs, dynamic black industrialists, new growth industries, and non-traditional export markets – is essential to achieving our twin goals of transformation and more inclusive growth.

This strategy of **Digitalisation, De-carbonisation** and **Diversification** will be pursued across **the dtic group** and will build the growth momentum necessary to achieve the Medium-Term Development Plan (MTDP) target of 3% growth. Of course, not all of the required policy levers to achieve the MTDP goals reside with **the dtic**.

As the co-chair of the Economic Cluster, the Department will strengthen its coordination capacity to guide implementation, monitoring and corrective actions to deliver on the MTDP. We will do so by engaging with organised Labour, Business and Community stakeholders so that the MTDP becomes the epi-centre of stakeholders' focus and resource mobilisation. Resource mobilisation across stakeholders will be key because fiscal constraints mean that Government is unlikely to be able to achieve its goals without meaningful partnerships and more efficient ways of working.

Aligned to this approach, **the dtic** group will operationalise a substantial Transformation Fund in this financial year. The Fund will improve the effectiveness of existing broad-based black economic empowerment (B-BBEE) measures by assisting firms to aggregate their transformation spend with other firms to achieve greater impact, reduce the administrative burden on firms, and achieve economies of scale. It is important to highlight that the Fund is not a punitive or cumbersome regulatory measure. The Fund will be capitalised through firms' existing obligations and will operate on the same broad principles as the successful Auto Industry Transformation Fund which is jointly administered by **the dtic** and industry. This is vital to enhancing shared value between government and industry to drive transformation.

The emphasis on transformation reflects **the dtic**'s continued commitment – as required by our Constitution – to redress the deep-seated and negative impact of Apartheid. However, there are also good economic reasons for transformation: diversity and inclusion play a crucial role in driving economic success. Further, economic growth is sustained by a growing working-age population which earns a salary and spends it on domestically manufactured consumer goods such as cars, fridges, TVs and so forth. Achieving this cycle of re-enforcing inclusive growth is critical to SA's long-term growth, development and social stability.

In the coming year, **the dtic** group will unveil a new National Industrial Policy (NIP) for the country. The point of departure for our industrial policy is that a "business as usual" approach will not be sufficient to arrest the current phase of de-industrialisation affecting the economy. The new industrial policy will introduce a 'whole-of-government' approach to industrialisation; stabilise industries in distress while scaling-up investment and support to emerging industries; and more closely align policy levers to our industrialisation objectives.

This includes ensuring that we meet the President's investment target of R2 trillion over the MTDP period, and that these investments are increasingly aligned to industrial policy opportunities and the needs of the economy. We will leverage South Africa's position as the chair of the Group of 20 Nations (G20) to spotlight issues that affect developing countries and African countries in particular within the themes of

Solidarity, Equality and Sustainability. The G20 and its associated business structure – the B20 – offer South Africa a key moment to highlight policy issues, to showcase our tourism appeal and to use the international attention to achieve our economic diplomacy objectives.

These include leveraging international engagements to promote South Africa's core economic interests, championing the interests and needs of developing countries particularly African countries, supporting the deepening of intra-Africa trade by encouraging regional value-chain development, and taking advantage of cross-border infrastructure opportunities. This will build on the AfCFTA and – to support domestic firms to enter African markets – we will strengthen export support measures including establishing an 'export opportunities' knowledge hub.

I am confident that if diligently implemented, this APP will contribute towards placing South Africa on a higher growth path, underpinned by the dynamic sectors and enterprises that will emerge from our strategy of Diversification, De-carbonisation and Digitalisation.

I wish to thank the Deputy Ministers, Portfolio and Select Committees, past and present Director-General, the Industrialisation Think and Action Tank (ITAT), and senior officials of **the dtic group** who have assisted in creating the APP which I have the pleasure of tabling.

Mr Parks Tau
Minister of Trade, Industry and Competition

Deputy Minister Statement – TBC

The 2025/26 Financial Year marks the first year of the implementation of a modernized National Industry Policy which seeks to preserve existing industrial capabilities, increase local production in new and existing sectors, and boost investments to improve South Africa's overall industrial capacity.
To highlight the importance of industrialisation drive in South Africa, we have had two significant events or shocks in our recent economic history, that is, the 2008/09 Global Financial Crisis and Covid-19 pandemic, that have exposed the vulnerability of a growth dynamic driven by services sector particularly financial assets and derivatives as opposed to being rooted in the development of productive sectors. Studies have also shown that while many developed countries have transitioned into services-oriented economies, manufacturing remains a critical part of their economic structures, driving innovation and technological change. For developing countries, industrialisation continues to be an engine of economic growth, fostering the productive transformation towards job creation.

The main objective of the National Industrial Policy, with its key tenets of **digitalization, de-carbonization and diversification**, is to foster inclusive and sustainable growth, create jobs, and increase exports of manufactured products and services. The implementation of national industrial policy is going to involve a targeted infrastructure investment and industrial finance.

The Department and its entities will be deploying some of these policy tools in selected regions to stimulate local industrial development and generate employment and skills development opportunities. Work has begun in the remodeling of the Special Economic Zones and Industrial Parks which will be tailored to the local context and focused on co-creation with provinces and local authorities so that areas with specific comparative advantages can be leveraged.

The overall objective of the new approach is to halt the economic decline in our cities and towns by making them more attractive to investors in sectors such as light manufacturing and high-tech value chains, ultimately transforming them into manufacturing and export hubs in future.

Although the country has made significant strides in socio-economic transformation over the years with respect to expansion of government services such as housing, electricity, education and health, more is still required to change economic structure that is highly concentrated, spatially and racially. A more inclusive and job creating growth has to be accompanied by a fundamental change in the structure and patterns of ownership of the economy that are is reflective of South Africa's demographics. Additionally, it has to address spatial economic inequalities, integration of small businesses, townships and rural enterprises into the mainstream economy as well as develop regional economic linkages.

The 2025/26 Annual Performance Plan (APP) has incorporated the Medium-Term Development Plan (MTDP) priorities on economic transformation which include interventions to support underdeveloped regions, designated groups, and Micro, Small, and Medium Enterprises (MSMEs). Through merger review participation in line with the Section 12A(3) of Competition Act, the Department will be advocating for these issues as part of public interest considerations including protection of jobs and more employees becoming part of owners of the companies that they work for. Furthermore, the department will be strengthening the monitoring of compliance with the Broad-Based Black Economic Empowerment Act and continuing with the Black Industrialist Programme.

This APP is concluded at the time when a pattern is emerging that seeks to undermine the international and multilateral trade institutions and threaten the very rules which gave birth to their existence. The trend has shifted towards bilateral trade and transactional engagements based on protecting the national interests. We are indeed in uncharted water with respect to international trade, which requires a trade policy that will ensure that our trade balance is able to recover from these adverse effects.

I am encouraged by the fact that our approach at **the dtic** and government as a whole, guided by the MTDP, is to seek strong trade relations with countries of the world building on diverse global alliances South Africa has forged over the years. This fits into the diversification component of the 3D strategy where we will be exploring bilateral and regional agreements as the country move towards full implementation of the African Continental Free Trade Area (AfCFTA) to increase our exports to the rest of the continent. The Department will also be utilising our membership in BRICS Plus and global South partnerships to identify alternative markets for our products and services.
I thank the Minister, Deputy Minister, Director General and the dtic senior officials for putting great effort at developing the 2025/26 APP.

Mr Zuko Godlimpi
Deputy Minister of Trade, Industry and Competition

Accounting Officer Statement

Governments across the world are confronting complex economic challenges, including rising inequality, climate change, tensions over trade, and declining growth rates.

In response to these challenges, the Department has anchored its 5-year strategy on three core pillars: Diversification, De-carbonisation, and Digitalisation. This strategy is linked to the Medium-Term Development Plan (MTDP), which outlines Government's targets, measurable indicators, and expected impact for the electoral cycle up to the next National elections in 2029.

These 3Ds are interrelated. Diversification is about broadening and deepening our industrial base — bringing in new players, nurturing new sectors, and ensuring that opportunities are extended to the historically marginalised. De-carbonisation prepares us to lead in the industries of the future, meeting our climate responsibilities while unlocking green industrial opportunities. Crucial initiatives, such as the development of critical minerals, will be prioritised to ensure they yield benefits in the near future. Digitalisation equips us to harness innovation and technology to drive competitiveness and inclusion. In sum, we pivoting the economy towards a new path that seeks to improve our growth rates, mobilise investments in dynamic sectors, and broaden economic opportunities.

Inclusive growth is at the heart of our mission. The Department is determined to ensure that small, medium, and micro enterprises, along with designated groups such as black people, women, youth, and persons with disabilities, are actively supported to participate meaningfully in the economy. This commitment extends to empowering underdeveloped regions, including townships and villages, to ensure they benefit significantly from our efforts. To achieve this, we will initiate a skills revolution, focusing on training and development to equip our youth and the "missing middle" for success in an evolving economy.

This year will also see us streamline processes and reduce red tape, creating a more favourable business environment. Ease of doing business and attracting investment and fostering growth across all targeted sectors require that we double our efforts to overcome hurdles and red tape in the business environment. Our goal is to create a robust ecosystem that encourages innovation and drives economic transformation.

Over the next five years, **the dtic** group will systematically re-orient its interventions, support measures, and policy development activities towards achieving our strategic priorities as espoused in our strategic plan. Accomplishing these goals will be challenging and will require a change of mindset in our current human resources, building new skills where they currently don't exist in our Department, and ensuring agility in government processes, as changes in the global economy are happening at unprecedented speed. This also requires we coordinate effectively both within the department, across government, and collaborate with the private sector and other stakeholders.

Peter Blair Henry stated: "Good economic policy requires not so much the bravado to implement drastic change as the strength and wisdom to make reasonable trade-offs over the many years it takes to transform a country's standard of living." Indeed, transformation is not achieved in a single leap. It is the outcome of intentional trade-offs, long-term investment, and the courage to let go of outdated models. We must be prepared to reconfigure existing programmes in favour of more impactful and forward-looking interventions, while ensuring that no one is left behind. Change is will be the new normal, and this will take grit and focused execution to achieve. We are gearing ourselves for a new path to growth as the department. This will not be business as usual.

By working collaboratively and staying focused on our strategic priorities, the Department is confident that we can lay a strong foundation for the subsequent years of this economic strategy, understanding that not every intervention can be executed at once. This strategy will allow us to build momentum and create an environment conducive to sustained economic growth.

The APP, 2025/26, formulated through consultation with management, is hereby submitted in accordance with the Revised Framework on Strategic and Annual Performance Plans (APPs).

Mr Simphiwe Hamilton
Director-General

Official sign-off

It is hereby certified that this APP was:

- developed by the management of the Department of Trade, Industry and Competition (**the dtic**) under the guidance of the Minister, Mr Parks Tau,
- prepared in line with the current strategic plan of **the dtic**, and
- accurately reflects the performance targets, which **the dtic** will endeavour to achieve given the resources made available in the budget for 2025 to 2026.

Ms Wongiwe Masvanhise **Chief Director: ODG (Strategy)**	_______________ **Signature:**
Ms Sarah Choane **DDG: Corporate Management Services**	_______________ **Signature:**
Ambassador Xolelwa Mlumbi-Peter **DDG: Trade**	_______________ **Signature:**
Mr Yunus Hoosen **Acting DDG: Investment and Spatial Industrial Development**	_______________ **Signature:**
Dr Tebogo Makube **Acting DDG: Sectors**	_______________ **Signature:**
Dr Evelyn Masotja **DDG: Regulation**	_______________ **Signature:**
Dr Malebo Mabitje-Thompson **DDG: Incentives**	_______________ **Signature:**
Mr Willem Van Der Spuy **Acting DDG: Exports**	_______________ **Signature:**
Ms Susan Mangole **Acting DDG: Transformation and Competition**	_______________ **Signature:**

Mr Stephen Hanival
Chief Economist: DDG Research **Signature:**

Ms Irene Ramafola
Chief Financial Officer **Signature:**

Mr Simphiwe Hamilton
Accounting Officer **Signature:**

08/04/25

Approved by:
Minister Parks Tau **Signature:**
Executive Authority

PART A: OUR MANDATE

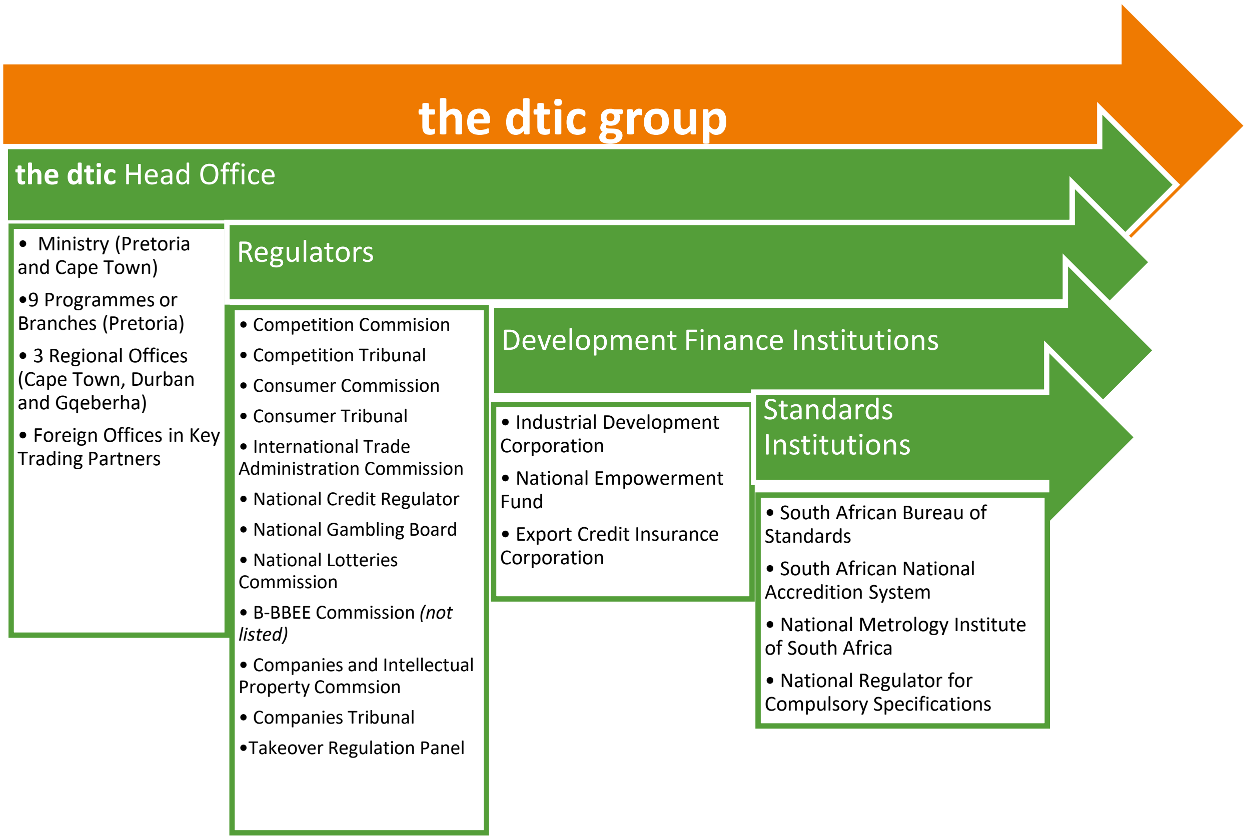
1. Updates to the relevant legislative and policy mandates

- The National Gambling Amendment Bill is in Parliament and was awaiting the Mediation process,
- The Companies Regulations for the two Bills are to be developed and there will be consultations with regulators and corporate law industry role players,
- The Copyright Amendment Bill and Performers' Protection Amendment Bill may be submitted to the President from the Portfolio Committee. The Regulation branch will commence the process of development of the Regulations for both of the Bills. There will be consultations with industry stakeholders,
- Further review work on the Liquor Amendment Bill and updating of the Liquor Amendment Bill for Minister's consideration,
- Confirmation of policy issues in consumer, lotteries and credit for consideration in the Department for further policy and legislative development.

2. Updates to Institutional Policies and Strategies

The policy and regulatory mandate of **the dtic** extends to large parts of the economy covering policy responsibilities as diverse as competition, trade, and gambling and consumer protection. This expansive mandate has led to the establishment of a number of entities with regulatory responsibilities, development finance institutions, and those responsible for South Africa's standards system **the dtic** group therefore consists of the entities outlined in Figure 1.

Figure 1: Entities of the dtic group



The role of the Department is to carry out its mandate through use of the resources within its own control and to coordinate the activities of the entities responsible to the Executive Authority. This responsibility is spelt out more clearly in the Strategic plan and Annual Performance Plans of **the dtic** and entities.

2.1 Impact-focused APP theory of change

Over the next financial year 2025/26, the Department of Trade, Industry and Competition **the dtic** will drive inclusive and sustainable economic growth by fostering a competitive, diversified industrial base, creating quality jobs, and ensuring equitable economic transformation. Through targeted interventions in industrialisation, job creation, and inclusive growth, we aim to significantly reduce poverty, tackle the high cost of living, and empower marginalised communities, fostering a more resilient and globally competitive economy for South Africa.

Impact Goals:

1. **Industrialisation and Economic Diversification:**

- Boost investment in greenfield and brownfield industrial sectors, leading to a more diversified, competitive economy.
- Increase export value and market share, especially in processed critical minerals and other high-growth sectors.

2. **Job Creation and Youth Employment:**

- **Create 1 million new jobs** across various industrial sectors, with a strong focus on youth, women, and historically disadvantaged groups.
- Enhance skills development and employability, **training at least 500,000** unemployed youth in high-demand sectors.

3. **Inclusive Growth and Transformation:**

- Ensure equitable access to economic opportunities, with **30% of industrial funding directed to businesses owned by women**, youth, and people with disabilities.
- Promote employee ownership schemes, empowering workers with shares in companies, increasing wealth creation at the grassroots level.

4. **Affordable Healthcare and Social Wellbeing:**

- Promote social inclusion by ensuring economic empowerment programs benefit marginalized groups, reducing income inequality and improving quality of life.
- **Improve access to affordable healthcare,** ensuring that 80% of South Africans have access to quality health services through public and private sector collaborations.

The dtic Outcomes: Re-industrialisation, Job Creation, Transformation, and Capable State

Figure 2: Theory of Change

Outcomes to Impact

IMPACT

Driving inclusive economic growth through investments, sustainable industrialisation and job creation for a globally competitive South Africa

Definition: the dtic will drive inclusive and sustainable economic growth by improving investment climate, fostering a competitive, diversified industrial base, creating quality jobs, and ensuring equitable economic transformation. Through targeted interventions in industrialisation, job creation, decarbonisation, digitalisation, and diversification, we aim to reduce poverty, tackle the high cost

IMPACT GOALS

- **Re-industrialisation and Economic Diversification:** Drive industrial growth, attract investments, enhance local industries, and increase exports, particularly in processed critical minerals.
- **Job Creation and Youth Employment:** Focus on job creation for youth, women, and disadvantaged groups, and train 500,000 unemployed youth in high-demand sectors.
- **Inclusive Growth and Transformation:** Allocate 30% of industrial funding to businesses owned by women, youth, and people with disabilities, and promote employee ownership to foster wealth creation.
- **Social Inclusion and Economic Empowerment:** Ensure economic empowerment programs benefit marginalised groups, reducing

OUTCOMES

	Re-industrialisation	Job Creation	Transformation
INTEMEDIATE OUTCOMES	• Increased investment in industrial sectors. • Improved infrastructure and performance of industrial parks and SEZs. • Enhanced capacity and growth of SMMEs, particularly among women, youth, and disability-owned enterprises. • Increased localisation and competitiveness of South African industries. • Reformed and aligned policies and regulations to streamline industrial processes and improve trade. • Enhanced export performance and regional integration. • Expansion of South Africa's critical mineral sector. • Sustainable and environmentally friendly industrialisation. • Enhanced industry knowledge and data-driven decision-making.	• Expanded job opportunities in key sectors through DTIC's industrial development and economic interventions. • Improved employability and skills of unemployed youth, facilitating their entry into the workforce. • Increased access to job opportunities for marginalised and vulnerable communities. • Growth and sustainability of SMMEs, leading to local job creation. • Creation of green jobs in sustainable industries.	• Increased economic inclusion through the implementation of transformation funds that support disadvantaged communities and small businesses. • Expanded employee ownership and economic empowerment through increased worker participation in company shares and wealth creation. • More inclusive and accessible Intellectual Property system that promotes affordable innovations and supports socio-economic development. (e.g., pharmaceuticals, technology) • Enhanced healthcare accessibility and affordability for all South Africans, especially marginalised groups.

OUTPUTS (WHAT WE PRODUCE)				
OUTPUTS **(WHAT WE PRODUCE)**	Increased Investment in Industrial Sectors • Investment secured for greenfield and brownfield projects. • Number of industrial projects financed. • Funding disbursed to SMMEs and enterprises. Improved Infrastructure and Performance of Industrial Parks and SEZs • Completed infrastructure projects in industrial parks. • Performance improvement programs implemented. Enhanced Capacity and Growth of SMMEs • Number of SMMEs supported, especially women, youth, and disability-owned. • Funding disbursed to SMMEs. • Capacity-building programs conducted for SMMEs. Increased Localisation and Competitiveness • Local procurement initiatives and value of local goods procured. • Contracts awarded to local manufacturers. • Policy and regulation developments promoting localisation	Reformed and Aligned Policies and Regulations • Policies amended or developed to improve industry competitiveness • Industrial funding guidelines approved. Enhanced Export Performance and Regional Integration • New trade partners engaged through AfCFTA • Market access opportunities through bilateral and regional trade agreements • Trade agreements signed. • Export growth and trade missions organised • Trade and non-trade barriers resolved Expansion of South Africa's Critical Mineral Sector • New critical mineral extraction and processing projects launched. • FDI in the critical mineral sector. • Volume of critical minerals processed domestically. • Regional value chains in critical minerals Sustainable and Environmentally Friendly Industrialisation • Reduction in Green House Gases (GHG) emissions from industries. • Adoption of green technologies in industrial sectors. • Promoting sustainable investments. Enhanced Industry Knowledge and Data-Driven Decision-Making • Market intelligence reports produced. • Barometer publications released. • Industry consultations based on data insights.	Expanded Job Opportunities: • Number of jobs created in key sectors. • Number of projects or companies contributing to job creation. Improved Employability and Skills of Unemployed Youth: • Number of youth trained and certified in relevant skills. • Number of youth placed in jobs or internships. Increased Access to Job Opportunities for Marginalised Communities: • Jobs created for women, youth, people with disabilities, and rural communities. • Number of inclusive training programs conducted. Growth and Sustainability of SMMEs: • Number of SMMEs supported and expanding. • Amount of funding provided to SMMEs. Creation of Green Jobs: • Number of green jobs created in sustainable industries. • Number of training programs in green skills.	Enhanced Intellectual Property Framework: • Number of IP policies reviewed and amended. • Number of patents granted for affordable products. • Number of products made more affordable due to IP system reforms. Improved Access to Affordable and Quality Health Care: • Number of healthcare facilities built or upgraded. • Number of individuals covered by healthcare programs. • Number of healthcare services expanded or improved. Increased Investment in Transformation and Inclusive Economic Growth: • Total value of transformation funds allocated and disbursed. • Number of businesses or projects funded through transformation funds. • Number of individuals or communities benefiting from transformation funds. Expansion of Employee Ownership and Economic Inclusion: • Number of employees receiving shares in their companies. • Amount of shares distributed to employees. • Number of companies implementing employee ownership schemes

2.2 Defining Outcomes

The activities and outputs contribute to the achievement of **the dtic**'s apex outcomes of *Re-industrialisation, Job Creation, Transformation, and Building a Capable State.*

Outcome 1: Re-industrialisation

In this area the goal is to build dynamic firms in the South African economy through a combination of efforts in partnership with the private sector, focusing on growth opportunities in the domestic market. Some of the activities towards this end include localisation, sector partnerships, beneficiation, bosting the digital sectors, promoting the green economy, and fostering higher levels of investment, as well as building a wider export market (particularly in Africa) to assist with scale. Undertaking these initiatives will entail combining demand-creation with supply-side reforms at the economy, sector, and firm level to build industrial competitiveness and support job-creation. A critical part of reindustrialisation will be to stimulate demand through infrastructure building and supporting the development of regional value chains especially to act as a hub for beneficiation of critical minerals from South Africa and the region. Further, we will refuel the digital economy, support digital infrastructure and skills, and enhance the participation of youth and women in this sector. Opening export opportunities through bilateral and regional trade agreements is one of the approaches that we will explore to diversify our markets especially in a tough geopolitical environment.

The Industrialisation outcome contains the following five focus areas:

- Sector partnerships and social compacts through master plans and firm/sector-level initiatives;
- Localisation, beneficiation, and COVID industrial production initiatives;
- Increased and diversified exports (including value-added services such as GBS) with African countries and other global markets;
- Green economy initiatives to shift to a less carbon-intensive industry; and
- Investment initiatives to increase the levels of investment.

Outcome 2: Job Creation

South Africa's exceptionally high unemployment rate—particularly among black people, women, and youth—demands focused, coordinated, and sustained efforts across the dtic Group. These designated groups continue to experience disproportionately high levels of unemployment, underscoring the urgency for inclusive economic growth and responsive job creation strategies, including through attracting investment and reindustrialisation efforts. Given the structural and multi-dimensional nature of the country's unemployment crisis, government's job creation efforts span a spectrum of interventions, each tailored to specific economic realities and labour market dynamics. These interventions include: They include:

- Stabilisation of sectors in distress to sustain existing jobs and protect current industrial capabilities which are hard and sometimes impossible to replace while building capabilities in the new green and digital sectors.

Support emerging and high-potential sectors

- In partnership with the private sector, the dtic Group will play a catalytic role in stimulating investment and growth in emerging sectors characterised by innovation and high potential, such as green hydrogen, hemp, and global business services (GBS).
- Due to inherent uncertainty in these sectors, firms often rely on a mix of full-time equivalents (FTEs), contract, construction, and temporary jobs.
- Where the dtic Group's intervention has contributed to the expansion of an entire sector, job creation will be assessed at the sectoral level.
- In all other cases, employment outcomes will be tracked at the level of the firm(s) directly supported.

Provision of Work Opportunities to Alleviate Immediate Unemployment

- Acknowledging that a substantial portion of unemployment is structural, the dtic Group will implement interventions that offer short-term relief by creating temporary work opportunities with relatively low barriers to entry. These will be supplemented with initiatives aimed at reskilling for preparedness for new dynamic sectors.
- These work opportunities are typically part-time or short-term in nature (less than 12 months) and are supported through instruments such as the Social Economy Fund. It is important to emphasise that these will be stop-gap measures while new capabilities in the economy emerge and long-term opportunities are promoted.
- Where full-time jobs are created under these initiatives, they will be reported as full-time equivalents.

Work Experience for Youth to Build Labour Market Readiness

To support youth transitions into formal employment, the dtic Group will expand access to structured work experience programmes aimed at equipping young people with both technical and soft skills. Work experience positions will be calculated based on a standard of 12 months' full time engagement widely recognised as the minimum duration required to enhance employability and labour market entry prospects. Work experience opportunities will be complemented with skilling to facilitate long-term participation in the economy.

These interventions reflect a multi-pronged approach aimed at boosting participation in the economy through protecting existing jobs, catalysing new employment opportunities, and supporting vulnerable groups through immediate relief and long-term capability building. By adopting differentiated metrics including FTEs, temporary jobs, and sector-wide employment impacts **the dtic** Group will continue to bolster its role in both promoting growth and job creation.

Outcome 3: Transformation

In this area, the goal is to build inclusive growth through transformation programmes in three broad areas: first, addressing structural challenges to **growth through active competition policies**, particularly where concentration levels in the market limit new entrants and small and medium businesses; second, adopting and implementing policies that promote spatial transformation, enabling more balanced and **sustainable growth between rural and urban and between provinces**; and third, strengthening **inclusivity/transformation** in the quality of growth, including promoting all kinds of income-generating employment, broadening ownership, and more inclusive corporate governance models.

The Transformation outcome contains the following three focus areas:

- **Employment and ownership:** Expanding economic opportunities through waged work, self-employment, and the social economy, promoting more equitable ownership (black industrialists, women, youth, worker ownership, and small businesses) and worker empowerment
- **Structural transformation:** Addressing economic concentration and supporting SMMEs.
- **Spatial transformation:** Promoting more equitable and sustainable spatial development, including using the District Development Model and promoting the township/rural economy.

The aim is to transform the economy's productive base and the patterns of participation in the economy through various but integrated interventions. These integrated interventions include establishing the transformation fund to address access to funding for black-owned enterprises and SMMEs, increasing their economic participation and income-earning potential, and supporting industrial-led growth and value chains to create market access.

Outcome 4: Capable State (implementation/effective delivery)

In this area, the goal is to build greater capacity to ensure that national objectives are achieved through a new culture of partnership in the economy, characterised by greater responsiveness and nimbleness by the Department and its 18 entities, which includes promoting smart regulation (through cutting red-tape, ensuring fit-for-purpose and effective regulation, reviewing internal processes and legislation/regulations), and working closely with other parts of the state to forge a social compact with business and labour.

The Capable State outcome contains the following five focus areas:

- Department: Building strong institutional capacities in **the dtic** and streamlining its work, reviewing programmes to determine their impact and relevance, and strengthening forensic capacity under **the dtic** shared services programme in its commitment against fraud and corruption
- Entities: Building the entity staffing, governance capacity, and quick response; developing shared services; and rationalisation of functions and integration of work between entities and with the department
- Smart regulation: Address red tape and compliance in internal processes and in legislation and regulations; enable fit-for-purpose regulations

- Coordination within the department and with other parts of the state: Ensuring effective support functions from other public entities to achieve **the dtic** outcomes
- Contribute to social compact with other social partners.

3. Updates to Relevant Court Rulings

3.1 During Quarter 1 to Quarter 3 of the 2024/25 Financial year, 5 (five) court judgments were awarded in matters involving the Department. It is worth noting that, out of the 5 (five) judgments that were awarded during 2024/25, Quarter 1 to Quarter 3, 4 (80%) were in favour of **the dtic** and 1(one) was against **the dtic**. They are fully set out below as follows

NO OF MATTERS: 7 - JUDGEMENTS IN FAVOUR OF the dtic

NAME OF MATTER	SUMMARY OF FACTS	OPPOSED/UNOPPOSED
1. Deon Harmse AND 6 Others // Kamiesberg Local Municipality and Minister of Trade, Industry and Competition	On 12 April 2024, the Court dismissed an application seeking to declare section 21 of the National Building Regulations and Building Standards Act No 103 of 1977, which authorises the court to prohibit or order the demolition of building structures erected without approved building plans from a local authority.	Opposed
2. Tongaat Hulett (In Business Rescue) vs. Minister of Trade, Industry and Competition	On 6 May 2024, the Court dismissed with costs, an application for leave to appeal its earlier decision granted on 04 December 2023 which found that Tongaat Huletts (THL) and its business rescue practitioners are not entitled to suspend their payment obligations under the Sugar Industry Agreement.	Opposed
3. Lihaelo Bridgett Molapo v Minister of Justice and Correctional Services, Minister of Trade, Industry and Competition & Others	In August 2024, the applicant launched an application to declare Section 24(3) of the Legal Practice Act unconstitutional and invalid to the extent that it does not allow foreigners admitted elsewhere as advocates to be admitted and practice as legal practitioners in South Africa. Judgement issued on 2 December 2024, the Court dismissed the application finding that the provision reflects a policy choice of the Legislature and it regulates access to the legal profession.	Opposed
4. Nompumelelo Nene v The Auditor General Of South Africa, the Department of Trade, Industry and Competition & Others	In February 2024, the applicant launched an application to review and set aside the findings of the Auditor-General of South Africa (AGSA) against the NLC related to its financial management. The applicant further sought an order against **the dtic** related to the investigation of the NLC affairs. Judgement issued on 2 December 2024, the Court found in favour of **the dtic** dismissing the application with costs.	Opposed
5. South African Agricultural Machinery Association & 1 Other v Motor Industry Association of South Africa, Minister of Trade, Industry and Competition & Others	In **September 2020**, the applicant launched an application to declare that MIOSA is not entitled to payment contributions from members of the applicants in terms of the Consumer Protection Act, 68 of 2008 or in terms of the South African Automotive Industry Code of Conduct (the Code). The Minister was cited however did not participate in the matter. Judgement was issued on **30 April 2024** and filed on Court online portal on **23 August 2024**. The Court dismissed application finding that MIOSA was entitled to levy costs against the Applicants' members based on the formula prescribed Schedule 5 of the Code.	Did not participate
6. Glenda Mathabe v Minister of Trade, Industry and Competition & Others	On 3 January 2025, the applicant launched an application to Application to reverse deductions made based on no work-no-pay principle dismissed with costs. Judgement was issued on 16 January 2025, the matter being struck off the roll due to lack of urgency with costs in favour of the NRCS	Opposed
7. Tariku Bogale v The Department Of Trade, Industry and Competition & Others	On 22 January 2025, the applicant launched an application to review and set aside film incentive application. On the 28 January 2025, the High Court of Pretoria has dismissed with costs on a Party and Party Scale and struck off the Roll due to lack of urgency	Opposed

NO OF MATTERS: 1 - JUDGEMENTS AGAINST the dtic

NAME OF MATTER	SUMMARY OF FACTS	OPPOSED/ UNOPPOSED	ACTION TAKEN BY the dtic
1. Periform Works Scaffolding v Broad- Based Black Economic Empowerment Commission (B-BBEE Commission) and Others	On 19 April 2024, the Pretoria High Court reviewed and set aside the findings of the B-BBEE Commission that the Applicants engaged in a fronting practice. The court has declined to grant the Applicant's declaratory order request confirming that their empowerment trust was compliant to the B-BBEE Act and related Codes of Good Practice.	Opposed	Root cause-Capacity Constraints which are being addressed. Legal Services provided legal assistance to draft and vet agreements to alleviate capacity constraints B-BBEE) Commission.

PART B: STRATEGIC FOCUS

4. Situational Analysis

4.1 External environment

The South African economy is inextricably integrated into the global economy in terms trade, direct and portfolio investment, technology and labour markets. Consequently, global developments including conflicts in the Middle-East and the Ukraine, rising geo-political tension, and trade frictions, have a direct impact on the South African economy. This is especially so as South Africa's economy is dependent on international trade for growth. The total trade of goods and services accounts for just above 60% of nominal GDP, indicating just how important international trade (exports and imports of goods and services) is to our economy. The more the international trading environment faces strains, the more our growth will likely be affected. The following 'SWOT' analysis provides an assessment of the SA economy within the current global environment and highlights opportunities which this Strategic Plan will seek to develop.

4.1.1 Strengths

Resilient manufacturing, mining, and agriculture sectors

The 'real economy' sectors listed above have been severely affected by rising imports, load-shedding, and rising electricity prices as well as the broader rise in the cost of doing business, increasing red tape, and regulatory uncertainty affecting especially the mining sector.

Notwithstanding these challenges, these sectors have demonstrated remarkable resilience and much of SA's crucial mining and industrial capabilities have successfully weathered both the global and domestic 'shocks'. This cannot be taken for granted. The new strategic plan is our response: we will hard to boost industrial capabilties and expand opportunities for our exports.

Availability of critical mineral resources and abundant solar radiation position SA to benefit from green industrialisation if decisive policy action is taken now

South Africa and broadly Southern Africa is home to many of the critical minerals that are likely to underpin the global transition to lower carbon intensity in industrial production, consumer goods, and transport services. In addition, SA has strong value chains in mining capital equipment and heavy transport equipment production as well as mine services.

Building Southern Africa's international competitiveness through regional value-chain development and regional beneficiation initiatives could provide a significant stimulus to regional economies while expanding opportunities for South Africa to incrase value addition and bolster its role as a gateway to global markets. The green transition is already benefitting from public research support, but this needs to be scaled up across the region to ensure optimal beneficiation and the creation of new sources of long-term growth and development.

Internationally competitive agro-industrial (fruit, meat, processed foods, mohair, wool, hemp and cannabis) and autos value-chains

SA has proven competitiveness in a number – albeit too few – global value-chains including in the auto sector where all of the major Original Equipment Manufacturers (OEMs) have invested in production facilities. Increasingly, as government policy encourages component production, it is expected that auto sector growth will create more jobs and domestic value-addition.

SA also has well-developed production capacity and supportive eco-systems in agricultural sectors such as fruit and meats including table grapes, citrus and Karoo Lamb. **the dtic** has an important supportive role to play in these sectors to protect existing market access and to identify and undertake the necessary technical work to open new export markets for these sectors. In addition, the DFIs within **the dtic** group can support these sectors especially where job creation and transformation potential exists.

Sophisticated financial services sector and strong service sectors in areas such as mining, civil and construction engineering, communications technology, tourism and hospitality

South Africa's services sectors are a key strength of the domestic economy and are in many cases globally competitive. In particular, the domestic economy is well-served by deep and liquid financial markets and firms while SA's mining, construction and capital equipment service sectors have developed a growing footprint on the African continent.

Growing, youthful population eager to acquire skills and start a business

The African continent including SA is home to a growing youthful population. This so-called demographic dividend is key to sustained economic growth by firstly providing a steady supply of labour and more importantly creating strong consumer markets which can sustain domestic industry and create a virtuous cycle of economic growth. In addition, SA's young population demonstrates high levels of entrepreneurship but this is constrained by concentrated domestic markets and difficulties in accessing financial support to start a business.

4.1.2 Weaknesses

Economic structure that exposes SA to volatile commodity cycles

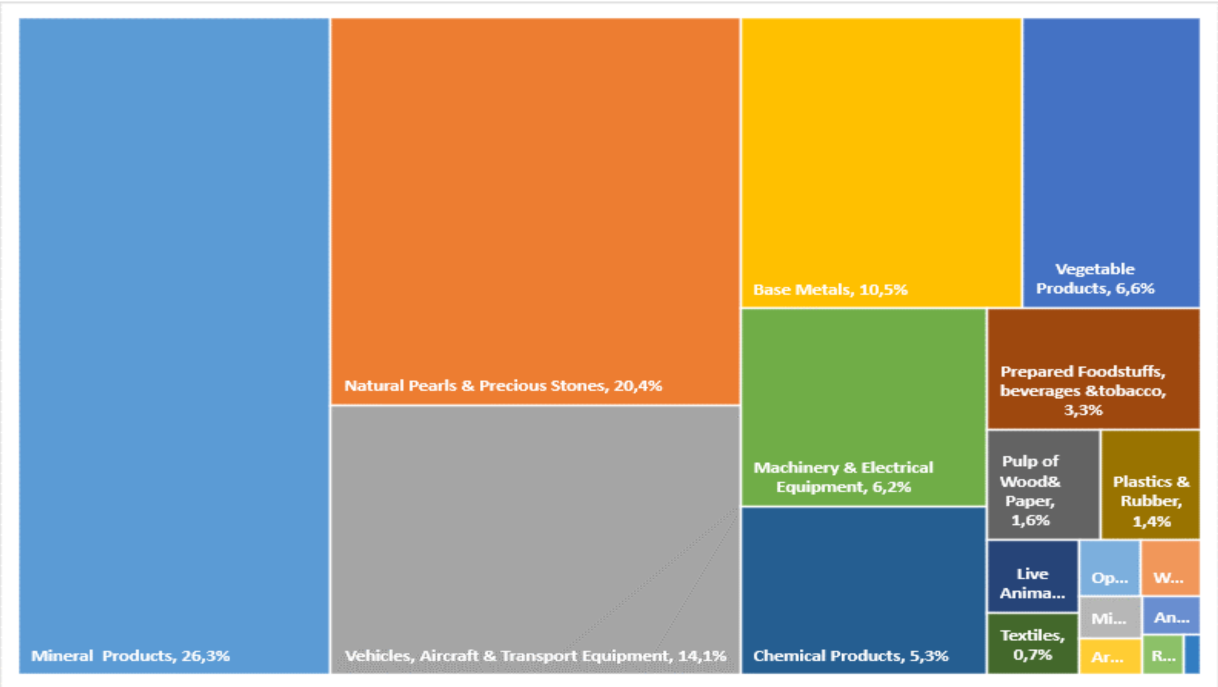
The structure of the SA economy reflects its mineral endowments and integration into the global economy as an exporter of primarily un-processed and semi-processed minerals such as gold, platinum, iron-ore, chrome, and coal. This has led to global-scale, State infrastructure investments to support bulk exports of low-value-added goods with access to the necessary infrastructure at cost-reflective tariffs. These exports during the 'commodity super-cycle' as China industrialised, were the main reason the SA economy experienced high rates of growth in the period 2004-08.

This over-reliance on mineral exports is a significant threat to sustained economic growth as commodity exports face volatile demand and prices; are constrained by production limits as the resource is depleted; and may face rising environmental concerns leading to slowing demand.

Although SA has a significant manufacturing industry, it remains a small exporter of manufactured goods, constrained by high freight and logistics costs, and the gradual erosion of its competitiveness due to rising costs of doing business including the rapid and sharp increase in electricity charges. To improve its competitiveness in global markets, South Africa must invest in infrastructure, energy efficiency, and reduce business costs. Additionally, fostering innovation and skills development in the manufacturing sector is crucial for enhancing the country's export potential.

South Africa's export profile in Figure 3 shows the extent to which SA exports are dominated by mineral exports with automotive exports the only significant manufactured export accounting for just under 5% of total exports. In many of SA's peer countries, this kind of economic structure has not changed without direct interventions to grow the manufacturing sector. In the absence of directed interventions, peer countries have remained constrained by commodity volatility and the absence of the dynamic technological spillovers associated with a growing manufacturing industry.

Figure 3: SA Export Profile, 2024



Source: SARS 2024

Domestic consumer market too small to encourage world-scale investments

South Africa's population is estimated at approximately 64 million in 2024. This places SA as the 24th most populous country globally; however this masks SA's exceptionally high levels of income and wealth inequality.

Income inequality has a material impact on domestic consumption and savings leading to an unusually small domestic market for consumer durables and semi-durables. At the same time, high rates of poverty result in domestic savings that are too low to sustain high rates of investment without FDI.

Wealth inequality is similarly exceptionally high. One measure of this is that the top 0.1% of South Africans own about 25% of SA's total wealth. This is an important contributing factor to SA's low rate of SMME start-ups as these enterprises are typically capitalised through the entrepreneur's personal/family savings or access to commercial finance with higher interest rates.

Black entrepreneurs find this particularly challenging as access to commercial finance is often dependent on the availability of collateral (such as land or housing), someone willing to provide surety, or the entrepreneur's balance sheet showing substantially higher assets than liabilities. These requirements are especially difficult to achieve because Apartheid's most damaging impact was arguably the dispossession of black people's land and access to education.

In addition, the SA economy is considered highly concentrated with almost 90% of domestic industries considered to be highly or moderately concentrated. Put differently, less than 10% of domestic industries can be considered unconcentrated. This level of concentration has allowed incumbent firms to create barriers to entry which have kept out SMME and large entrants and partially explains SMME failure rates in SA. Furthermore, international experience suggests that concentrated markets are often characterised by higher prices, and lower consumer choices, and – by depriving incumbent firms of competitiveness-enhancing market contestation – discourages these firms from upgrading investment, and R&D activities and introducing modern work practices.

Addressing income and wealth inequality, and high levels of concentration is therefore not only a moral imperative, it is also essential to increasing domestic saving rates, increasing consumer demand, and injecting much-needed dynamism into the SMME sector through new market entrants.

Rising cost of doing business in South Africa and growing infrastructure gaps and inefficiencies in rail, ports, roads and water

Domestic firms and consumers have absorbed several cost 'shocks' in recent years. They include substantial increases in electricity prices and extended periods of loadshedding; declining municipal service delivery in areas such as waste collection, water reticulation, security; and road maintenance.

The energy supply in South Africa has stabilised in 2024, with no planned power cuts since late March. Before this, the country faced electricity shortages that hampered growth for years. Rolling power cuts began in 2007 and worsened from 2022. In 2023, outages lasted a total of 289 days, significantly affecting businesses that relied on costly diesel generators. The recent improvements in electricity supply are credited to better management of Eskom and strong political backing from the President and the Minister of Electricity.

Recently, firms have also had to contend with network infrastructure availability, port inefficiencies, declining passenger and freight transport volumes, and the rising cost of accessing SA's inefficient logistics, utilities, and other network infrastructure. This has reduced real wages at the household level pushing more individuals and communities into unemployment and poverty, further limiting domestic consumer spending. It also restricts the ability of businesses to operate efficiently, creating a barrier to both local (to compete with imports) and international competitiveness thereby limiting exports.

Where business has the option of using other ports, they have begun to do so with increasing volumes of freight being exported through Maputo. The government has already approved private-sector participation in SA's rail and port infrastructure revitalisation and operations and this represents an important opportunity for SA manufacturers of rail lines, cables, rolling stock, wagons, locomotives, and associated components. In some cases, the investments will be made by the private sector and it will be key that **the dtic** works closely with these firms to limit import leakages – so that domestic firms and their workers and shareholders benefit – and to avoid negative impacts on SA's trade balance.

Under-investment in R&D, commercialisation and innovation by both public and private-sector has stifled innovation

This has limited SA firms' ability to enter new export markets and has created opportunities for imported products to meet SA consumers' needs for more product variety at lower cost. This erosion of competitiveness is also visible in the construction sector where SA firms are no longer as active on the continent and are increasingly positioned as sub-contractors to major foreign-owned infrastructure firms. SA firm's withdrawal from major Engineering, Procurement, and Contracting (EPC) activities reduces the opportunity for SA value chains (e.g. capital equipment, mining equipment, construction machinery) to supply the key inputs to large, infrastructure projects. South Africa's economic diplomacy strategy will aim at creating benefits for South African firms in regional opportunities especially in infrastructure projects. This could also help to boost demand for South Africa's capital equipment and other goods.

Declining competitiveness has been worsened by high levels of concentration with dominant firms able to erect barriers to entry and thus limit the entry of dynamic, new firms and exclude competitors, strengthening their power over time. Hence, enforcement should focus on markets with dominant firms, but even in oligopoly markets, action is needed to reduce concentration and encourage competition. Proactive measures are necessary to prevent market concentration, possibly requiring stricter merger control.

Moreover, where public sector procurement has not been well-planned and communicated to businesses, the economic benefits are likely to be sub-optimal. Often in these circumstances, the State will attempt to procure large volumes of inputs that the domestic industry is unable to supply at short notice. Developing medium-term, transparent procurement plans which are implemented according to communicated timelines will encourage firms to make the necessary investments in expanded production or new product lines to support the infrastructure build programme.

In addition, where the State procures directly, the requirement to procure from domestic manufacturers will be an important policy lever to be deployed to create jobs and economic growth in South Africa and not in countries that SA competes with globally.

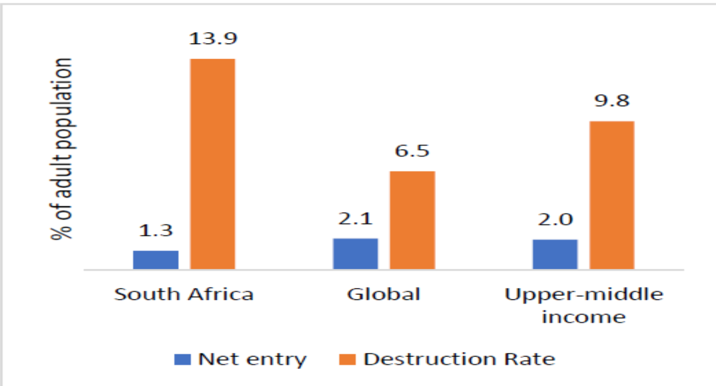
In order to sustain infrastructure investment, the Government will need to increase expenditure on the economic development sector which underpins economic growth while maintaining social spending which is targeted at poverty alleviation.

The use of PPPs and the concession of State infrastructure to encourage private-sector investment are important policy tools to be used while the Government navigates constrained public finances.

High levels of concentration limit entry of dynamic, new firms and SMMEs

The National Development Plan (NDP) highlights the role SMMEs play in economic growth, removal of inequalities and poverty reduction. In continued attempts to enhance SMME growth, the NDP aims to create about 11 million jobs through the SMME sector by 2030 and reduce unemployment by 6%. However, SMMEs in South Africa face a difficult business environment. This is evidenced by SAs comparatively high rate of SMME failures when benchmarked against peer middle-income countries. Figure 2 shows that fewer adults in SA start new enterprises and have significantly higher failure rates than the global or upper-middle-income average. To lower the rising unemployment rates, it is crucial to provide support to SMMEs.

Figure 4: Firms' Entry and Destruction Rates



Further investment in R&D is required but this must be sequenced with more aggressive investigation of anti-competitive conduct in concentrated sectors so that market entry by new, dynamic firms is supported. The Department will work closely with the Department of Small Business Development to meaningfully improve the SMME environment to encourage the emergence of black-, women- and youth-owned SMMEs in particular.

This is essential to successful structural transformation and the expansion of SA exports, especially manufactured exports.

Significant regulatory barriers and red-tape which is constraining investment and growth

Government has long recognised the emergence of red-tape in some cases as an unintended consequence of new policy directions. A growing body of evidence by the World Bank amongst others, shows that policy interventions can be undermined by perceptions that the regulatory compliance costs are high and/or disproportionate to the policy benefits. South Africa has experienced both of these effects and **the dtic** group has implemented a number of measures – such as the introduction of one-stop-shops to mitigate growing red-tape.

SA a relatively small open economy, moderately protected by tariffs and at risk of trade diversion due to rise in trade wars

South Africa is a relatively small, open economy with moderate tariff protection and growing exposure to trade diversion risks—particularly in the context of rising global trade tensions and escalating trade wars. Its comparatively low import tariffs stem from the unique terms of its accession to the former General Agreement on Tariffs and Trade (GATT), which continue to shape its trade policy landscape today.

This vulnerability is compounded by the leakage of illegal imports into the domestic market, which undermines tariff regimes and circumvents regulatory safeguards. With a large number of active land and sea ports, and inspection systems that remain under-capacitated, local industries are increasingly exposed to unfair and often disruptive competition from non-compliant imports.

In this context, it is urgent that South Africa strengthen its border management systems, deploy agile trade remedies to guard against economic injury from dumped or substandard goods, and make more strategic use of its regulatory and industrial policy tools to protect and promote domestic manufacturing.

Slowing public-sector investment has failed to 'crowd-in' private-sector investment

Public investment has slowed and remains far below the NDP target of 10% of GDP. While this may be necessary in some circumstances, for example where a SOC has incurred debt from 'State Capture' decisions, the market has interpreted this slowdown as a medium-term phenomenon that has undermined business confidence and led firms to postpone their own investment decisions. This also has implications for firms and **the dtic's** entities that supply services to the infrastructure sector.

For example, the reduction in infrastructure spending and the generally tight fiscus have undermined several metrology services that are no longer sustainable (such as measurement services for energy-efficient lighting) and delayed the development of new measurement capabilities (including those that support the digital economy). As a result, local companies have to import measurement traceability to National Measurement Standards from other countries at a high cost, increased risk, and extended time delays.

Moreover, where public sector procurement has not been well-planned and communicated to businesses, the economic benefits are likely to be sub-optimal. Often in these circumstances, the State will attempt to procure large volumes of inputs that the domestic industry is unable to supply at short notice. This misalignment results in inefficiencies and missed opportunities for local businesses. Developing medium-term, transparent procurement plans which are implemented according to communicated timelines will encourage firms to make the necessary investments in expanded production or new product lines to support the infrastructure build programme.

In addition, where the State procures directly, the requirement to procure from domestic manufacturers will be an important policy lever to be deployed to create jobs and economic growth in South Africa and not in countries that SA competes with globally.

In order to sustain infrastructure investment, the Government will need to increase expenditure on the economic development sector which underpins economic growth while maintaining social spending which is targeted at poverty alleviation. The use of PPPs and the concession of State infrastructure to encourage private-sector investment are important policy tools to be used while the Government navigates constrained public finances.

Despite these challenges, there are opportunities for public-sector investment to play a transformative role, provided the government can strengthen policy frameworks, improve procurement planning, and encourage private-sector participation in infrastructure development.

4.1.3 Opportunities

Increase market access and exports under existing preferential trade agreements

SA has negotiated trade preferences with the EU, SADC, UK, EFTA, MERCUSOR and the African continent while also benefiting from unilateral preferential access schemes including the US through AGOA and the Generalised System of Preferences (GSP) from Japan, Norway, Russia, Switzerland and the US. These trade agreements serve as a powerful tool to unlock greater market access and drive export growth. These agreements, already in place, offer South African businesses the opportunity to expand into international markets under favorable terms, particularly in sectors such as agriculture, manufacturing, and services. Leveraging these agreements strategically can help diversify South Africa’s export base, increase its global competitiveness, make the country a more attractive destination for investment aimed at establishing production capacity to export, and foster sustainable economic growth. In several areas, these preferences have been under-utilised and SA firms could develop these export opportunities further while also targeting FDI which produces for the domestic market as well as the AfCFTA markets.

Investment, trade and exports value chain

The Department will be advancing industrial policy priority sectors over the medium term through an investment, trade and exports value chain that aims to increase investment in manufacturing of products and services, while stimulating international demand to affect export-led industrialisation, towards increased exports and delivering 3.0% GDP growth by 2029.

AfCFTA market for food, autos, mining equipment, financial services is massive

Compared to developed countries, SA and the continent still have very low rates of consumption of key durables per capita, for example, cars, computers, fridges, and so forth suggesting that production of consumer goods will be viable for an extended period. In addition, demand for housing and other forms of infrastructure provide entrepreneurship opportunities. As consumer markets across Africa develop and mature, demand for financial and other services can be expected to increase rapidly, presenting further growth opportunities for domestic firms.

Moreover, eleven of the twenty fastest-growing countries in the world are in Africa: Niger (11.2%), Senegal (8.2%), Libya (7.9%), Rwanda (7.2%), Cote d'Ivoire (6.8%), Ethiopia (6.7%), Benin (6.4%), Djibouti (6.2%), Tanzania (6.1%), Togo (6%) and Uganda 6%. South Africa's leadership in the AU, domestic industrial capabilities and AfCFTA trade preferences position SA to benefit. However, Libya and Benin have not yet ratified the AfCFTA Agreement whereas Cote d'Ivoire, Djibouti, Niger, Togo, Senegal and Ethiopia have not yet gazetted or starting impleting the AfCFTA tariff preferences. Pending the ratification and implementation of the AfCFTA by the latter countries, there are increased opportunities to increase trade with the following implementing countries outside of SADC, namely: Algeria, Cameroon, Egypt, Ghana, Kenya, Morocco, Rwanda, Tunisia, Burundi, the Gambia and Uganda.

Digitally-savvy, youthful population eager to enter Digital and Knowledge Services sector

SA is characterised nu a large, digitally-savvy youthful population that currently produces relatively limited digital content for the domestic and export markets despite our substantial cultural, social and indigenous histories. Sharing this information with a global audience whether through social media, short video content and so forth represents a vast, untapped market. In addition, SA youth are well-placed for *remote* digital work and especially digital services where unfilled vacancies in the US and EU are substantial and growing.

Untapped Digital Export Potential: Opportunities exist in remote work, software development, AI services, and digital content creation (e.g., streaming, e-learning, gaming).

Global Demand for Digital Skills: With major shortages in US and EU tech sectors, South African talent can fill gaps in IT, cybersecurity, and business process outsourcing (BPO).

Regarding our strategic focus in these areas, we will be expanding digital skills training and incentivise tech startups to export services under AfCFTA's Protocol on Digital Trade. We will also promote South Africa as a nearshore hub for global firms seeking skilled, cost-competitive digital labor.

Emerging sectors such as green industries, critical minerals and biotech which could leverage off SA natural resources and manufacturing capabilities

South Africa's mineral wealth—including platinum, vanadium, and rare earths—positions it as a key player in the global green energy transition. However, maximising this opportunity requires local beneficiation and regional collaboration, or careful development of regional value chains especially among countries that have endowments in complementary critical minerals.

Critical minerals are an opportunity for SA and the African continent but obtaining optimal benefit thereof will require coordinated action across Departments and neighbouring countries to ensure that these benefits are captured by firms and communities in mining areas and that local and regional processing of critical minerals is achieved. In addition, SA's flora resources are exceptionally high and supported by indigenous knowledge including in areas such as hemp and cannabis are likely to be of sustained economic benefit.

Critical Minerals Strategy: To move beyond raw exports, South Africa must develop domestic processing capabilities for battery production, renewable energy components, and electric vehicle (EV) supply chains.

Biotech & Indigenous Knowledge: The country's rich biodiversity—including hemp and cannabis—presents opportunities in pharmaceuticals, agro-processing, and sustainable materials.

In terms of our strategic focus in these areas, we will be strengthening public-private R&D partnerships in green tech and critical minerals processing. We will also advocate for regional value chains under AfCFTA to ensure African economies retain more value from mineral exports.

Focusing government support including R&D to catalyse innovation in priority sectors such as digital, consumer goods, industrial energy and defence

SA ranks poorly by most interntional R&D and innovation measures. This is a consequence of public and private-sector under-investment in R&D. Given limited resources, the under-investment in the digital, consumer goods, industrial energy and defence sectors is particularly challenging given that these sectors are currently growing rapidly internationally. Reversing this under-investment is therefore essential to SA's long-term economic growth performance.

Regarding policy action to boost innovation in priority sectors, we will enhance
tax incentives for private-sector R&D in priority areas and bolster the deployment of innovation fund. Further, we will align innovation funding with national industrial policy goals, particularly in decarbonisation, biotech, and digital infrastructure.

4.1.4 Threats

Global de-carbonisation interventions and protectionism which may affect SA disproportionally

The urgent need to arrest climate change has led some countries and trading blocs to develop and implement unilateral trade restrictions. They include interventions such as the Carbon Border Adjustment Mechanism (CBAM), carbon taxes, and shareholder pressure on investors to avoid investing in sectors such as coal but also position itself to commercially benefit from the global shift to greener technologies.

While the need to address climate change is fully accepted, some of these measures may have a dis-proportionately damaging impact on the SA economy due to firms' dependence on Eskom for electricity which is overwhelmingly generated using coal; sunk investments in metal processors (smelters) which are energy-intensive and thus difficult to 'green' and which play a stabilising role on the national electricity grid; SA's location at the tip of Africa which means that SA exports have a relatively large carbon footprint due to shipping and freight costs; and SA auto production which is exclusively focused on internal combustion engine (ICE) technology.

South Africa will continue to advocate for multilateral solutions to climate change and for developing countries to be given the necessary time to re-engineer production processes to lower its carbon content. In addition, incentives are being finalised to encourage auto firms to produce electric vehicles (EV's) in SA.

Geo-political tensions and 'trade wars' which may constrain exports, limit inward investment and expose SA to global surplus production of key products such as steel

It is clear that the global economy is entering a potentially extended period of uncertainty amidst worsening geo-political tensions. While SA is not the source of these tensions, it will be affected by the resulting impacts including increased protectionism in key export markets. Further, SA's domestic market may be affected by surplus production by other countries which need to find new markets to sell into. Changes and tensions in the international trading environment may also have negative impacts in investment – both FDI and portfolio investment.

While seeking to manage these risks, **the dtic** group will also use the opportunity to diversify export products and destinations while continuing to induce demand in the domestic market through localisation efforts linked in particular to infrastructure investment.

Economic instability that negatively affects businesses

Policy differences amongst domestic political parties and heightened global uncertainty could create policy uncertainty and discourage investment and job creation. **the dtic** group will through its participation in the Economic Cluster, endeavour to promote policy stabilty and appropriate signalling of potential policy changes.

Heightened competition from other regions which may offer better incentives, lower costs or more developed infrastructure to divert investment from SA

SA competes with developed and developing countries for access to export markets and FDI. In the current uncertain global environment it is even more important for SA to provide investors with a compelling value-proposition. In order to do so, SA must strengthen its economic narrative as well as provide internationally comparable incentives, production costs and infrastructure support. This will require **the dtic** group to constantly monitor the support being provided to firms by competitor countries.

Environmental risks i.e. natural disasters, floods, effects of climate change on sectors such as agriculture

SA experienced signficant flood-related damages in 2022 in a number of provinces, especially KwaZulu-Natal. The economic costs were severe although mitigated by the rapid intervention of **the dtic** group to assist affected firms. Nevertheless, most climate prediction models indicate a high likelihood of SA being disproportionately impacted by climate change. It will be important for SA to support firms' efforts to become climate-resilient.

4.2 Medium Term Development Plan (MTDP)

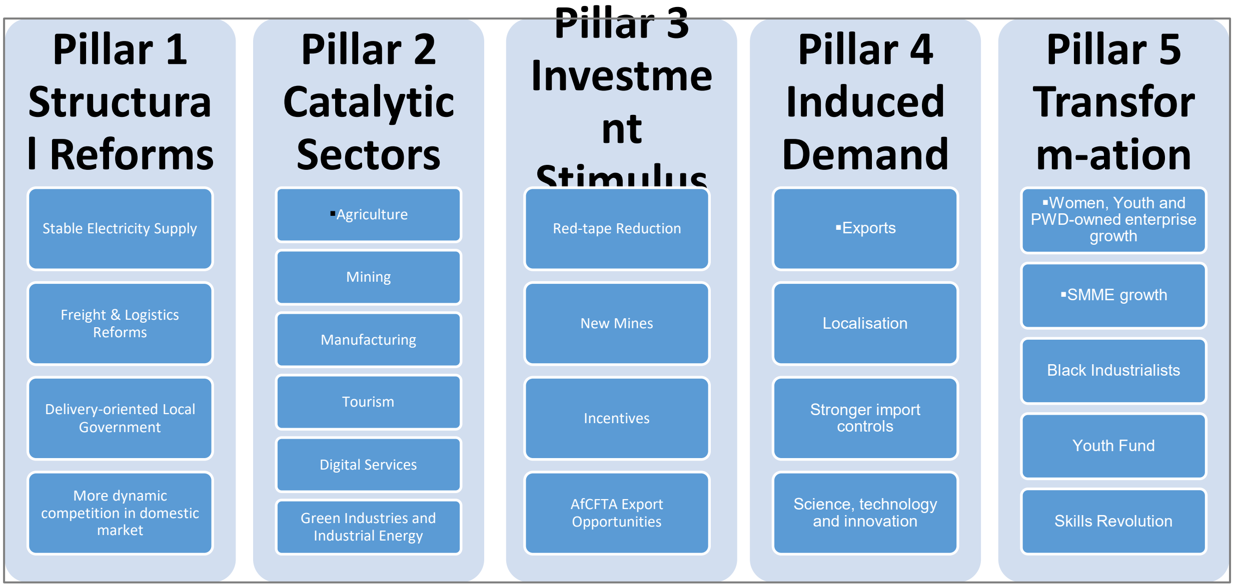
The MTDP was approved by Cabinet on 26 February 2025. The MTDP incorporates three strategic priorities that were outlined by President Ramaphosa in his Opening of Parliament Address on 18 July 2024, namely:

i. Drive inclusive economic growth and job creation;
ii. Reduce poverty and tackle the high cost of living; and
iii. Build a capable, ethical, and developmental state.

the dtic group contributes to all three these strategic priorities and is particularly focused on the apex priority driving inclusive economic growth and job creation.

At the centre of the MTDP is the identification of 5 pillars which represent the key interventions to achieve economic growth of 3% by 2029. These are reflected below:

Figure 5: MTDP Pillars



Pillar 1: Structural Reforms

The immediate priority of the MTDP is to sustain the momentum already developed and follow through on the implementation of these reforms. They include reforms in the energy, logistics and water sectors. In addition, Government will support reform efforts to improve service-delivery at local government level.

Pillar 2: Catalytic Sectors

The SA economy is dominated by service sectors which account for more than 60% of GDP. However service sectors often follow economic growth and may require skills which are not readily available leading to job creation which the majority of unemployed South Africans cannot benefit from. Government has prioritised 6 sectors which can catalyse economic growth and which seek to build on SA's critical minerals, agricultural and tourism endowments. Placing the manufacturing sector on a higher growth path will contribute to job creation across multiple supply-chains while boosting skills development in digital services, which are the high-value and fastest growing dimensions of the services sector globally.

Pillar 3: Investment Stimulus

SA's levels of both private and public investment are too low to support sustained economic growth. While there are many reasons for this, Government will prioritise interventions to unlock private-sector investment by reducing red-tape, encouraging mining exploration and continuing to provide investment incentives to attract FDI. In addition, government will evaluate its investment framework in line with the new business unusual approach and more specifically to reflect the goals of our industrial policy.

Pillar 4: Induced Demand

Weak business and consumer confidence has stifled demand. Consequently, in the short-term the domestic economy is unlikely to grow rapidly. Government will therefore prioritise supporting firms to enter the export market, support domestic industries in distress, and leverage infrastructure investment to localise production in SA.

Pillar 5: Transformation

The main developmental focus of the 7th Administration will be on the broader objectives of inclusive economic growth and reducing inequality, alongside promoting social transformation. Economic empowerment interventions, explicitly targeting women, youth, and persons with disabilities (WYPD) are pivotal in achieving the MTDP and GNU priorities relating to promoting inclusive growth and job creation. In addition, creating jobs for young people provides an opportunity to harness the energy and potential of young people towards building an inclusive economy and a more prosperous South Africa.

Five-Year Targets

The **MTDP** identifies 5-year targets to which **the dtic** has aligned its Strategic Plan and APP, they include:

1. Create **6.4 million jobs**
2. Attract **R2 trillion in investment**
3. Support **1 million SMMEs**
4. **Domestic tourism** trips 41.8million
5. Facilitate **2.9 million work experiences**
6. Assist **441,000 subsistence farmers**
7. Develop **45 Industrial Parks & township incentive** (5 industrial parks per province)
8. **New Mines** 5% Share of Global Exploration Spend
9. Generate **R1.1 trillion in exports**
10. **Red tape reduction** introduce E-registration system to 100 municipalities
11. **Induced demand** 30 products or Technologies Designated
12. Transformation **800 000 workers benefiting through ESOPs**
13. Transformation fund **100 billion**

Industrial Policy

The NIP sets out government's approach towards industrial development and is informed by the three policy priorities of the seventh Administration alluded to in the MTDP section of the plan.

Industrial policy responds to a changing global and domestic economic landscape. By so doing, it addresses South Africa's fundamental socioeconomic problems of extreme inequality and high unemployment rates.

It is anchored on **decarbonisation, digitalisation and diversification** of the South African economy. The anchoring will propel high levels growth for economic development and job creation.

The government has prioritised climate change-mitigation policies and green industrial development to move towards a low-carbon economy. Industrial development, therefore, considers both economic and environmental factors. Decarbonising the South African economy includes beneficiating critical minerals, which are essential for climate change mitigation, energy transition and a low-carbon future, sustainable development, and technological development. Critical minerals are essential for clean energy technologies, such as wind turbines, solar panels, batteries, green hydrogen, fuel cells and electronic components in consumer goods.

This is also linked to the just energy transition (JET), which aims to transition the South African economy from carbon intensive mineral and energy resources. Industrial policy ensures that South Africa responds adequately to this global challenge by managing the risks and exploiting opportunities presented by JET.

The NIP identifies priority sectors such as the battery value chains, automotive sector, steel, metal fabrication and aluminium sector, security of supply in the oil and gas sector and pharmaceuticals and vaccines.

An emphasis is also made on emerging priority areas such as the critical minerals, green industries, digital economy as well the cannabis and hemp sectors. These sectors provide an opportunity for South Africa to access global markets through the export of products and services. Aggressive beneficiation of critical minerals will have multiplier effects for the South African economy and will provide the country with niche export markets, which are projected to grow exponentially over the years. The digitalisation of the economy will require the development of infrastructure, support for the design of digital products, protecting their development and commercialisation as well as incentivising startups.

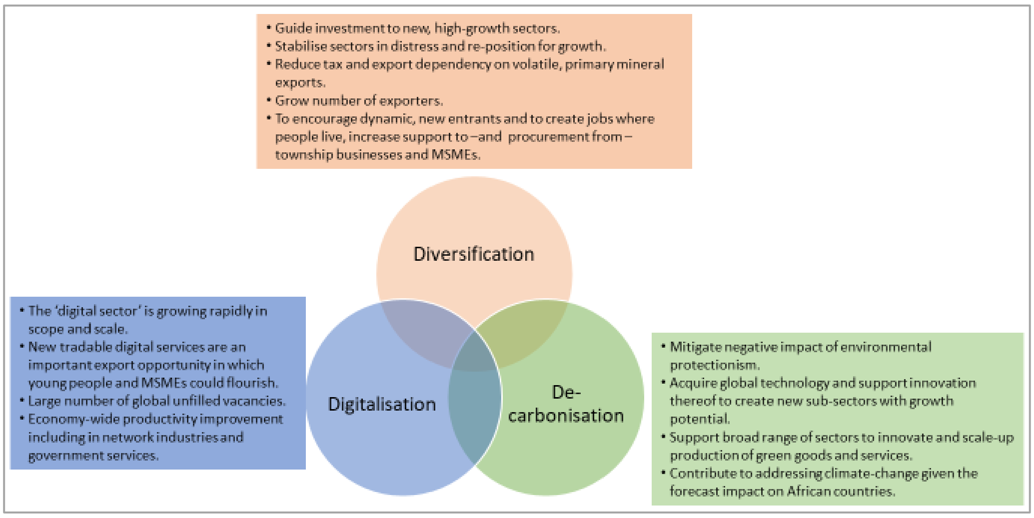
4.2.1 The Three Ds

Given the aforementioned SWOT analysis and the Government's ambitious 5-year targets, **the dtic's** Economic Strategy consists of the three Ds:

- **Diversification** – To increase SA's presence in growth sectors and growing export markets. This is crucial to ensuring that investment flows to sectors with the highest growth rates while supporting struggling and 'mature sectors' to improve competitiveness and access new markets. In some cases, competitiveness will depend on firms innovating production processes and upgrading products to meet domestic and export consumer preferences. **the dtic** will deploy its innovation funds and work closely with relevant sister departments to support technology acquisition and innovation to stabilise these sectors and position them for sustained growth.
- **De-carbonisation** – To mitigate the negative impact of current and future carbon barriers, and to position domestic manufacturers to enter the 'green economy' and thereby access this growing sector.

- **Digitalisation** – As this is a key source of productivity growth across the entire economy, trade in digital services is growing much faster than trade in goods, and there are many niche (but large to SA firms) sub-sectors where SA firms could gain a foothold in international markets.

Figure 5: Three D Economic Strategy



Policy Sequencing and Collaboration

Achieving these ambitious goals requires careful policy sequencing. Not every intervention needs to be implemented simultaneously; some, like critical minerals initiatives, will bear fruit in the medium term. In a constrained fiscal environment, partnerships with the private sector are essential. By fostering collaboration, the strategy aims to navigate the challenges posed by state-owned enterprises and global economic volatility, ensuring new sectors emerge swiftly to fill any gaps left by mature sectors.

Prioritising Inclusive Growth

The commitment to inclusive growth is unwavering. While the Expanded Public Works Programme (EPWP) will provide short-term job opportunities, the focus must shift toward sustainable job creation that empowers small, medium, and micro enterprises (SMMEs) and designated groups. This approach demands a skills revolution, particularly targeting youth and the "missing middle." Ensuring that underdeveloped regions, including townships and villages, benefit disproportionately is crucial, moving away from a mere 'trickle-down' effect.

This emerging economic strategy will be underpinned by detailed interventions, targets, and indicators of success which are outlined in subsequent sections of the 2025/26 APP. These interventions constitute a package of ambitious actions to revitalise the economy and sustain long-term growth at rates above 3.5% per annum.

Effectively Deploying our Trade Policy Tools

In pursuit of growth and economic transformation, South Africa will strategically deploy a broad-based and adaptive trade policy. Anchored in national interests and informed by a rapidly evolving global economy shaped by geopolitical tensions, technological shifts, and environmental imperatives, South Africa's approach will be agile: trade policy will serve the objectives of industrial policy.

As such, South Africa will pursue a multi-pronged strategy that engages bilateral partners, deepens regional integration, shapes multilateral reform, and contributes actively to plurilateral initiatives. This diversified approach reflects the complexity of today's trade landscape and aligns with our core economic objectives, especially to promote diversification, decarbonisation, and digitalisation.

Trade is not pursued for its own sake. It must enable domestic growth, crowd in productive investment, and advance industrial development. Our priority is to position South Africa as a resilient, diversified, and digitally capable economy. South Africa sees value in an open, fair, equitable, transparent, and rules-based global trading system. At the same time, we will leverage plurilterals to advance our economic interests. Furthermore, we will continue to champion regional frameworks such as the African Continental Free Trade Area (AfCFTA) to build supply chains, deepen cross-border value chains, expand markets, and enhance our exports.

We will also proactively shape trade relations to secure opportunities for South African firms, especially small and medium-sized enterprises, and integrate them into global value chains. Small and medium enterprise comprise 90 percent of global businesses, and increasingly are new sources of innovation and job creation. This is not business as usual. South Africa's trade policy will be a key enabler of a transformed, dynamic economy—one that is more green, more digital, and more globally competitive.

Critical minerals beneficiation

Background

South Africa is rich in a number of critical minerals such as platinum group metals (PGMs), manganese, vanadium, and rare earth elements (REEs). However, much of the country's mineral wealth is exported in raw form, limiting value addition and economic benefits. The draft Critical Minerals Strategy outlines the key interventions to enhance local beneficiation, strengthen industrial capabilities, and support sustainable economic growth. The strategy proposes the following catalytic interventions to maximise full benefits of critical minerals:

- **Provision of targeted mineral specific, sector wide and cross-cutting support programs and incentives.**
  - Increasing exploration and **processing investments through simplifying permit processes and a range of support measures**.
  - Developing and appropriately utilising quality geoscience data

- **Developing technology Innovations for mining efficiency to reduce costs and risks, improve recoveries and support R&D start-ups**
- Addressing bulk infrastructure bottlenecks
- **Creating regional partnerships for critical mineral production, processing, technology transfer, access to markets, and funding.**

The World Bank confirms that minerals will be needed at scales significantly beyond current production levels and estimates that demand for critical minerals of up to a 500 per cent increase should be expected by 2050 (WBG, 2018). This confirms the importance of transitioning South Africa's capability from a raw materials supplier to more intermediate and processed mineral products.

Plans to unlock optimal beneficiation of Critical Minerals

Mining and exploration

To replace lost capacity from end of life mines, South Africa must place a higher priority on exploration and resource development, paying special attention to essential minerals with high demand, like lithium, graphite, and rare earth elements. These minerals are more than just commodities; they are the fundamental components of the global shift to renewable energy, the low-carbon economy, and the revolutionary technologies of the future. This low carbon industrialisation presents South Africa with an opportunity to regain its position as a global leader in the mining and mineral processing industry, propelling technological advancement, economic expansion, and human capital development.

Table 1: Interventions at upstream and mining level

Intervention	Policy instrument	Responsibility	Timeframe
Invest in a functional and effective cadastral system. Conduct targeted mapping to reveal new opportunities, de-risking exploration and drive significant exploration investment in the country.	MPRDA	DMRE Council for Geoscience Minerals Council South Africa	1 year
Establish a national exploration fund through augmenting the Junior Exploration Fund to increase the 1% of global exploration investment in SA to 5%.	Exploration strategy for mining in South Africa Technology and Resource Industry Program (incentive scheme) Income Tax Act (11D)	DMRE National Treasury DTIC DSI Council for Geoscience	3 years
Streamline regulatory requirements across licensing departments, to align regulatory processes amongst departments and for improved turnaround time on the processing of prospecting rights	MPRDA NEMA	DMRE DEA	3 years

Value addition and localisation

Strong local manufacturing and beneficiation capacities will enable South African-made goods with local value addition to be used both domestically and exported to international markets, improving the balance of payment position as well as Gross Domestic Production (GDP). This will also reduce the reliance of the mining and minerals development value chain on foreign producers whilst providing opportunities for skills development and better paying jobs which will ultimately strengthen the economy.

Table 2: Interventions for beneficiation

Intervention	Policy instrument	Responsibility	Timeframe
Discouraging the export of unwrought minerals with limited production capacity, and subject to building absorptive capacity– to ensure reliable supply of input materials.	MPRDA (S26)	DMRE	5 year
Introduce differentiated electricity tariffs for highly valued processed minerals with high energy intensity.	Electricity Pricing policy	DMRE	4 years
Incentivise local beneficiation and create world-class research and manufacturing hubs dedicated to critical minerals like manganese, PGMs, and chrome in discovering new use applications outside of the automotive sector	Mining charter Precious Metal Act, 2005 DTIC Manufacturing Support Program Income tax Act (12I)	DMRE DTIC	5 years
Collaborate with regional partners to establish battery production hubs utilizing Nickel, Cobalt, and PGMs, to strengthen the regions' manufacturing capacity and global competitiveness.	SADC Protocol on Trade AfCFTA	DTIC DMRE DIRCO	3 years

Conclusion

In South Africa, enhancing mineral beneficiation is crucial for economic growth, job creation, industrialisation and economic expansion. Through these interventions SA will move up the value chain, reduce reliance on raw mineral exports and improve its position in the global critical minerals processing industry.

4.2.2 Designated Groups

South Africa's Constitution elevates human rights, equality and freedom for all to its citizens, irrespective of gender. Gender equality is a founding principle and core right in the Constitution. Section 9 of the Constitution enshrines the rights of all persons to equal protection and benefit under the law, and to freedom from unfair discrimination on the basis of gender, sex etc. Through the Constitution, South Africa has sought to protect and promote human rights and thereby foster human dignity. While progress has been made on a number of fronts, including equality through law, there has been a consistent and growing unease with a range of matters regarding the institutionalisation of the transformation agenda.

Meaningful participation of designated groups particularly women, youth and persons with disabilities in the mainstream economy is still low and this was further exasperated by the negative effect of the global impact of COVID-19 Pandemic in 2020 and 2021 that resulted in national lockdown of businesses and other key institutions such as schools for long periods of time. Furthermore, the economy also experienced challenges such as energy crisis marked by widespread power outages (load shedding), series of downgrades, including state-owned enterprises (SOEs), the July 2021 riots, and flooding in particular April 2022 KwaZulu-Natal floods which had a severe economic impact. It should also be noted that even before the pandemic and the highlighted challenges, the economy was already struggling having experienced two consecutive quarters of recession leading to job losses, income decline, and increased poverty.

South Africa has adopted the mainstreaming approach as a major approach to economic transformation. Increasingly gender analysis and gender-oriented programme planning are seen as being good for the economy as a whole because of the disproportionate number of women who are poor, and owning their own micro or informal enterprise, gender issues deserve special consideration.

Youth are at the bottom scale of economic activities majority are unemployed and business opportunities are not within easy reach. Furthermore, they lack access to quality education and useful skills development.To empower youth to be effective on economic participation the Department of Trade, Industry and Competition will identify key strategic partners in rolling out different programmes.

Industrial policy interventions have the potential to improve designated groupings disadvantaged position in the economy by supporting designated grouping as workers and business owners. In terms of designated grouping workers, industrial policy can support growth in sectors in which designated workers dominate. The advent of digital economy is also posing a huge opportunity for effective inclusion of designated grouping in the economy.

Partnership with the private sector companies to empower designated grouping on enterprise development using B-BBEE Act as a lever should be rolled out. Positioning designated groupings within key programmes of transformation like Special economic zones and Industrial Parks and the development of the digital economy should be a deliberate action that should be implemented and monitored.

Intervention of increasing market access for designated groupings owned enterprises should be a deliberate action where available instruments within **the dtic** e.g. exhibition and outward selling missions as identified and targeted to include the designated groupings.

4.2.3 Collaboration with Stakeholders

The Department works closely with businesses, organised labour, civil society, individual enterprises, and other government entities to achieve its objectives of industrialisation, transformation, and building state capacity.

Within the state, **the dtic** co-chairs the Economic Sectors, Investment, Employment and Infrastructure Development ('Economic Cluster') and is an active participant in the International Cooperation, Trade and Security (ICTS) cluster to identify synergies and collectively deliver on Medium Term Strategic Framework (MTSF) commitments. The Department coordinates the development of sector master plans where relevant stakeholders from government, organised labour, and industry work together to develop and implement their respective sectoral master plans.

Moreover, **the dtic** participates at National Economic Development and Labour Council (NEDLAC) where it convenes the government constituency in the trade and industry chamber.

the dtic mobilises social partners including labour, business, and various government departments and agencies to consult on policies and legislation that can contribute to the achievement of MTSF targets and seek to mobilise the resources of other stakeholders to these goals.

4.2.4 Spatial Economic Development

On spatial economic development and transformation, the Department is part of an Economic MinMec together with the Departments of Tourism and Small Business Development at a national level, and with all nine provincial Departments of Economic Development. This helps to ensure that national policy imperatives are coordinated with provinces for more effective implementation of the MTSF. The department participates in the District Development Model (DDM) work of the government through its contribution to the development and implementation of district one plans. The Department contributes financially to Special Economic Zones and to the rejuvenation of Industrial Parks, though these entities historically have fallen under the management of provincial governments. This creates governance challenges with the role of **the dtic** limited to funding. This is being reviewed and a new pilot approach will be extended to a further new SEZ **the dtic** contributes to a suite of industrial support programmes to enterprises from all districts.

4.2.5 State of the Nation Address (SoNA)

The 2025 State of the Address (SoNA) also provide a solid foundation and reaffirm government efforts towards rapid growth through the deployment of various economic policy instruments aligned to SoNA and MDTP. The SoNA identifies the following critical areas relevant to the work of **the dtic:**

- Focusing on the opportunities in localisation, diversification, digitisation and decarbonisation;
- Set up a transformation fund worth R20 billion a year over the next five years to fund black-owned and small business enterprises;
- Commercial production of hemp and cannabis
- Create enabling policy and regulatory framework for critical minerals;
- Fast-track the regulations of the Public Procurement Act;
- Development of Social Employment Fund;
- Work towards renewable energy, electric vehicles and green manufacturing;
- Work towards the full implementation of the African Continental Free Trade Area; and
- Advancing greater global economic growth and sustainable development through G20.

Implication for the dtic

The department is expected to be a key player in the implementation and delivery of the economic pillar of the MTDP and SoNA commitments. The SoNA commitments announced by the President are already aligned and captured in the MTDP. This means **the dtic** is required to adopt the new approach including the entities to respond to the new priorities under the MDTP and SoNA as follows:

Focusing on the opportunities in localisation, diversification, digitisation and decarbonisation

- **the dtic** group will diversify export products and destinations while continuing to induce demand in the domestic market through localisation efforts linked in particular to infrastructure investment.
- Diversification, digitisation and decarbonisation are well explained under 4.2.1 in the APP 2025/26.

Set up a transformation fund worth R20 billion a year over the next five years to fund black-owned and small business enterprises

- The Transformation Fund aims to diversify its funding sources to create a flexible financing model that supports the country's economic growth and transformation.

Commercial production of hemp and cannabis

- By the end the 2025/26 financial year, **the dtic** aims to increase the annual growth rate of the Cannabis Market for Commercialisation Products by 30%

Create enabling policy and regulatory framework for critical minerals

- Focus will be on the approval and implementation of the Regional Critical Minerals (RCM) Strategy which will be in partnership with Department of Minerals and Petroleum to increase value addition and support transition to low carbon economy.

Fast-track the regulations of the Public Procurement Act;

- For the year 2025/2026, **the dtic** intends to designate 10 products/sector in line with the conditions set under the PPA.

Development of Social Employment Fund

- With an allocation of R1.292bn for the 2025/26 financial year, SEF aims to continue maintaining the target of 50 000 part-time or temporary jobs for the new financial year.

Work towards renewable energy, electric vehicles and green manufacturing

- South Africa will continue to advocate for multilateral solutions to climate change and for developing countries to be given the necessary time to re-engineer production processes to lower its carbon content. In addition, incentives are being finalised to encourage auto firms to produce electric vehicles (EV's).

Work towards the full implementation of the African Continental Free Trade Area

- SA initial offer on Category B (7% sensitive products) and Category C (3% excluded products) submitted to SACU Secretariat for consolidation and SACU negotiations towards a common offer. SACU technical negotiations to take place in April 2025.
- Protocol on Women and Youth in Trade approved by Cabinet on 26 February 2025 for submission to Parliament for ratification.
- Protocol on Competition Policy approved by Cabinet on 26 February 2025 for submission to Parliament for ratification.
- SA's revised offer on the five priority services sectors recommended by Cabinet Committee on 19 March 2025 for consideration and approval by Cabinet on 26 March 2025.
- Annexes to the Protocol on Digital Trade were adopted by 38th Ordinary Session of the AU Heads of State and Government in February 2025. South Africa will now commence the process for the ratification of the AfCFTA Protocol on Digital Trade.
- National Implementation Committee established and date of inaugural meeting to be confirmed.
- 21 Countries have gazetted/started implementing the category A (90% coverage of the tariff book) tariff schedules approved by Cabinet on 26 February 2025 for submission to Parliament for ratification. 11 of these are non SADC Countries (Algeria, Cameroon, Egypt, Ghana, Kenya, Morocco, Rwanda. Tunisia, Buruni, The Gambia and Uganda). South Africa we will continue to trade with SADC countries under the SADC Trade Protocol. South Africa will continue to add countries to the Customs and Excise Act as soon as they start implementing their tariff

preferences. Since South Africa's implementation of preferential trade on 31 January 2024, South Africa has exported approximately R743 million under the AfCFTA, mainly to Ghana, Kenya, Egypt, Rwanda, Cameroon and Algeria.

Advancing greater global economic growth and sustainable development through G20

- South Africa, through the Department of Trade, Industry and Competition successfully hosted the first virtual G20 Trade and Investment Working Group (TIWG) meeting from 18-20 March 2025. The meeting was opened by the Deputy Minister of Trade, Industry and Competition, Mr Andrew Whitfield
- The meeting was attended by 151 delegates and afforded G20 members an opportunity to discuss pressing global trade and investment challenges and advance a forward-looking agenda for inclusive and sustainable economic growth.
  It also provided a platform for the Presidency to set the agenda on trade and investment focusing on four priority areas:
- Trade and Inclusive Growth – with a view to develop high-level principles to foster trade and inclusive growth, and work towards a G20 Africa Cooperation Agenda, building on previous Presidencies' initiatives on promoting G20 partnership with Africa such as that of China, Germany, India and Japan.
- Responsive Trade and Investment Agenda to address global challenges such as climate change, digital inclusion, pandemic preparedness, food security, and supply chain resilience, alongside toolbox of reforms in the investment treaty regime to support the global commons.
- G20 Framework on Green Industrialisation and Investments – towards a grand bargain that supports value addition of critical minerals at the source or close to the source and promotes resilient supply-chains.
- On WTO Reform – support for WTO reform and the development dimension of the WTO.
- The next TIWG meeting will be held in May 2025 in Cape Town.

4.2.6 Just Transition

South Africa's economy remains heavily reliant on the mining and minerals sector, contributing significantly to GDP, employment, and export revenue. However, this model faces growing risks, including global shifts away from carbon-intensive industries, price volatility, and environmental degradation. Simultaneously, there is mounting pressure to boldly implement high carbon taxes to accelerate the move toward a green economy, which could risk foreign dependency and short-term growth stagnation if not carefully managed.

This is often presented as a binary choice: Continue with the carbon intensive mining, coal fired energy and the mineral complex or rapidly move to climate friendly system where we might end up dependant on import foreign technology and subsidies. The decarbonisation strategy will propose a blended approach that uses the carbon tax and other instrument as a signal, but pairs it with robust industrial policy to build local capacity and local intellectual property in order to protect GDP growth. A gradual and phased approach would ensure that businesses, industries, and consumers can aim for a smooth transition and minimize disruption, while ensuring that the country's international commitments are met and we can afford the transition but also capture the new opportunities available to the country. For us, this is about both *sustaining* existing industries that are labour-intensive through transformation of the supply chains from within while making a strategic shift to building capabilities in the new green and digital sectors.

As we continue to diversify our industrial base, we remain committed to expanding exports across the African continent and exploring new international horizons for the destination of our goods, especially in view of the emerging protectionism in the North. Our extensive footprint on the continent primarily comprises value-added exports, and over a quarter of our exports find a home in Africa, with a remarkable 64% being manufactured goods. Our industrial output is pivotal to the growth of the African continent as we will be deliberate about building regional value chains especially targeting the new dynamic sectors.

The specific electricity challenge is on the one hand part of a broader disruption of the national and global energy system in response to climate change and is also exacerbated by a shortage of affordable and secure energy that supports economic growth and industrial and business development.

If the 20th century becomes known as the century of crude oil and nuclear energy, the 21st century may be known as a century of renewable energy and green hydrogen. SA is well positioned to become a key player, with our reserves of platinum group metals used as a catalyst in green hydrogen fuel-cells; as well as vanadium used in battery storage technologies.

Amongst others, South Africa has already been able to increase the share of renewable electricity; embark on assembly of hybrid vehicles using a combination of internal combustion engines and electric motors; improve battery-storage and green-hydrogen technologies; and enter production of consumer products that use solar energy.
New opportunities may arise from technological breakthroughs in carbon-capture and storage and regulatory shifts such as the adoption of e-fuels. Indeed, the EU recently decided to include e-fuel driven vehicles within their permitted regulatory framework for the post-2035 car market. What these point to is the need for agility in industrial strategy as the new technologies that are shaping the green revolution are not yet settled. A specific focus will be on the transition plan to shift to production of electric vehicles (EVs) and core components, including EV and grid batteries.

This transition towards 'greener technology' in the automotive industry yields potential to widen the scope of raw and precursor materials receiving benefit under our auto-industrial policy framework. This would further incentivize deepening of upstream battery fabrication potential using minerals and standard materials that can be found within South Africa and in the Region. Work is underway following a ministerial directive issued in March 2025, to investigate the widening of the materials receiving benefit under the

APDP. South Africa is further engaged in negotiation on cumulation with key trading partners such as the EU and the UK to preserve market access opportunities for hybrids and EVs.

South Africa and the European Union have agreed to work towards a Clean Trade and Investment Partnership. This partnership will support the development of value chains that are more environmentally sustainable. It will make South Africa and the EU more competitive in a low-carbon global economy by encouraging investment that promote local beneficiation of critical minerals, as well as investments in renewable energy, low carbon hydrogen and clean technologies. This partnership will improve cooperation between South Africa and the EU on investment facilitation, including targeted engagements on some of the regulatory issues that constrain trade and investment.

This work should enable South African companies to export products like sustainable fuel and electric and hybrid vehicles to the EU. One of the most important outcomes of the 2025 SA-EU summit was the announcement by the EU of an investment package worth €4.7 billion – around R90 billion – to support investment projects in South Africa. This package will include grants and loans from European financial institutions and businesses. Amongst others this package will support South Africa's just energy transition through the beneficiation of critical raw minerals and development of low carbon hydrogen. South Africa and the EU will continue to identify investment projects for further collaboration, including through promoting Foreign Direct Investment.

4.3 Internal Environment

4.3.1 Human Resource Management and Development

Leveraging on the department's strong knowledge base and recognising the need for continuous enhancement of human resource capability and capacity, the department will implement a Medium-Term Human Resource Plan. This Plan will prioritise skills development, vacancy filling and the alignment of organisational culture and structure.

4.3.2 An ethical, capable and professional public service

Embedding Ethics, dealing with Corruption and Governance in the dtic:

Ethics and the management of corruption are managed via interventions by the Head of Ethics, through robust awareness, webinars, training, consultations and proactive measures implemented. To promote transparency, prevent conflicts of interest, and uphold ethical conduct, ensuring public trust and accountability, **the dtic** encourages the promotion of transparency, compliance, fair treatment and the addressing of the causes of malpractice, a whistleblowing hotline (email) is monitored and cases from the hotline are expeditiously assessed and referred for investigation and actions taken accordingly after investigation.

4.3.3 Entity governance

To enhance oversight over the entities under the executive authority of the Minister, the Department will ensure coordinated planning with the entities and put in place mechanisms to support and continuously monitor their performance in support of the priorities of the Department and government. Aligned to this the Department will ensure that leadership positions within the entities, i.e Boards, Tribunal Members, Commissioners, CEOs are not left vacant for extended periods. A process will also be undertaken to ensure that governance structures as provided for in the founding legislation of the entities are established and operational.

4.3.4 Financial resource consideration

The 2025 MTEF was prepared within a tight fiscal environment, where any funding pressure continued to be considered through reprioritisation, within the department's existing baseline. The department continues to implement cost containment and improving the efficiency of resource allocation. However, these efforts alone are not sufficient to fund key programs.

It is therefore crucial to explore diverse and innovative sources of funding. These can help alleviate the reliance on current allocations and provide sustainable financial support for key projects. By leveraging a combination of public-private partnerships, blended financing, development financing institutions, and donor funding, the department can access additional capital and unlock new pathways for financing large-scale infrastructure, social, and economic development projects. These strategies not only help bridge the funding gap but also contribute to sustainable growth, improved service delivery, and the achievement of long-term development goals. Total expenditure is expected to increase at an average annual rate of 4.4 per cent, from R9.4 billion in 2024/25 to R10.7 billion in 2027/28, driven by spending in the Incentives programme, mainly to disburse funds for industrial assistance. Spending in the programme is expected to increase at an average annual rate of 10.7 per cent, from R4.2 billion in 2024/25 to R5.7 billion in 2027/28

4.3.5 Green Industrialisation

The department will provide incentives for green industrialisation through blended financing to ensure a sustainable funding model. The incentives will support large-scale sustainable infrastructure, green technology R&D, and the development of impactful green markets. Strategic public-private partnerships and other incentives such as tax incentives, will be utilised to drive large scale industrialization and ensure a sustainable, low-carbon industrial economy. Of the R16.3 billion allocated to incentive schemes over the MTEF, manufacturing development incentives account for R9.3 billion, making up 57 percent of the total. This is followed by infrastructure investment support at R3.6 billion and services sector development at R3.1 billion. Additional funding will also be leveraged from development financing institutions. The clothing and textile firms are supported through the clothing and textiles competitiveness programme, which has a budget of R1.73 billion over the medium term.

4.3.6 Private Sector Investment

Building partnerships with the Private sector remains key to secure investment and create jobs. Through incentive programmes, the department plans to leverage investments from private sector. In order to attract and sustain these vital partnerships, the following mechanisms will be utilised, amongst others:

- **Public-Private Partnerships (PPP)** – Focus on expanding successful PPP models, particularly for infrastructure projects like the Gautrain project, which have demonstrated effective collaboration between public and private sectors.
- **Tax incentives and subsidies** – Offer appropriate support measures for credits for investment made in specific sectors or region. This encourages private companies to fund projects that align with the government's objectives.
- **Blending Financing** – In collaboration with Development Finance Institutions (DFIs), offer concessional funding to reduce the overall cost of capital for green industrial projects, making such projects more viable and attractive to private investors.
- **Foreign Direct Investment (FDI) –** Attract greater FDI by fostering an investor-friendly environment, enhancing the regulatory framework, and reducing red tape. Special Economic Zones are also a key investor attraction, allowing investors to bring advanced technology, access to international market, in addition to the capital investment.
- **Corporate Social Responsibility Partnerships** – Facilitate partnerships with the private sector to align with national development goals and ensure more focused, impactful initiatives that address critical social and economic challenges.

4.3.7 Transformation Fund Resource Mobilisation and Capitalisation

The objectives of the Fund are to:

- Promote economic transformation in order to enable meaningful participation of black people in the economy;
- Improve access to funding for majority black-owned and controlled enterprises;
- Empower and support majority black-owned and controlled enterprises participation in value chains across key sectors of the economy; and
- Mobilise financial resources from the private and public sector using B-BBEE legislation

The Transformation Fund is anticipated to be capitalised at R20 billion per annum over a five-year period. The capitalisation and resource mobilisation strategy involves sourcing contributions from a variety of sources to achieve sustainable and inclusive economic growth. The Transformation Fund aims to diversify its funding sources to create a flexible financing model that supports the country's economic growth and transformation. This includes securing resources from donor agencies, international organizations, development banks, private sector investments, philanthropic contributions, and other strategic third-party partners, particularly for initiatives with social or environmental impact goals.

Sector funding from government departments will be allocated to the Fund as seed capital that will enhance and attract additional funding contributions from other sources, particularly the private sector. The Fund will seek out strategic partnerships on high-impact projects that foster inclusive growth and empower local communities. Additionally, the Fund will be proactive in submitting unsolicited sector bids, presenting tailored proposals to stakeholders that address sector-specific needs and opportunities for transformative impact.

4.3.8 Government Contributions

Equity Equivalent Investment Programme (EEIP) - B-BBEE Codes make provision for those multinational businesses that have challenges complying with the ownership element of the B-BBEE Codes to set aside funds (25% of the value of their South African operations). Funds from EEIP will be channelled to the Transformation Fund to ensure that they are used for greater transformational impact.

Enterprise and Supplier Development (ESD) Funds_– The aim for ESD Funds is to strengthen local procurement, enhance local supplier development programmes and increase financial support towards black entities. The ESD funds will be utilised for transformation purposes.

4.3.9 Private Sector involvement

The increased involvement of the private sector in ESD initiatives is not only driven by regulatory requirements like B-BBEE but also by the recognition that a thriving SMME sector is integral to a sustainable and resilient economy. By investing in small businesses, private sector players contribute to the creation of new markets, the expansion of business opportunities, and the development of a more diverse economic landscape.

4.3.10 Additional funding

The department received additional funding of R1.3 billion in 2025/26 to continue creating work opportunities through the presidential employment stimulus. Despite this additional allocation, spending in the Transformation and Competition programme is expected to decrease at an average annual rate of 25.8 per cent, from R1.8 billion in 2024/25 to R724 million in 2027/28. This is attributable to allocation for the Small Enterprise Finance Agency moving from the Department of Trade, Industry and Competition to the Department of Small Business Development over the medium term.

Depicted on Budget Table 1 below is the dtic's expenditure trends by programme and economic classification.

Financial Plan (Expenditure Estimates)

Programmes
1. Administration
2. Trade
3. Investment and Spatial Industrial Development
4. Sectors
5. Regulation
6. Incentives
7. Export
8. Transformation and Competition
9. Research

Budget Table 1: the dtic expenditure trends by programme and economic classification

Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
Programme 1	721.3	759.9	816.9	952.7	9.7%	7.8%	977.3	1 017.7	1 059.6	3.6%	9.7%
Programme 2	217.8	222.7	252.0	240.8	3.4%	2.2%	256.7	267.3	279.2	5.1%	2.5%
Programme 3	127.5	152.1	138.6	140.3	3.2%	1.3%	181.9	190.4	199.4	12.4%	1.7%
Programme 4	1 638.1	1 730.5	1 574.2	1 329.0	-6.7%	15.0%	1 674.1	1 755.3	1 836.2	11.4%	15.9%
Programme 5	323.4	331.5	346.2	346.2	2.3%	3.2%	363.3	378.2	395.9	4.6%	3.6%
Programme 6	6 465.9	5 363.1	5 431.1	4 200.7	-13.4%	51.4%	5 205.2	5 454.9	5 701.9	10.7%	49.7%
Programme 7	399.0	397.8	416.7	358.4	-3.5%	3.8%	390.3	411.2	430.5	6.3%	3.8%
Programme 8	1 431.5	1 533.9	1 415.6	1 770.1	7.3%	14.7%	1 958.4	692.0	724.0	-25.8%	12.4%
Programme 9	38.0	48.2	49.3	57.8	15.0%	0.5%	64.6	68.2	71.3	7.3%	0.6%
Total	**11 362.4**	**10 539.8**	**10 440.6**	**9 395.9**	**-6.1%**	**100.0%**	**11 071.7**	**10 235.2**	**10 698.1**	**4.4%**	**100.0%**
Change to 2024 Budget estimate				–			1 048.0	(252.1)	(263.5)		
Economic classification											
Current payments	**1 513.3**	**1 639.4**	**1 676.3**	**1 812.9**	**6.2%**	**15.9%**	**1 942.6**	**2 032.7**	**2 124.6**	**5.4%**	**19.1%**
Compensation of employees	1 018.5	1 046.4	1 042.2	1 041.2	0.7%	9.9%	1 138.3	1 190.6	1 244.4	6.1%	11.1%
Goods and services[1]	494.8	592.9	634.0	771.8	16.0%	6.0%	804.3	842.1	880.2	4.5%	8.0%
of which:					*0.0%*	*0.0%*				*0.0%*	*0.0%*
Computer services	*33.1*	*21.9*	*30.6*	*60.9*	*22.6%*	*0.4%*	*58.0*	*72.6*	*73.1*	*6.3%*	*0.6%*
Consultants: Business and advisory services	*26.6*	*30.6*	*35.4*	*55.5*	*27.7%*	*0.4%*	*75.2*	*67.0*	*70.4*	*8.2%*	*0.6%*

Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
Legal services	*16.1*	*56.2*	*31.0*	*30.6*	*23.9%*	*0.3%*	*35.2*	*36.7*	*38.3*	*7.8%*	*0.3%*
Operating leases	*321.6*	*344.7*	*370.9*	*432.2*	*10.4%*	*3.5%*	*408.2*	*426.8*	*447.3*	*1.1%*	*4.1%*
Travel and subsistence	*21.6*	*50.9*	*58.1*	*70.4*	*48.2%*	*0.5%*	*77.2*	*81.1*	*83.9*	*6.0%*	*0.8%*
Operating payments	*15.9*	*21.1*	*19.3*	*20.3*	*8.5%*	*0.2%*	*23.6*	*24.3*	*28.7*	*12.3%*	*0.2%*
Interest and rent on land	–	–	0.1	0.0	0.0%	0.0%	–	–	–	-100.0%	0.0%
Transfers and subsidies[1]	**9 845.1**	**8 895.1**	**8 703.1**	**7 564.5**	**-8.4%**	**83.9%**	**9 110.2**	**8 182.7**	**8 552.8**	**4.2%**	**80.7%**
Departmental agencies and accounts	1 294.7	1 247.8	1 169.2	1 209.5	-2.2%	11.8%	1 232.1	1 275.2	1 332.9	3.3%	12.2%
Foreign governments and international organisations	30.3	35.0	38.5	46.6	15.4%	0.4%	47.8	49.9	52.2	3.8%	0.5%
Public corporations and private enterprises	8 359.7	7 442.5	7 344.6	6 145.4	-9.7%	70.2%	7 658.5	6 679.8	6 982.4	4.3%	66.3%
Non-profit institutions	153.3	159.8	146.0	158.3	1.1%	1.5%	170.7	176.6	184.1	5.2%	1.7%
Households	7.0	10.0	4.7	4.6	-13.0%	0.1%	1.1	1.1	1.2	-36.3%	0.0%
Payments for capital assets	**2.8**	**4.1**	**60.7**	**18.5**	**87.8%**	**0.2%**	**18.9**	**19.8**	**20.7**	**3.9%**	**0.2%**
Machinery and equipment	2.5	2.1	48.3	14.4	80.3%	0.2%	15.4	16.4	17.2	6.3%	0.2%
Software and other intangible assets	0.3	2.0	12.4	4.1	129.9%	0.0%	3.5	3.4	3.5	-5.5%	0.0%
Payments for financial assets	**1.1**	**1.2**	**0.5**	**–**	**-100.0%**	**0.0%**	**–**	**–**	**–**	**0.0%**	**0.0%**
Total	**11 362.4**	**10 539.8**	**10 440.6**	**9 395.9**	**-6.1%**	**100.0%**	**11 071.7**	**10 235.2**	**10 698.1**	**4.4%**	**100.0%**

PART C: MEASURING PERFORMANCE

5. **Institutional Programme Performance Information**

5.1 Programme 1: Administration

a) **Purpose:** Provide the Department with strategic leadership, management and support services.

b) **Description of Sub-Programmes**

(i) **The Ministry** provides leadership and policy direction to **the dtic**;

(ii) **The Office of the Director-General** (ODG) provides overall management of **the dtic**' s resources;

(iii) **Corporate Services** provides customer-centric and integrated resource solutions in human resource management, information and communication technology, legal services and facilities management;

(iv) **Office Accommodation** is an allocation for accommodation services to **the dtic** regional offices and ensures continued maintenance service;

(v) **Financial Management** provides support to **the dtic**, with respect to financial resource allocation and the management thereof, to aid the fulfilment of the Department's goals and objectives; and

(vi) **Marketing, Communication and Media Relations** facilitates greater awareness of the Department's role and increase the uptake of its products and services as well as ensuring that it is projected positively in the media through influencing the content of all media in favour of the Department.

Strategic focus for 2025/26

The Fourth Industrial Revolution (4IR) is reshaping the Government and will significantly impact how the Department will operate in future. It is, therefore, necessary and important that **the dtic** re-evaluates the traditional ways of rendering services to clients.

Implementing the current Digital Transformation Strategy will aid the Department to better engage with internal and external clients in a modern manner, enhancing agility and operational efficiency. A digitally transformed **dtic** will focus heavily on data-driven decision-making, predictive models and emerging technologies.

To accelerate **the dtic** Digital Business Transformation Strategy (DBTS), the following initiatives will be implemented: Cyber Security, Cloud Computing, Business Intelligence, Web-Based Process Automation, Refreshed Network and Telephony Infrastructure and Enterprise Architecture, an electronic collaboration tool, a project management tool, a tool for tracking targets, and an Online Incentive System.

Another important focus area for the Department is to retain its efforts on internal transformation. Targets over the three planning years have been set respectively for the employment of Women in Senior

Management positions, Persons with Disabilities and the Youth. The Department is committing to maintain the employment rate of 50% of Women in SMS over the next 3 years as well as increasing the employment of Persons with Disabilities above 3.5%. 31 interns, targeting the qualifying youth under the age of 35 years have been recruited to complete their internship over a period of 2 years and assumed duty on 1 July 2024.

Performance of senior managers in terms of internal transformation targets will continue to be monitored during assessments as targets have been included in their performance agreements since the implementation of standard management functions from the 2019/20 financial year. A compliance rate of 96.3% was achieved for the submission of performance agreements during 2024/25. The Department will continue to monitor the submission of such and deal with non-compliance through its internal processes.

In our quest to contribute towards a capable and developmental state, the Department has initiated the Fit for Purpose Organisational Structure project during 2023/24 and continued with the project during the 2024/25 financial year. This project will provide a re-aligned macro-organisational structure for the department, the development of a Competency Framework and a Skills Audit of senior managers of which the achievement of the afore-mentioned milestones are on track in line with the project plan. It is envisaged that the project will continue in 2025/26 by focusing on the micro-organisational structure (Below Senior Management Service level).

The Department will initiate a culture employee engagement survey during 2025/26 is to assess and understand the engagement levels, perceptions and experiences of employees within the department. This process of measuring how committed and satisfied employees are with their work environment can assist to identify key areas for improvement, such as communication, collaboration, leadership, and inclusivity. This survey will serve as a platform for employees to express their insights, experiences, concerns, fostering an atmosphere of transparency and trust. Additionally, it will assist the department to assess the current values and alignment to the overall objective to inform strategic initiatives and developmental interventions to drive a positive change within **the dtic** environment, ensuring a more engaged and healthier workforce.

The Department will continue to develop the skills of its employees through prioritised training and development interventions as per the requirements of the APP, especially focussing on the outcome of the Skills Audit for Senior Management Service employees with regard to the development of technical skills

Office accommodation (Accessibility)

An accessibility audit has been undertaken and the initiatives earmarked as agreed with the Concessionaire for the Private Public Partnership Accommodation will be implemented, the costs for such will be carried under the PPP budget allocation line. Planned work will be undertaken starting during the latter part of 2024/25 along with lifecycle upgrades as may be appropriate. The accessibility audit has considered the latest requirements, including SANS 10400-S: 2011. There are no new buildings to be built by **the dtic** for its administrative use.

Environmental considerations – dtic campus:

The campus was built with energy and water efficiency in mind in 2003. Gardens are watered with bore-hole water. The heating, ventilation air-conditioning (HVAC) system uses a hybrid evaporative cooling and air-conditioning system, designed to take environmental factors into account. Installed electricity and water meters are measuring consumption to enable trend analysis.

the dtic PPPA provides for volume risk to be passed to the concessionaire whilst rate (read price escalation) risk is accepted by the department.

Programme contribution towards 9 Outputs Indicators

The following table sets out the Outputs and the 'Output Indicators' as well as the targets for the number of specific outputs to be produced.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/25	2025/26	2026/27	2027/28
Capable State & Transformation	**1**	Procurement contracts approved towards women owned businesses	(%) of procurement contracts approved towards women owned businesses	New Indicator	New Indicator	40% Women 30% Youth and 7% PWD owned businesses	40% Women owned businesses	40% Women owned businesses	40% Women owned businesses	40% Women owned businesses
	2	Procurement approved towards youth owned businesses	(%) of procurement contracts approved towards youth owned businesses			Previously reported as one indicator	30% Youth owned businesses	30% Youth owned businesses	30% Youth owned businesses	30% Youth owned businesses
	3	Procurement contracts approved towards PWD owned businesses	(%) of procurement contracts approved towards PWD owned businesses			Previously reported as one indicator	2% PWD owned businesses	3% PWD owned businesses	3% PWD owned businesses	3% PWD owned businesses
	4	An unqualified audit opinion issued by the external auditors	Unqualified audit opinion for both financial and non-financial performance	New Indicator	New Indicator	New Indicator	New Indicator	Unqualified audit outcome for 2024/25 financial year	Unqualified audit outcome for 2025/26 financial year	Unqualified audit outcome for 2026/27 financial year
	5	100% of entities achieving 80% performance	Percentage of entities achieving 80% performance	New Indicator	New Indicator	New Indicator	New Indicator	100%	100%	100%
	6	Performance Excellence Culture Survey	% of staff engaged through performance excellence culture survey	New indicator	New indicator	New indicator	New indicator	50% Staff engaged	60% Staff engaged	70% Staff engaged
	7	Zero tolerance for Fraud and corruption	Investigations of whistleblowing cases concluded within 60 days of reporting	New indicator	New indicator	New indicator	New indicator	100% of cases from the whistleblowing line investigated and recommendations for action,	100% of cases from the whistleblowing line investigated and recommendation s for action,	100% of cases from the whistleblowing line investigated and recommendations for action,

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/25	2025/26	2026/27	2027/28
								completed within 60 days	completed within 60 days	completed within 60 days
	8	Funded skilled internships for municipalities	Number of funded skilled internships for municipalities	New indicator	New indicator	New indicator	New indicator	80 Interns placed	80 Interns placed	80 Interns placed
	9	Rand value in economic infrastructure unlocked	Unlock 1 Billion p.a in economic infrastructure investment for 3 Metros	New indicator	New indicator	New indicator	New indicator	R1 billion	R1 billion	R1 billion

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
(%) of procurement contracts approved towards women owned businesses	40% Women owned businesses	0	0	0	40% Women owned businesses
(%) of procurement contracts approved youth owned businesses	30% Youth owned businesses	0	0	0	30% Youth owned businesses
(%) of procurement contracts approved towards PWD owned businesses	3% PWD owned businesses	0	0	0	3% PWD owned businesses
Unqualified audit opinion for both financial and non-financial performance	Unqualified audit outcome for 2024/25 financial year	0	Unqualified audit outcome for 2024/25 financial year	0	0
% of entities achieving 80% performance	100%	100%	100%	100%	100%
% of staff engaged through performance excellence culture survey	50% Staff engaged	0	0	0	50% Staff engaged
Investigations of whistleblowing cases concluded within 60 days of reporting	% of whistleblowing cases from the hotline, assessed and referred for investigation	100% cases from the hotline assessed and referred for investigation within 10 working days of receipt	100% cases from the hotline assessed and referred for investigation within 10 working days of receipt	100% cases from the hotline assessed and referred for investigation within 10 working days of receipt	100% cases from the hotline assessed and referred for investigation within 10 working days of receipt
Number of funded skilled internships for municipalities	80 Interns placed	0	0	0	80
Unlock 1 Billion p.a in economic infrastructure investment for 3 Metros	R1 billion	0	0	0	R1 billion

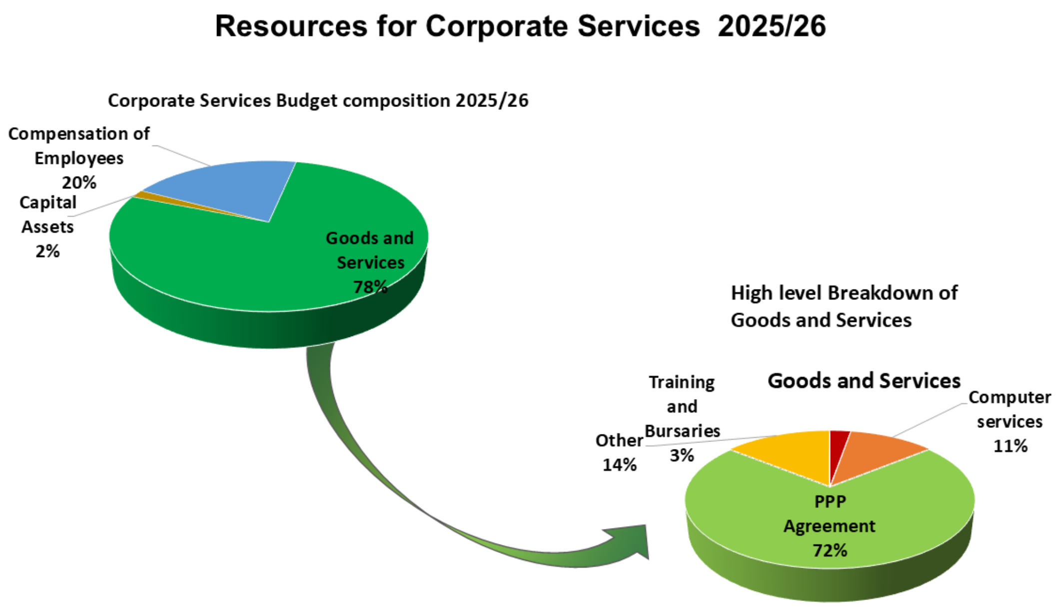
Explanation of planned performance over the medium-term period

To enhance the delivery of the core outputs, Programme 1 will provide agile and credible support services through the following activities:

- Re-assignment of human resources and provision of specialists for identified core outputs
- Provide a re-aligned macro organisational structure and skills audit
- Re-prioritisation of the funding through shifting and virements of the budget to the core programmes
- Automation of manual customer-facing systems and provision of a responsive and reliable internet capability
- Prioritise the drafting of contracts, legal opinions, litigation and legislation relating to core outputs
- Prioritise accommodation needs of core outputs

Resources for Corporate Services (updated)

The budget allocation for Corporate Services is **R649.6m,** of which Goods and Services represents 78%. The cost of the PPP Agreement constitutes a notable 72% of the Goods and Services breakdown. This represents the cost to accommodate **the dtic** and various public entities. Details of the PPP are presented in Section 19, Public-Private Partnerships. The remaining 28% is spread between Computer Services, Other and Training and Bursaries.



Resources for Office accommodation (regional offices only)

The Office Accommodation sub-programme pays for rent and any other costs that may be necessary per GIAMA and NDPWI for 3 regional offices as well as the utilities used by the offices.

Programme Resource Considerations

Budget Table 2: Administration expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
Ministry	33.9	38.7	39.3	54.5	17.1%	5.1%	54.0	56.8	58.6	2.4%	5.6%
Office of the Director-General	82.3	77.0	67.8	79.4	-1.2%	9.4%	85.9	87.8	90.7	4.5%	8.6%
Corporate Management Services	489.9	522.3	592.5	692.0	12.2%	70.7%	650.7	680.2	709.6	0.8%	68.2%
Office Accommodation	3.1	2.6	2.7	3.0	-0.7%	0.3%	3.0	3.0	3.1	1.5%	0.3%
Financial Management	66.9	68.8	70.7	71.1	2.1%	8.5%	126.7	130.5	135.5	24.0%	11.6%
Marketing Communication and Media Relations	45.1	50.5	43.9	52.7	5.3%	5.9%	56.9	59.4	62.1	5.7%	5.8%
Total	**721.3**	**759.9**	**816.9**	**952.7**	**9.7%**	**100.0%**	**977.3**	**1 017.7**	**1 059.6**	**3.6%**	**100.0%**
Change to 2024 Budget estimate				–			5.4	2.2	(1.8)		
Economic classification											
Current payments	**715.3**	**754.4**	**756.2**	**933.8**	**9.3%**	**97.2%**	**964.9**	**1 004.8**	**1 046.1**	**3.9%**	**98.6%**
Compensation of employees	305.3	305.5	296.8	311.0	0.6%	37.5%	328.0	338.4	349.6	4.0%	33.1%
Goods and services	410.0	448.9	459.3	622.8	15.0%	59.7%	636.9	666.4	696.5	3.8%	65.4%
of which:						–					–
Audit costs: External	*9.6*	*8.3*	*10.0*	*12.3*	*8.5%*	*1.2%*	*23.2*	*24.3*	*25.4*	*27.3%*	*2.1%*
Computer services	*31.2*	*20.4*	*27.1*	*55.9*	*21.4%*	*4.1%*	*55.4*	*67.9*	*71.0*	*8.3%*	*6.2%*
Consultants: Business and advisory services	*11.1*	*8.3*	*8.3*	*23.0*	*27.4%*	*1.6%*	*44.1*	*36.6*	*38.3*	*18.6%*	*3.5%*
Legal services	*4.4*	*32.6*	*5.1*	*22.5*	*72.7%*	*2.0%*	*24.4*	*25.5*	*26.7*	*5.9%*	*2.5%*
Operating leases	*305.5*	*319.7*	*346.1*	*420.8*	*11.3%*	*42.8%*	*390.9*	*408.9*	*427.4*	*0.5%*	*41.1%*
Travel and subsistence	*8.3*	*15.8*	*17.6*	*21.2*	*36.7%*	*1.9%*	*23.9*	*24.8*	*25.7*	*6.6%*	*2.4%*
Interest and rent on land	–	–	0.1	–	–	–	–	–	–	–	–
Transfers and subsidies	**2.5**	**1.9**	**0.9**	**3.0**	**6.3%**	**0.3%**	**–**	**–**	**–**	**-100.0%**	**0.1%**
Households	2.5	1.9	0.9	3.0	6.3%	0.3%	–	–	–	-100.0%	0.1%
Payments for capital assets	**2.3**	**2.9**	**59.6**	**15.9**	**89.7%**	**2.5%**	**12.4**	**12.9**	**13.5**	**-5.1%**	**1.4%**
Machinery and equipment	2.3	0.9	47.4	12.9	77.2%	2.0%	10.1	10.8	11.4	-4.0%	1.1%
Software and other intangible assets	–	2.0	12.3	2.9	–	0.5%	2.2	2.1	2.1	-10.4%	0.2%
Payments for financial assets	**1.1**	**0.7**	**0.2**	**–**	**-100.0%**	**0.1%**	**–**	**–**	**–**	**–**	**–**
Total	**721.3**	**759.9**	**816.9**	**952.7**	**9.7%**	**100.0%**	**977.3**	**1 017.7**	**1 059.6**	**3.6%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**6.3%**	**7.2%**	**7.8%**	**10.1%**	**–**	**–**	**8.8%**	**9.9%**	**9.9%**	**–**	**–**

5.2 Programme 2: Trade

a) Purpose: Build an equitable global trading system that facilitates industrial development by strengthening trade and investment links with key economies and fostering Africa's development, including regional and continental integration and development co-operation in line with the African Union Agenda 2063.

b) Description of Sub-Programmes

(i) **African Economic Development** facilitates multilateral and bilateral African trade relations aimed at deepening regional integration.

(ii) **International Trade Development** facilitates bilateral and multilateral trade relations and agreements.

c) Strategic focus for 2025/26

The Trade programme supports and complements industrial development and broader socio- economic development through policies and interventions that aim to secure and expand market access for South African products. It does so by negotiating preferential trade agreements; resolving non-tariff barriers that affect SA exports; concluding bilateral investment and economic cooperation frameworks; using trade policy tools and trade defence measures as well as amending trade and patents legislative frameworks.

South Africa's economic imperatives suggest that while economic links with global developed countries in the north remain important for trade and investment, South Africa's prospects for growth and development will depend increasingly on diversifying and strengthening economic links with dynamic and growing economies in Africa (under the AfCFTA) and among developing countries of the South.

The Branch will also work with the International Trade Administration Commission of South Africa (ITAC) to streamline their processes.

During 2025/6 the branch will focus on the following areas:

- Implementation of the AfCFTA and finalisation of negotiations in order to build an integrated market for SA's value-added exports.
- Support industry to transition to low-carbon production, including deployment of trade instruments to facilitate green manufacturing.
- Strengthened trade and investment with key trading partners
- Develop Economic Interest Strategies and implementation plans for key trading partners to improve exports, attract FDI and leverage SA's economic relations.
- Submit the Patents Act and Designs Act to Cabinet for approval
- Reduce red-tape and improve the ease of doing business by amending ITAC regulations.
- Advance SA's national interests in all international engagements. Work of the G20 Trade and Investment Working Group to support SA's Presidency of the G20 in 2025 will take centre-stage.

Programme contribution towards 11 Output Indicators

The following table sets out more precisely the 'Outputs' and the 'Output Indicators' as well as the targets for the number of specific outputs to be produced.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Increased investment, trade and expand tourism	**10**	African Continental Free Trade Area Agreement (AfCFTA) implemented and exports to the rest of the continent increased	Number of countries that have started trading under the AfCFTA (excluding SADC)	New indicator	New indicator	New indicator	11 countries that have started trading under the AfCFTA (excluding SADC)	20 countries that have started trading under the AfCFTA (excluding SADC)	25 countries that have started trading under the AfCFTA (excluding SADC)	30 countries that have started trading under the AfCFTA (excluding SADC)
Increased investment, trade and expand tourism	**11**	Increased exports and investment from key trading partners and potential trading partners	Number of economic interest strategies implemented for key trading partners	New indicator	New indicator	New indicator	5 Economic Interest Strategies implemented for key trading partners	5 Economic Interest Strategies implemented for key trading partners	3 Economic Interest Strategies implemented for key trading partners	2 Economic Interest Strategies implemented for key trading partners
	12		Maintain sustainable trade relations with the US	New indicator	New indicator	New indicator	Draft AGOA Utilization Strategy for South Africa	Maintain sustainable trade relations with the US, including through an agreed TIFA work programme with the US and the formal relaunch of the TIFA	Investment and trade with US increased in line with the implemented Trade and Investment Framework Agreement (TIFA).	Impact of the relaunched TIFA programme assessed in addressing industrialization, inclusive growth, transformation and job creation.
	13		Number of issues agreed with the EU under the SADC-EU EPA to expand market access	New indicator	New indicator	New indicator	Proposals made to the EU on increased TRQ volumes for wine, sugar and canned fruit. Proposals made to the EU on issues to	3 issues agreed	2 issues agreed	N/A

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
							enhance the SADC-EU EPA.			
Increased investment, trade and expand tourism	**14**		Number of issues agreed on the SACUM-UK EPA built-in agenda to expand market access	New indicator	New indicator	New indicator	Proposals made to the UK on increased TRQ volumes for wine, sugar and canned fruit. Proposals made to the UK on issues to enhance the SACUM-UK EPA	3 issues agreed	2 agreements agreed	N/A
Improved access to affordable and quality health care	**15**	Patents Act amended to ensure integration with flexibilities under the WTO Trade-related Aspects of Intellectual Property (TRIPS) Agreement. This will unlock generic production and reduce the cost of medicine in South Africa.	Draft amendments for Patents Act submitted to Executive Authority and Cabinet for approval	New indicator	New indicator	New indicator	Draft amendments for Patents Act published for public comments	2nd draft of Patent Bill submitted to Executive Authority and Cabinet for approval and	Patents Bill submitted to Parliament for approval and assented to by the President	Patens Act implemented
	16	Designs Amendment Bill	Draft amendments to Designs Act submitted to Executive Authority and Cabinet for approval	New indicator	New indicator	New indicator	Draft amendments to Designs Act published for public comment	2nd draft of Design Amendment Bill submitted to Executive Authority and Cabinet for approval	Designs Amendment Bill submitted to Parliament for approval and assented to by the President	Designs Act implemented

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Strengthen diplomacy and advance SA's national interests in all international engagements	**17**	International engagements, partnerships and resolutions reflecting SA's national interests	Coordinated efforts in G20 to advance SA's national interest	New indicator	New indicator	New indicator	Engagements in G20 under the Brazilian Presidency to advance SA's national interests	Key priorities identified and advanced in G20 the Trade and Investment Working Group and 4 outcomes agreed for SA's Presidency	Engagements in G20 trade and investment structures to advance SA's national interests	Engagements in G20 trade and investment structures to advance SA's national interests
Strengthen diplomacy and advance SA's national interests in all international engagements	**18**	International engagements, partnerships and resolutions reflecting SA's national interests	Number of WTO reform outcomes attained	New indicator	New indicator	New indicator	Current discussions in the WTO	3 Africa Group Agreements on WTO reform	1 reform outcome attained	Continue to advance WTO reforms not agreed at 14th WTO Ministerial Conference (MC14)
Energy security and just energy transition	**19**	Trade instruments deployed to promote South Africa's just transition to a low carbon economy	Number of trade instruments deployed	New indicator	New indicator	New indicator	N/A	2 trade instruments deployed	2 trade instruments deployed	1 trade instrument deployed
Increased investment, trade and expand tourism	**20**	Regional value chains to drive SA competiveness and exports of manufactured products	Number of regional value chains in critical sectors developed	New indicator	New indicator	New indicator	N/A	Regional value chain on autos developed	Implementation of the autos regional value chain through Sector Desk Master plan	Regional value chain on pharmaceuticals developed

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Number of countries that have started trading under the AfCFTA (excluding SADC)	20 countries that have started trading under the AfCFTA (excluding SADC)	0	0	0	Report on the number of countries that have started trading under the AfCFTA (excluding SADC) and have been included under the SA Customs and Excise Act
Number of economic interest strategies implemented for key trading partners	5 Economic Interest Strategies implemented for key trading partners	0	0	0	5 Economic interest strategies implemented for key trading partners
Maintain sustainable trade relations with the US	Maintain sustainable trade relations with the US, including through an agreed TIFA work programme with the US and the formal relaunch of the TIFA	0	0	Agreed TIFA work programme with the United States and the formal relaunch of the TIFA	0
Number of issues agreed with the EU under the SADC-EU EPA to expand market access	3 issues agreed	0	0	Additional SA GIs included and protected by EU under the Annex to the GI Protocol in the SADC-EU EPA	Agreement reached on cumulation in Economic Partnership with the EU to promote production of EVs and hybrids and increased exports. Outcome of requests for increased tariff rate quota volumes for wine, sugar and canned fruit
Number of issues agreed on the SACUM-UK EPA built-in agenda to expand market access	3 issues agreed	0	0	Additional SA GIs included and protected by UK under the Annex to the GI Protocol	Agreement reached on cumulation in Economic Partnership with the UK to promote production of EVs and hybrids and increased exports. Outcome of requests for increased tariff rate quota volumes for wine, sugar and canned fruit

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Draft amendments for Patents Act submitted to Executive Authority and Cabinet for approval	2nd draft of Patent Bill submitted to Executive Authority and Cabinet for approval and	0	0	Draft Patents Bill published for public comment	Draft Patents Bill submitted to Cabinet for approval.
Draft amendments to Designs Act submitted to Executive Authority and Cabinet for approval	2nd draft of Design Amendment Bill submitted to Executive Authority and Cabinet for approval	0	0	Designs Amendment Bill published for public comment.	Designs Amendment Bill submitted to Cabinet for approval.
Coordinated efforts in G20 to advance SA's national interest	Key priorities identified and advanced in G20 the Trade and Investment Working Group and 4 outcomes agreed for SA's G20 Presidency	Key priorities identified and advanced	0	4 outcomes agreed for SA's G20 Presidency	0
Number of WTO reform outcomes attained	3 Africa Group Agreements on WTO reform	0	0	0	3
Number of trade instruments deployed	2 trade instruments deployed	0	0	0	2
Number of regional value chains in critical sectors developed	Regional value chain on autos developed	0	0	0	1

Explanation of planned performance over the medium-term period

The structure of the work of the Branch broadly comprises engagements to improve market access for SA exports and to devise balanced international trade rules, conducive for SA's economic development. Over the medium term, the Branch will focus on operationalizing the African Continental Free Trade Area (AfCFTA).

The branch will continue to lead SA's wider bilateral trade cooperation engagements with trading partners around the world. The focus is to consolidate trade and investment relations with developed countries and diversify market access opportunities by identifying new market access opportunities in untapped markets.

The implementation of trade and investment agreements is ongoing, notably in respect to the legal commitments arising out of SA's membership of the WTO, and trade agreements with SACU, SADC, the EU, UK, EFTA and MERCOSUR. Engagement in multi-lateral forums such as the G20 and BRICS+ attempt to influence the positions on global trade and investment related rules, with a view to create economic opportunities for SA while also preserving policy space, particularly in support of SA industrial development.

The Branch will continue to implement SA's policy on the Non-Proliferation of weapons of mass destruction to ensure an effective export and import control regime to control trade in strategic goods and technologies.

Programme Resource Considerations

Budget Table 3: Trade expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
International Trade Development	203.9	208.9	237.0	224.7	3.3%	93.7%	237.1	247.6	259.3	4.9%	92.8%
African Multilateral Economic Development	13.9	13.8	15.1	16.1	4.9%	6.3%	19.6	19.7	19.9	7.3%	7.2%
Total	**217.8**	**222.7**	**252.0**	**240.8**	**3.4%**	**100.0%**	**256.7**	**267.3**	**279.2**	**5.1%**	**100.0%**
Change to 2024 Budget estimate				–			5.4	6.1	6.2		
Economic classification											
Current payments	**82.7**	**88.6**	**103.2**	**95.1**	**4.8%**	**39.6%**	**103.2**	**107.6**	**112.3**	**5.7%**	**40.1%**
Compensation of employees	80.2	80.4	80.3	86.5	2.6%	35.1%	94.4	98.5	102.7	5.9%	36.6%
Goods and services	2.6	8.2	22.9	8.6	49.4%	4.5%	8.8	9.2	9.6	3.9%	3.5%
of which:						–					–
Communication	*0.6*	*0.7*	*0.7*	*0.4*	*-13.4%*	*0.3%*	*0.5*	*0.6*	*0.6*	*12.2%*	*0.2%*
Computer services	*0.3*	*0.2*	*0.2*	*0.2*	*-8.2%*	*0.1%*	*0.3*	*0.3*	*0.3*	*11.6%*	*0.1%*
Legal services	*0.2*	*–*	*0.5*	*0.1*	*-16.0%*	*0.1%*	*1.6*	*1.7*	*1.8*	*159.7%*	*0.5%*
Contractors	*–*	*0.2*	*8.2*	*0.9*	*–*	*1.0%*	*0.5*	*0.6*	*0.6*	*-11.1%*	*0.2%*
Travel and subsistence	*1.1*	*6.3*	*11.4*	*5.5*	*69.5%*	*2.6%*	*3.1*	*3.2*	*3.4*	*-15.2%*	*1.5%*
Venues and facilities	*–*	*0.3*	*1.1*	*0.2*	*–*	*0.2%*	*1.7*	*1.7*	*1.8*	*114.7%*	*0.5%*
Transfers and subsidies	**135.0**	**134.1**	**148.8**	**145.7**	**2.6%**	**60.4%**	**152.5**	**158.7**	**165.8**	**4.4%**	**59.6%**
Departmental agencies and accounts	113.9	110.0	120.4	114.8	0.3%	49.2%	120.3	125.0	130.6	4.4%	47.0%
Foreign governments and international organisations	17.5	18.7	22.5	25.1	12.8%	9.0%	26.2	27.3	28.6	4.5%	10.3%
Public corporations and private enterprises	3.6	4.9	5.4	5.8	16.9%	2.1%	6.1	6.4	6.7	4.5%	2.4%
Households	0.1	0.5	0.5	0.0	-8.0%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	**–**	**–**	**–**	**–**	**–**	**–**	**1.0**	**1.0**	**1.1**	**–**	**0.3%**
Machinery and equipment	–	–	–	–	–	–	1.0	1.0	1.1	–	0.3%
Payments for financial assets	**0.0**	**–**	**–**	**–**	**-100.0%**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**217.8**	**222.7**	**252.0**	**240.8**	**3.4%**	**100.0%**	**256.7**	**267.3**	**279.2**	**5.1%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**1.9%**	**2.1%**	**2.4%**	**2.6%**	**–**	**–**	**2.3%**	**2.6%**	**2.6%**	**–**	**–**

5.3 Programme 3: Investment and Spatial Industrial Development

a) Purpose: Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors as well as increase participation in industrialisation.

b) Description of Sub-Programmes

(i) **Investment Promotion** facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment, by providing investment attraction, targeted lead generation and recruitment support.

(ii) **Investment and Inter-Departmental Clearing House** promotes and facilitates investment and provides support services to the investment and interdepartmental clearinghouse. This sub-programme also provides a specialist advisory service, fast tracks and unblocks processes, and reduces bureaucratic red tape for investors.

(iii) **Investor Support & Aftercare** provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

(iv) **Spatial Industrial Development** promotes industrial development in targeted regions through policies, strategies and programmes such as Special Economic Zones and Industrial Parks, and Township economic initiatives, amongst others.

c) Strategic focus for 2025/26

During the financial year 2025/26, the Branch is implementing a new model for Special Economic Zones (SEZs) and Industrial Parks (IPs) to drive industrialisation, job creation, and economic growth. A key priority is attracting high-value investments through the South African Investment Conference (SAIC) while leveraging South Africa's G20 Presidency to showcase opportunities and boost investor confidence.

To enhance the business environment, the Branch will drive the Ease of Doing Business agenda by accelerating the rollout of One Stop Shops in Provinces, streamlining regulatory processes, and enhancing services of the Energy One Stop Shop to facilitate investment in South Africa's energy sector.

Internally, the Branch is strengthening its institutional capacity by restructuring and capacitating the branch while enhancing the role of Foreign Economic Representatives (FERs) to improve global investment outreach and targeted promotion efforts.

The Investment and Spatial Industrial Development Programme remains a key driver of inclusive economic growth, with SEZs playing a pivotal role in attracting investments. Policies will focus on removing barriers, creating a conducive business environment, and guiding firms towards key opportunities to support a more resilient, low-carbon economy.

Through the Investment Promotion Programme, the Department aims to mobilize R2 trillion over five years (2023-2028) by fast-tracking permits, licensing, and registrations and supporting the implementation of the Country Investment Strategy and Industrial Policy with a focus on high-growth sectors and the just energy transition.

SEZs remain central to industrialisation efforts, with 12 zones across 8 provinces at varying stages of development. Advanced SEZs like Coega, East London, Dube TradePort, and Tshwane have attracted significant investments and job creation, while others like Richards Bay, Saldanha, and OR Tambo are expanding their infrastructure. To operationalise Namakwa and Nkomazi SEZ and expand the Coega pharmaceutical SEZ. The Branch will designate new SEZs in Fetakomo Tubatse, Vall and Bojanela SEZ and the focus will be on enhancing underperforming SEZs and implementing a Spatial Development Strategy to improve investment impact across all 52 district municipalities and metros.

Complementing this, the National Industrial Policy emphasises private-sector partnerships to drive investment and job creation, with a renewed focus on township economies through the District Development Model (DDM). This initiative aims to identify and support catalytic industrial projects in townships, leveraging refurbished industrial estates to promote localisation, SMME development, and skills enhancement. A mapping report on township opportunities will guide the alignment of initiatives with existing industrial hubs and value chains. The Branch will revitalise and integrate Industrial Parks to support this.

Further, through support for innovation and research commercialisation, select industrial prototypes will be scaled to market-ready status, bolstering industrial output and supporting enterprise development. The Programme supports the commercialisation of innovations emerging from R&D ecosystems, linking industrial development with technology adoption and entrepreneurship. These interventions provide a pathway for small-scale, locally developed technologies to be scaled and absorbed into domestic and export markets.

Human capital development remains a cornerstone of the national development agenda and Vision 2035. In collaboration with industry stakeholders, the Branch will drive targeted skills upgrading initiatives, expanding access to demand-led training programmes that align with the needs of high-growth sectors. This effort will improve workforce readiness and productivity, facilitate youth employment, and ensure that public investment in skills development contributes directly to industrialisation and innovation goals.

Through these strategic initiatives, the Branch is committed to fostering a competitive, investor-friendly environment, accelerating economic growth, and positioning South Africa as a global business hub.

Programme contribution towards 13 Output Indicators

The following table sets out the ‘Outputs’ and the ‘Output Indicators’ as well as the target for the number of specific outputs to be products

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation & Transformation	**21**	Investment attracted through greenfield and brownfield investments in targeted sectors including Special Economic Zones and Industrial Parks	Rand value of investment attracted through greenfield and brownfield investments in targeted sectors including Special Economic Zones and Industrial Parks	New Indicator	New Indicator	R150bn	R330bn	R450bn	R450bn	R330bn
	22	New Special Economic Zones (SEZs) designated to facilitate re-industrialisation utilising the new model derived from the Spatial Industrial Development (SID) Strategy	Number of new Special Economic Zones (SEZs) designated to facilitate re-industrialisation utilising the new model derived from the Spatial Industrial Development (SID) Strategy	New Indicator	New Indicator	1	1	1	1	1
	23	Cross Border partnerships developed between South Africa and other countries to facilitate the integration of regional value chains through Special Economic Zones (SEZs)	Number of Cross Border partnerships developed between South Africa and other countries to facilitate the integration of regional value chains through Special Economic Zones (SEZs)	New Indicator	New Indicator	New Indicator	New Indicator	1	1	N/A
	24	Linked trade corridor anchored by SEZs to enhance the logistical efficiencies to enable the	Number of linked trade corridor anchored by SEZs to enhance the logistical efficiencies to enable the	New Indicator	New Indicator	New Indicator	New Indicator	1	1	N/A

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		effective manufacturing and trading of value added goods	effective manufacturing and trading of value added goods							
	25	Land area of existing SEZs increased to provide more space for targeted investments in key sectors.	Increase in the land area of existing SEZs to provide more space for targeted investments in key sectors	New Indicator	New Indicator	New Indicator	New Indicator	2	1	1
	26	Industrial parks developed into competitive infrastructure platforms for supporting diversified sectors	Number of industrial parks developed into competitive infrastructure platforms for supporting diversified sectors	New Indicator	New Indicator	New	6	10 IPs developed to assist enterprises and investments for enabled localisation / manufacturing operations (including townships and rural areas	15 IPs developed to assist enterprises and investments for enabled localisation / manufacturing operations (including townships and rural areas	10 IPs developed to assist enterprises and investments for enabled localisation / manufacturing operations (including townships and rural areas
	27	Prototypes commercialised	Number of prototypes commercialised	New Indicator	New Indicator	New Indicator	5	10	10	10
	28	New One Stop Shop rolled out in 6 provinces	Number of new One Stop Shop rolled out in 6 provinces	New Indicator	1	2	0	2	2	2
	29	New Fusion Centre to undertake regulatory reform for Acts, Regulations,	Number of new Fusion Centre to undertake regulatory reform for Acts, Regulations,	1	2	0	2	2	2	

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		Licencing, Permits and Registrations	Licencing, Permits and Registrations							
	30	Investor facilitation surveys conducted to support investor satisfaction	Number of investor facilitation surveys conducted to support investor satisfaction	New indicator	New indicator	New indicator	New indicator	bi-annual investor survey reports	bi-annual investor survey reports	bi-annual investor survey reports
Enabling environment for investment and improved competitiveness through structural reforms	**31**	Renewable Energy Independent Power Producers projects unblocked through EOSS	Number of unblockings through EOSS	New Indicator	New Indicator	New Indicator	New Indicator	38	48	58
	32	% Increase in workplace-based placement internships from 7% to 30%	Percentage Increase in workplace-based placement of internships	New Indicator	New indicator	New indicator	New indicator	Increase of 8% Total: 15%	Increase of 8% Total: 23%	Increase of 7% Total: 30%
	33	Demand-led skills plan in place for each masterplan developed	Number of Demand-led skills plans in place for each masterplan developed	New Indicator	New indicator	New indicator	New indicator	Two high priority sector demand led skills plan implemented	Two high priority sector demand led skills plan implemented	Two high priority sector demand led skills plan implemented

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Rand value of investment attracted through greenfield and brownfield investments in targeted sectors including Special Economic Zones and Industrial Parks	R450bn	R20bn	R20bn	R150bn	R260bn
Number of new Special Economic Zones (SEZs) designated to facilitate re-industrialisation utilising the new model derived from the Spatial Industrial Development (SID) Strategy	1	0	0	0	1
Number of Cross Border partnerships developed between South Africa and other countries to facilitate the integration of regional value chains through Special Economic Zones (SEZs)	1	0	0	0	1
Number of linked trade corridor anchored by SEZs to enhance the logistical efficiencies to enable the effective manufacturing and trading of value added goods	1	0	0	0	1
Increase in the land area of existing SEZs to provide more space for targeted investments in key sectors	2	0	0	0	2
Number of industrial parks developed into competitive infrastructure platforms for supporting diversified sectors	5	0	2	0	3
Number of prototypes commercialised	10	0	3	3	4
Number of new One Stop Shop rolled out in 6 provinces	1	0	0	0	1
Number of new Fusion Centre to undertake regulatory reform for Acts, Regulations, Licencing, Permits and Registrations	1	Nil	Nil	Nil	1
Number of investor facilitation surveys conducted to support investor satisfaction	bi-annual investor survey reports	Development of questionnaire and collaboration with stakeholders	bi-annual investor survey report	0	bi-annual investor survey reports

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Number of unblockings through (EOSS)	38	8	10	10	10
Percentage Increase in workplace-based placement of internships	Two bi-annual reports	Development of implementation plan	Bi-annual report:	3% increase	8% increase
Number of Demand-led skills plan in place for each masterplan developed	Two bi-annual reports	Development of Implementation plan	Bi-annual report	-	Bi-annual report

Explanation of planned performance over the medium-term period

- **Investment Mobilisation**: Achieve R2 trillion in investment, prioritising projects in critical minerals, green hydrogen, energy, commercialisation projects, industrial parks and SEZs.
- **Job Creation**: Facilitate job creation through investments in SEZs, industrial parks, green hydrogen, and energy sectors.
- **Infrastructure Development**: Support the development of energy and industrial infrastructure projects, including **SEZs** and **industrial parks**, to foster regional development and investment.
- **Innovation and Technology**: Promote commercialisation projects that foster innovation in energy, critical minerals, and green hydrogen sectors, contributing to South Africa's industrial and economic transformation.
- **Streamlined Investment Processes**: Improve the investment climate by facilitating the approval of energy projects through the **Energy One Stop Shop**, and One Stop Shop ensuring faster regulatory approvals and smoother investment facilitation.

Programme Resource Considerations

Budget Table 4: Investment and Spatial Industrial Development expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
Investment Promotion	47.3	49.0	44.8	40.5	-5.0%	32.5%	43.6	46.6	48.9	6.5%	25.2%
Investment and Interdepartmental Clearing House	6.4	6.5	6.6	16.9	38.1%	6.5%	20.5	20.2	21.2	7.7%	11.1%
Investor Support and Aftercare	0.0	0.7	0.6	4.5	1208.2%	1.0%	2.5	1.6	1.7	-27.7%	1.5%
Spatial Industrial Development	73.8	95.8	86.6	78.4	2.0%	59.9%	115.2	122.0	127.7	17.7%	62.2%
Total	**127.5**	**152.1**	**138.6**	**140.3**	**3.2%**	**100.0%**	**181.9**	**190.4**	**199.4**	**12.4%**	**100.0%**
Change to 2024 Budget estimate				–			7.3	9.1	9.9		
Economic classification											
Current payments	**90.6**	**92.6**	**92.9**	**89.0**	**-0.6%**	**65.4%**	**100.2**	**105.7**	**110.8**	**7.6%**	**57.0%**
Compensation of employees	85.6	82.5	85.0	77.8	-3.1%	59.2%	87.5	92.3	96.9	7.6%	49.8%
Goods and services	5.0	10.1	7.9	11.3	31.3%	6.1%	12.8	13.3	14.0	7.4%	7.2%
of which:						–					–
Catering: Departmental activities	*0.0*	*0.1*	*0.0*	*0.3*	*549.5%*	*0.1%*	*0.5*	*0.5*	*0.5*	*25.2%*	*0.3%*
Consultants: Business and advisory services	*0.2*	*1.7*	*1.7*	*1.3*	*82.5%*	*0.9%*	*2.0*	*2.0*	*2.1*	*16.6%*	*1.0%*
Operating leases	*0.1*	–	–	*0.1*	*10.7%*	–	*0.5*	*0.5*	*0.5*	*61.4%*	*0.2%*
Travel and subsistence	*3.3*	*5.1*	*4.1*	*5.1*	*16.3%*	*3.1%*	*5.8*	*6.1*	*6.5*	*8.2%*	*3.3%*
Operating payments	*0.7*	*0.1*	*0.2*	*0.4*	*-16.3%*	*0.2%*	*0.5*	*0.5*	*0.5*	*7.8%*	*0.3%*
Venues and facilities	–	*2.2*	*0.8*	*1.9*	–	*0.9%*	*2.1*	*2.2*	*2.2*	*5.8%*	*1.2%*
Transfers and subsidies	**36.9**	**59.5**	**45.7**	**51.2**	**11.6%**	**34.6%**	**81.1**	**84.1**	**87.9**	**19.7%**	**42.7%**
Departmental agencies and accounts	14.6	10.6	10.3	10.0	-11.8%	8.2%	10.4	10.7	11.2	3.7%	5.9%
Public corporations and private enterprises	21.4	48.1	34.8	41.2	24.3%	26.0%	70.7	73.4	76.7	23.1%	36.8%
Households	0.8	0.9	0.6	0.1	-59.2%	0.4%	–	–	–	-100.0%	–
Payments for capital assets	**–**	**–**	**–**	**–**	**–**	**–**	**0.6**	**0.6**	**0.7**	**–**	**0.3%**
Machinery and equipment	–	–	–	–	–	–	0.6	0.6	0.7	–	0.3%
Total	**127.5**	**152.1**	**138.6**	**140.3**	**3.2%**	**100.0%**	**181.9**	**190.4**	**199.4**	**12.4%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**1.1%**	**1.4%**	**1.3%**	**1.5%**	**–**	**–**	**1.6%**	**1.9%**	**1.9%**	**–**	**–**

5.4 Programme 4: Sectors

a. **Purpose:** Design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to create decent jobs, promote inclusion and increase value addition and competitiveness, in both domestic and export markets.

b. Description of Sub-Programmes

i. **Industrial Competitiveness** designs and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to create decent jobs and increase value-addition and competitiveness in both domestic and export markets.

It is responsible for Technical Infrastructure through the National Metrology Institute of South Africa (NMISA), the National Regulator for Compulsory Specifications (NRCS), the South African Bureau of Standards (SABS) and the South African National Accreditation System (SANAS). In order to support this work, R2.217 billion will be transferred to technical institutions to support sectoral work on Master Plans, industrialisation and competitiveness improvement projects. In addition, a further R490 million will be utilised over the medium term to promote localisation, and support skill improvement intervention through non-profit organisations.

ii. **Customised Sector Programmes** designs and implements policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to inclusively create decent jobs, promote incusing and increase value addition and competitiveness, in both domestic and export markets. It is responsible for programmes run in conjunction with the Council for Scientific and Industrial Research (CSIR) and other programmes that contribute to these objectives. Over the medium term, R1.7billion will be transferred to the IDC for the Clothing, Textiles, Leather and Footwear sectors.

C. Strategic focus for 2025/26

The strategic focus of the Sector programme for 2025/26 will continue to intensify efforts towards increasing industrialisation, transformation and building a capable state. A need for a government wide National Industrial Policy was identified and all interventions will be coordinated and facilitated by the branch. This will be achieved by mobilising an all government approach to development to address the high unemployment, low growth and inequality. Industrial policy delivers real economic growth and transformation through building and strengthening diversified manufacturing base, value addition in strategic sectors. Manufacturing has the potential for high economic and employment multipliers, together with diversified and higher levels of exports. Industrial policy enables technology absorption and diffusion and applied skills enhancement.

The Medical Devices sector Master Plan was approved and launched in May 2024 and will be added to the current Masterplans implementation, viz. the Automotives, Poultry, Sugar, Steel & Metal Fabrication, Clothing & Textiles and Furniture Masterplans. **the dtic** will also continue to support the development and implementation of selected Masterplans for which other government departments are responsible for such as the Agro-processing leg of the Agriculture and Agro-processing Masterplan (AAMP) led by Department of Agriculture, Land Reform and Rural Development (DALRRD) and the South African Renewable Energy Masterplan (SAREM) led by Department of Energy and Electricity. The Cannabis Masterplan which was previously led by Department of Agriculture, Land Reform and Rural Development (DALRRD) will now be coordinated and managed by **the dtic**.

In addition to the Masterplans the branch will also focus on the implementation of programmes and projects across various sectors which include but are not restricted to Maritime, Aerospace and Defence; Electro technical Industries and White Goods; Construction; Chemicals, Cosmetics, Plastics and Pharmaceuticals.

The economic impact of Masterplans will be achieved predominantly through the development and implementation of sector-specific industrial financing instruments in collaboration with Industrial Financing Branch of **the dtic** and Developmental Funding Institutions and private sector commitments to investment and procurement. Additional instruments that contribute to Masterplan impact include public procurement measures; trade and standards-based measures; and regulatory unblocking.

Localisation is building local industrial capacity for domestic and export markets. Localisation is not a turn away from engaging in global markets, but it is about changing SA's terms of the engagement to one where we are no longer mainly an exporter of raw materials but a significant player in the manufacturing value chain. Localisation has been a key component of Government's economic policy since 2011, during which period, 28 products /sectors were designated for local production and content. In July 2024, the Public Procurement Act, Act No. 28 of 2024 (PPA) was signed into law. Amongst others, Section 20 of the PPA empowers the Minister of **the dtic** to designate sectors for local production and content. For the year 2025/2026, **the dtic** intends to designate 10 products/sector in line with the conditions set under the PPA. The designation will be targeting the CAPEX and OPEX programmes of the procuring entities on, amongst others:

- Rail products by Transnet and PRASA for expansion and maintenance programme;
- Electricity Generation, Transmission and Distribution by Eskom and Municipalities;
- Water infrastructure projects by the Water Boards, Municipalities and their Agencies such as Trans-Caledon Tunnel Authority (TCTA);
- Pharmaceuticals and medical devices by National and Provincial Department of Health;

- Transversal Contracts by National Treasury; and
- Construction projects by Department of Public Works, Sanral and other Agencies.

A major theme of the programme's work is to advance the new green economy manufacturing, sector particularly in relation to reducing the carbon footprint of industry by 10% by 2029. South Africa relies heavily on coal for energy, making it one of the largest carbon emitters in the world. A decarbonisation strategy would reduce carbon emissions, combat climate change and protect the environment. As the world shifts towards greener economies, South Africa risks being left behind if it continues to rely on fossil fuels.

Countries and businesses globally are moving towards net-zero carbon emissions, and South Africa needs to keep pace to remain competitive in international markets. To further the implementation of the Green Hydrogen Commercialisation Strategy to utility scale and small-scale renewable projects, the development of standards is a critical component to be able to attract investment and trade of green hydrogen.

In addition to the aforementioned, focus will move towards the approval and implementation of the Regional Critical Minerals (RCM) Strategy which will be in partnership with Department of Minerals and Petroleum to increase value addition and support transition to low carbon economy. Critical minerals such as platinum, cobalt, lithium, and rare earth elements, are essential for modern industries like electronics, renewable energy, electric vehicles (EVs), and high-tech manufacturing. The implementation of the regional strategy will ensure that South and its neighbours can harness these resources to drive economic growth, create jobs, and develop new industries, particularly in the context of global transitions to clean energy technologies.

Technical infrastructure institutions such as NMISA, SABS, NRCS and SANAS will help ensure that industrial products meet national and international quality standards. This is crucial for enhancing the competitiveness of industries as high-quality products are more likely to succeed in both domestic and export markets. The Branch will aim to achieve greater alignment of its Technical Infrastructure (Standards, Quality Assurance, Accreditation and Metrology) institutions with the economic impact. This includes forging closer alignment between the Technical Infrastructure work through incorporation into the draft Industrial Policy and that of the Masterplans and other sector work. It also includes enhancing the role of the standards work with green industries and energy efficiency.

Programme contribution towards 9 Output Indicators

The table that follows sets out more precisely the 'Outputs' and the 'Output Indicators' as well as the target for the number of specific outputs to be product.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation	**34**	National Industrial Policy for promotion of industrialisation	Increased % of manufacturing growth through the implementation of a National Industrial Policy	New Indicator	New Indicator	New Indicator	Development of a draft National Industrial Policy	Increase of 0.5 % manufacturing growth through the implementation of a National Industrial Policy	Increased 1 % manufacturing growth through the implementation of a National Industrial Policy	Increased 1% manufacturing growth through the implementation of a National Industrial Policy
Critical Minerals	**35**	% of global market share for processed critical minerals: (Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore)	Increased % of global market share for processed critical minerals	New Indicator	New Indicator	New Indicator	Critical Minerals Strategy	0.5% of global market share for processed critical minerals: Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore	1% of global market share for processed critical minerals: Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Lithium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore	1.5% of global market share for processed critical minerals: Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Lithium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore
Localisation	**36**	Increase in the procurement value of locally manufactured goods and services	Rand value increase in the procurement value of locally manufactured goods and services	New indicator	New indicator	New indicator	New indicator	R50 billion Increase in the procurement value of locally	R100 billion Increase in the procurement value of locally manufactured goods and services	R100 billion Increase in the procurement value of locally manufactured goods and services

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
								manufactured goods and services		
	37	% reduction in the Importation of rail transport equipment	% increase in the local production of rail transport equipment	New Indicator	New Indicator	New Indicator	New Indicator	10% reduction in the importation of rail transport equipment	10% reduction in the importation of rail transport equipment	10%reduction in the importation of rail transport equipment
	38	The development and implementation of the Hemp and Cannabis Commercialisation Policy	Increase the growth of the Cannabis Industry by 10% per annum from a base of R14bn	New indicator	New indicator	New indicator	New indicator	10% increase in the growth of the Cannabis industry per annum	10% increase in the growth of the Cannabis industry per annum	10% increase in the growth of the Cannabis industry per annum
Rail Costs Reduction	**39**	% reduction in rail transport costs supported by targeted subsidies and efficiency improvements	Development of the rail tariff reduction support programme	New indicator	New indicator	New indicator	New indicator	Development of the rail tariff reduction support programme	Implementation of the approved rail tariff reduction support programme and achieve 10% reduction in the cost of rail transport.	Implementation of the approved rail tariff reduction support programme and achieve 25% reduction in the cost of rail transport.
Green manufacturing	**40**	Implementation of the EV batteries manufacturing policy	Percentage increased in manufacturing of the EV batteries	New Indicator	New Indicator	New Indicator	New Indicator	Approve the EV batteries manufacturing policy	Attract investments for the manufacturing of the EV batteries	One EV battery manufacture in production
	41	Percentage increase in the manufacturing of the of renewable energy components	Percentage Increased on renewable energy components	New Indicator	New Indicator	Approved South African Renewable Energy Masterplan (SAREM)	10% increase in the manufacturing of the of renewable energy components	10% increase in the manufacturing of the of renewable energy components	10% increase in the manufacturing of the of renewable energy components	10% increase in the manufacturing of the of renewable energy components

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	42	Implementation of decarbonisation Strategy to inform Industrial Policy, Trade policy and Policy position on Carbon Tax	Implementation of decarbonisation Strategy to inform Industrial Policy, Trade policy and Policy position on Carbon Tax	New Indicator	New Indicator	New Indicator	Draft Strategy on Decarbonisation	Implementation of approved Decarbonisation Strategy through the EIP	Implementation of approved Decarbonisation Strategy through the EIP	Implementation of approved Decarbonisation Strategy through the EIP

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Increased % manufacturing growth through the implementation of a National Industrial Policy	Increase of 0.5 % manufacturing growth through the implementation of a National Industrial Policy	Approval of a National Industrial Policy to support 1 % growth in manufacturing	Progress reports on the monitoring and evaluation of the National Industrial Policy to support 1% growth in manufacturing	Progress reports on the monitoring and evaluation of the National Industrial Policy to support 1% growth in manufacturing	Progress reports on the monitoring and evaluation of the National Industrial Policy to support 1% growth in manufacturing
Increased % of global market share for processed critical minerals	0.5% of global market share for processed critical minerals alignment with DPMR Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore	Benchmark report on SA's performance on critical minerals against the global market in the following parameters: Legislation, infrastructure ,finance, market access, skills	Project book of viable investments development	Incentives framework for Critical Minerals beneficiation	0.5% of global market share for processed critical minerals: Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore
Rand value increase in the procurement value of locally manufactured goods and services	R50 billion Increase in the procurement value of locally	R10 billion Increase in the procurement value of locally manufactured goods and services	R20 billion Increase in the procurement value of locally manufactured goods and services	R10 billion Increase in the procurement value of locally manufactured goods and services	R10 billion Increase in the procurement value of locally manufactured goods and services
% increase in the local production of rail transport equipment	10% reduction in the importation of rail transport equipment	Engage the rail related SOCs on their medium-term procurement plans, identify strategic products to reduce reliance on imports and agree on the tracking methodology	Monitor and report against the 10% target to reduce the importation of rail transport equipment	Monitor and report against the 10% target to reduce the importation of rail transport equipment	Monitor and report against the 10% target to reduce the importation of rail transport equipment

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Increase the growth of the Cannabis Industry by 10% per annum from a base of R14bn	10% increase in the growth of the Cannabis industry per annum	Approval of the implementation of Hemp and Cannabis Commercialization Policy by the accounting officer	Report on the Implementation of a Hemp and Cannabis Commercialization Policy targeting 2% increase in the annual growth rate of the Cannabis Market for Commercialisation Products	Report on the Implementation of a Hemp and Cannabis Commercialization Policy targeting 3% increase in the annual growth rate of the Cannabis Market for Commercialisation Products	Report on the Implementation of a Hemp and Cannabis Commercialization Policy targeting 5% increase in the annual growth rate of the Cannabis Market for Commercialisation Products
Development of the rail tariff reduction support programme	Rail tariff reduction support programme for strategic sectors approved by the accounting officer	Stakeholder engagements towards the development of rail tariff reduction interventions support programme for strategic sectors	Global benchmark on rail tariff reduction interventions	Draft rail tariff reduction support programme for strategic sectors developed in collaboration with Department of Transport and Transnet	Rail tariff reduction support programme for strategic sectors finalised and approved by the Accounting Officer
Percentage increased in manufacturing of the EV batteries	Approve the EV batteries manufacturing policy	Stakeholder engagement towards the development of the EV batteries policies	Research towards the development of the EV batteries policies	Draft EV battery policy developed	Policy for the local production of EV batteries approved by the accounting officer
Percentage Increased on renewable energy components	10% increase in the manufacturing of the of renewable energy components	Tracker reports on the manufacturing of renewable energy components of electricity supply and battery storage	Tracker reports on the manufacturing of renewable energy components of electricity supply and battery storage	Tracker reports on the manufacturing of renewable energy components of electricity supply and battery storage	Tracker reports on the manufacturing of renewable energy components of electricity supply and battery storage
Implementation of decarbonisation Strategy to inform Industrial Policy, Trade policy and Policy position on Carbon Tax	Implementation of approved Decarbonisation Strategy through the EIP	Progress report on monitoring the implementation of dtic's Decarbonisation Strategy	Progress report on monitoring the implementation of dtic's Decarbonisation Strategy	Progress report on monitoring the implementation of dtic's Decarbonisation Strategy	Progress report on monitoring the implementation of dtic's Decarbonisation Strategy

Explanation of planned performance over the medium-term period

The Programme will implement seven Master Plans, implement measures to support various manufacturing sectors not covered by Master Plans and provide support for selected Masterplans for which other government departments are responsible for. Performance and economic impact will be achieved predominantly through:

- Negotiation of private sector commitments to investment and procurement and ongoing facilitation
- Public procurement measures
- Selected trade measures
- Standards based measures
- Regulatory unblocking

Programme work to advance new green economy manufacturing includes:

- Finalising the New Energy Vehicle Roadmap
- Localisation measures linked to utility scale and small-scale renewable projects
- Green Hydrogen
- Energy efficiency.

The Programme will coordinate localisation initiatives through:

- Actions to support legislative reforms to Public Procurement in line with industrial policy objectives
- Engaging with Organs of State on an aligned Preferential Procurement Policy
- Contribute to monitoring and evaluating the localisation impact of **the dtic** initiatives
- Coordinate with other dtic programmes to assure an integrated approach to localisation.

The Programme will drive greater alignment of its Technical Infrastructure with Masterplans and sector interventions including:

- Forging closer alignment between the standards work and that of the Masterplan and other sector work
- Enhancing the role of standards work with respect to green industries and energy efficiency.
- Technical Infrastructure tools will be incorporated into the draft Industrial Policy Framework.
- The Technical Infrastructure entities will support SMME's through relevant interventions including; training on SMME measurement toolkit, SMME support on standardisation and conformity assessments.
- Improve turnaround times through reducing the average number of working days to issue certificates and scopes of accreditation, number of days to develop standards, review business processes.
- Collaboration with the Border Management Authority and SARS to reduce prevalence of non-compliant goods entering South Africa through effective regulation at ports of entry
- Reviewing technical regulations and compulsory specifications and ensure South African regulations are aligned to make it easier for South African companies to export
- Supporting public procurement measures through Local Content Verification

- Coordinate with other **dtic** programmes to ensure an integrated approach to addressing issues related to technical barriers to trade issues
- Participate in continental technical infrastructure forums in order to ensure harmonisation and equivalence of measures employed by trading partners

Industrial Competitiveness sub- Programme

Industrial Competitiveness is vital to improving expansion of the productive sectors of the economy and fostering economic growth and job creation. The means to do so include support for firm-level for competitiveness-enhancing measures; sector-level partnerships through compacts in the form of master plans and similar measures and the use of state-instruments such as procurement of locally made products.

In order to support this work, R2.217 billion will be transferred to technical institutions to support sectorial work on masterplans, industrialisation as well as competitiveness improvement projects. In addition, a further R 490 million will be utilised over the medium term to promote localisation, support skill improvement intervention through non-profit organisations.

Customised Sector Programme

Customised Sector Programmes Develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets as set out in the National Industrial Policy. Over the Medium term, R1.7billion will be transferred to the IDC to support the textile sector. To date, jobs have been saved through this support and new jobs are being created.

Programme Resource Considerations

Budget Table 5: Sectors expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Industrial Competitiveness	949.0	932.2	864.3	921.9	-1.0%	58.5%	934.1	967.8	1 011.4	3.1%	58.2%
Customised Sector Programmes	689.0	798.3	709.8	407.1	-16.1%	41.5%	740.0	787.5	824.8	26.5%	41.8%
Total	**1 638.1**	**1 730.5**	**1 574.2**	**1 329.0**	**-6.7%**	**100.0%**	**1 674.1**	**1 755.3**	**1 836.2**	**11.4%**	**100.0%**
Change to 2024 Budget estimate				–			0.2	(4.7)	(3.4)		
Economic classification											
Current payments	**110.5**	**114.9**	**114.4**	**130.7**	**5.7%**	**7.5%**	**141.9**	**145.1**	**153.1**	**5.4%**	**8.7%**
Compensation of employees	107.4	104.0	100.4	120.6	3.9%	6.9%	130.0	132.6	140.1	5.1%	7.9%
Goods and services	3.1	10.9	13.9	10.0	48.0%	0.6%	11.9	12.4	13.0	8.9%	0.7%
of which:						–					–
Administrative fees	*0.0*	*0.1*	*0.1*	*0.9*	*170.0%*	–	*1.0*	*1.1*	*1.1*	*5.4%*	*0.1%*
Communication	*0.9*	*0.9*	*1.0*	*0.8*	*-3.3%*	*0.1%*	*0.9*	*0.9*	*0.9*	*4.5%*	*0.1%*
Consultants: Business and advisory services	–	*2.0*	–	–	–	–	*0.5*	*0.5*	*0.5*	–	–
Consumables: Stationery, printing and office supplies	–	–	*0.0*	*0.3*	–	–	*0.3*	*0.4*	*0.4*	*4.6%*	–
Travel and subsistence	*1.1*	*4.6*	*2.8*	*6.4*	*82.5%*	*0.2%*	*6.9*	*7.2*	*7.5*	*5.6%*	*0.4%*
Operating payments	*0.8*	*0.0*	*0.4*	*0.8*	*3.2%*	–	*1.5*	*1.6*	*1.6*	*25.4%*	*0.1%*
Transfers and subsidies	**1 527.5**	**1 615.7**	**1 459.6**	**1 198.3**	**-7.8%**	**92.5%**	**1 531.0**	**1 609.0**	**1 681.7**	**12.0%**	**91.3%**
Departmental agencies and accounts	438.8	377.1	322.1	354.1	-6.9%	23.8%	344.2	355.9	372.0	1.7%	21.6%
Foreign governments and international organisations	7.2	7.1	8.6	11.2	15.7%	0.5%	11.7	12.2	12.7	4.5%	0.7%
Public corporations and private enterprises	928.4	1 072.9	984.6	676.4	-10.0%	58.4%	1 006.1	1 065.9	1 114.7	18.1%	58.6%
Non-profit institutions	151.7	158.1	144.3	156.7	1.1%	9.7%	169.0	174.9	182.3	5.2%	10.4%
Households	1.5	0.4	0.1	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	**–**	**–**	**–**	**–**	**–**	**–**	**1.2**	**1.3**	**1.3**	**–**	**0.1%**
Machinery and equipment	–	–	–	–	–	–	1.2	1.3	1.3	–	0.1%
Payments for financial assets	**–**	**–**	**0.2**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**1 638.1**	**1 730.5**	**1 574.2**	**1 329.0**	**-6.7%**	**100.0%**	**1 674.1**	**1 755.3**	**1 836.2**	**11.4%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**14.4%**	**16.4%**	**15.1%**	**14.1%**	**–**	**–**	**15.1%**	**17.1%**	**17.2%**	**–**	**–**

5.5 Programme 5: Regulation

a) **Purpose:** Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

b) **Description of Sub-Programmes**

- **Enforcement and Compliance** conducts trends analysis and socioeconomic impact assessments for policies and legislation and market surveys, implements legislation on matters pertaining to liquor, monitors and evaluates the effectiveness of regulation, and oversees the performance of the department's regulatory entities (the Companies and Intellectual Property Commission, the Companies Tribunal, the National Consumer Commission, the National Consumer Tribunal, the National Credit Regulator, the National Gambling Board, and the National Lotteries Commission).
- **Policy and Legislative Development** develops policies, laws and regulatory frameworks; and drafts legislation.
- **Regulatory Services** oversees the development of policies, laws, regulatory frameworks and the implementation of the branch mandate, and provides strategic support to branch business units, respectively, in line with legislation and applicable governance systems.

c) **Strategic focus for 2025/26**

The Regulation Branch will be actively working with the regulatory entities to support SMME's, create jobs, increase investment and most importantly and directly reduce red tape. The entities will be encouraged to prioritise transformation and contributing to inclusive and growing economy. Entities will prioritise digitising or automating processes, reducing turnaround times, simplifying processes, reducing inefficiencies and creating an enabling environment for businesses.

The branch will be working on addressing challenges integration of issues in e-commerce in the Department including the development of an e-commerce strategy and the ease of doing business.

The Branch will be developing legislation, regulations and self-regulation measures, where necessary (codes, guidelines and practice notes) in the areas if liquor, national gambling, companies, national credit, lotteries, and consumer protection. The Companies Regulation and making the Companies Amendment Acts operational will be prioritised. The two Companies Amendment Acts were assented into law by the President. The Branch will also develop an Omnibuts Bill which will be presented to Cabinet for approval or introduced to Parliament in order to solve for de-industrialisation, unlocking bottlenecks, promote investment, stimulate inclusive growth and reduce red tape.

Programme contribution towards 4 Output Indicators

The following table sets out the ‘Outputs’ and the ‘Output Indicators’ as well as the target for the number of specific outputs to be produced.

Outcomes, Outputs, Performance Indicators and Target

Outcome	Indicator numbers	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation, Transformation & Capable State	**43**	Regulations amended to enable red tape reduction and create an enabling environment	Number of Regulations amended and reports submitted to Executive Authority	New Indicator	New Indicator	New Indicator	1	7	-	-
	44	Omnibus Bill developed for an enabling environment and red tape reduction	Number of Omnibus Bills amended and reports submitted to Executive Authority	New Indicator	New Indicator	New Indicator	New indicator	1 Omnibus Bill developed and submitted to EA	Omnibus Bill approved by Cabinet and - introduced to Parliament	-
	45	Red tape reduction interventions to streamline processes	Number of interventions to streamline processes to enable red tape reduction and report submitted to EA	New indicator	New Indicator	New Indicator	New indicator	2 interventions to streamline processes and report produced and submitted to EA	-	-
	46	Reduced turnaround times of **the dtic** entities by 30% on processes, applications and permits to reduce red tape and create and enabling environment	% of turnaround time reduced on processes, applications and permits in the dtic entities and report submitted to EA	New indicator	New Indicator	New Indicator	New indicator	Turnaround times reduced by 30% on processes, applications and permits in the dtic entities and report submitted to EA		

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Number of Regulations amended and reports submitted to Executive Authority	7	1	2	2	2
Number of Omnibus Bills amended and reports submitted to Executive Authority	1	0	0	0	1
Number of interventions to streamline processes to enable red tape reduction and report submitted to EA	2 interventions to streamline processes and report produced and submitted to EA		0	2 interventions to streamline processes and report produced and submitted to EA	
% of turnaround time reduced on processes, applications and permits in the dtic entities and report submitted to EA	Turnaround times reduced by 30% on processes, applications and permits in **the dtic** entities and report submitted to EA	0	0	Turnaround times reduced by 30% on processes, applications and permits in **the dtic** entities and report submitted to EA	0

Explanation of planned performance over the medium-term period

The Programme will contribute to the investment facilitation, localisation, transformation and supporting industrialisation through its initiatives thereby contributing to the Medium-Term Strategic Framework and National Development Plan. To achieve the aforementioned, the Programme has various planned outputs in line with the programme mandate, directly contributing to the Departmental outcomes.

The Branch will undertake the following additional activities as per its mandate in the 2025/26 financial year:

- Regulatory oversight of the NGB, NLC, CT, CIPC, NCC, NCT NCR and the Takeover Regulations Panel as well the NLA. The work includes administration of parliamentary questions, transfers to entities, reporting and planning of entities and attending Parliamentary meetings as well as support to the entities.
- Administration of the Specialist Committee on Company Law and the Financial Reporting Standards Council by providing secretarial and policy support.
- Intellectual property applications in terms of the Merchandise Marks Act of 1941 for the use of marks and emblems, the national flag and the protection of major events.
- Providing input to on-going litigation matters emanating from the various pieces of legislation.
- The National Gambling Amendment Bill is in Parliament and in the Mediation process. It is pending the Parliamentary mediation process.
- Consumer protection mandate and addressing of consumer complaints on an on-going basis.
- Development of regulations to respond to on-going regulatory issues that emerge.
- Engagement with liquor, gambling and lotteries on investment, localisation and job creation. The Branch will be obtaining commitments from industry.
- Addressing enquiries and submissions on issues emanating from the public, parliament, provinces and industry related to the legislation administered by the Branch. These form part of cases from the public.

Presentations to parliament on the implementation of the various laws administered by the programme

Programme Resource Considerations

Budget Table 6: Regulation expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
Policy and Legislative Development	19.5	18.7	21.8	19.5	0.1%	5.9%	25.4	26.5	28.1	12.8%	6.7%
Enforcement and Compliance	36.3	33.1	35.1	36.9	0.6%	10.5%	38.2	40.5	42.3	4.6%	10.6%
Regulatory Services	267.6	279.7	289.3	289.8	2.7%	83.6%	299.7	311.2	325.6	4.0%	82.7%
Total	**323.4**	**331.5**	**346.2**	**346.2**	**2.3%**	**100.0%**	**363.3**	**378.2**	**395.9**	**4.6%**	**100.0%**
Change to 2024 Budget estimate				–			5.8	6.3	7.1		
Economic classification											
Current payments	**66.7**	**63.1**	**68.5**	**71.4**	**2.3%**	**20.0%**	**78.8**	**83.3**	**87.7**	**7.1%**	**21.7%**
Compensation of employees	58.2	56.4	61.0	58.9	0.4%	17.4%	65.6	69.5	73.2	7.6%	18.0%
Goods and services	8.5	6.7	7.5	12.6	13.8%	2.6%	13.2	13.8	14.5	4.7%	3.6%
of which:						–					–
Advertising	*0.8*	–	–	*1.0*	*8.5%*	*0.1%*	*1.1*	*1.1*	*1.2*	*4.6%*	*0.3%*
Catering: Departmental activities	*0.0*	*0.2*	*0.1*	*0.4*	*476.4%*	*0.1%*	*1.4*	*1.4*	*1.5*	*57.1%*	*0.3%*
Consultants: Business and advisory services	*4.8*	*0.2*	*0.1*	*2.8*	*-16.5%*	*0.6%*	*2.1*	*2.2*	*2.3*	*-6.5%*	*0.6%*
Legal services	*2.0*	*2.5*	*1.5*	*1.9*	*-0.5%*	*0.6%*	*2.0*	*2.1*	*2.2*	*3.7%*	*0.5%*
Travel and subsistence	*0.6*	*3.2*	*3.3*	*5.2*	*111.2%*	*0.9%*	*4.0*	*4.2*	*4.3*	*-6.0%*	*1.2%*
Operating payments	–	*0.0*	–	*0.2*	–	–	*1.2*	*1.3*	*1.3*	*92.0%*	*0.3%*
Transfers and subsidies	**256.7**	**268.0**	**277.6**	**274.8**	**2.3%**	**79.9%**	**284.3**	**294.6**	**308.0**	**3.9%**	**78.3%**
Departmental agencies and accounts	250.9	258.4	270.1	264.3	1.8%	77.5%	274.4	284.3	297.1	4.0%	75.5%
Foreign governments and international organisations	5.7	9.2	7.5	10.4	22.4%	2.4%	9.9	10.4	10.9	1.5%	2.8%
Households	0.1	0.4	0.1	0.1	-1.4%	–	–	–	–	-100.0%	–
Payments for capital assets	**–**	**–**	**0.0**	**–**	**–**	**–**	**0.2**	**0.2**	**0.2**	**–**	**–**
Machinery and equipment	–	–	0.0	–	–	–	0.2	0.2	0.2	–	–
Payments for financial assets	**–**	**0.5**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**323.4**	**331.5**	**346.2**	**346.2**	**2.3%**	**100.0%**	**363.3**	**378.2**	**395.9**	**4.6%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**2.8%**	**3.1%**	**3.3%**	**3.7%**	**–**	**–**	**3.3%**	**3.7%**	**3.7%**	**–**	**–**

5.6 Programme 6: Incentives

a) **Purpose:** Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities.

b) **Description of Sub-Programmes**

(i) **Broadening Participation and Industrial Innovation Incentives** provides incentive programmes that promote broader participation in the mainstream economy by businesses owned by individuals from historically disadvantaged communities and marginalised regions.

(ii) **Manufacturing Incentives** provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the Manufacturing Competitiveness Enhancement Programmes, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme, and the section 12I tax incentive scheme.

(iii) **Services Investment Incentives** provides incentive programmes that promote increased investment and job creation in the services sector. Programmes include the global business process services programme, and the film and television Production Incentive Support Programme for South African and Foreign Productions.

(iv) **Infrastructure Investment Support** provides grants for two industrial infrastructure initiatives, SEZs and the Critical Infrastructure Programme (CIP), which are aimed at enhancing infrastructure and industrial development, increasing investment, and the export of value-added commodities.

(v) **Product and Systems Development** reviews, monitors and develops incentive programmes to support the industrial strategy, and develops sector strategies to address market failures.

(vi) **Strategic Partnership and Customer Care** facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

c) Strategic focus for 2025/26

To improve the industrial dynamism of a number of sectors and firms, **the dtic** and its entities provide a range of competitiveness-enhancing support programmes. These programmes seek to enable job creation and industrialisation, through improved industrial competitiveness that can support greater economic growth and transformation in the economy.

In the 2025/26 financial year, the programme and its industrial financing partners, the Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF) will provide industrial financing in the form of grants, loans and equity. The Programme will administer some of this, while others will be implemented by the IDC and NEF.

Disbursements, by Programme 6, to projects will focus on expanding the reach of industrial finance to SMMEs, women and youth-owned enterprises and to under-supported districts. This will include industrial financing through the Special Economic Zone and Industrial Park incentives to support projects outside of the 5 main metros that require Infrastructure development.

By incentivising manufacturers and global business services companies, Programme 6 aim to contribute towards the creation of new jobs including those in the digital economy.

Programme 6, the IDC and NEF, will collectively work on improving the Industrial Financing single access web portal in order to reduce the time of searching for industrial financing programmes offered by all three institutions as well as implement an online tracking solution that will provide site specific information that can be used to improve the functionality of the website and improve user experience.

Programme contribution towards 6 Output Indicators

The table that follows sets out more precisely the 'Outputs' and the 'Output Indicators' as well as the target for the number of specific outputs to be produced.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation, Transformation & Capable State	**47**	Investment through industrial financial support	Rand value of investment through industrial financial support	R23bn	R26,7bn	R34bn	R10bn	R10bn	R10bn	R10bn
	48	Export revenue of Global Business Services (GBS)	Rand value of export revenue of Global Business Services	New Indicator	New Indicator	R7,3bn	R5bn	R5bn	R5bn	R5bn
	49	Disbursed funding to projects/enterprises	Rand value disbursed to projects/ enterprises	New Indicator	R5bn	R5bn	R4bn	R5,02bn	R5,4bn	R5,6bn
	50	New jobs created	Number of new jobs created	New Indicator	New Indicator	17 000	10 000	6 000	6 000	6 000
	51	Impact measure to reduce red tape across **the dtic** financing group (incentives and loans)	Implementation of an integrated Industrial Financing single access	New Indicator	New Indicator	New Indicator	New Indicator	1 (Shared Access)	1 full Implementation of an integrated Industrial Financing single access	0
	52	Jobs created through the digital economy programme (GBS)	Number of jobs created through the digital economy programme (GBS)	New indicator	New indicator	52 000	50 000	50 000	50 000	50 000

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Rand value of investment through industrial financial support	R10bn	R2bn	R3bn	R3bn	R2bn
Rand value of export revenue of Global Business Services	R5bn	R1bn	R1bn	R1bn	R2bn
Rand value disbursed to projects/ enterprises	R5,02bn	0	0	0	R5,02bn
Number of new jobs created	6 000	0	3 000	0	3 000
Implementation of an integrated Industrial Financing single access	1 (Shared Access)	0	0	0	1
Number of jobs created through the digital economy programme (GBS)	50 000	0	0	0	50 000

Explanation of planned performance over the medium-term period

A constrained fiscus limits industrial financing to business. In order to reduce the dependency on the fiscus, Programme 6 in collaboration with three of the department's entities, the Industrial Development Corporation (IDC), National Empowerment Fund (NEF) and the Export Credit Insurance Corporation (ECIC) will strive to unlock funding over the medium-term period. This will be through exploring balance sheet capilisation options and a tax exempt status for these entities in order to empower them to expand industrial financing beyond the traditional industries and into emerging industries, to reach a greater quantum of businesses operating in townships and rural areas as well as to provide export finance to a wider range of exporting industries.

In addition to the above and to enable sustainable industrial financing, Programme 6, the IDC and NEF will expand its blended financing model over the 5 year period and aims to secure private sector funding to increase investment in the country that will contribute to the creation of new jobs including those in emerging industries such as the green and digital areas of the economy,

To increase the economic resilience of the country, Programme 6 funds business that will increase local production in the country. Amongst the current range of incentives that aims to achieve this, Programme 6 in conjunction with Programme 4 will be exploring a tax incentive that will be utilised to drive large-scale industrialisation and ensure a sustainable, low-carbon industrial economy.

In addition to financing manufacturers, Programme 6 will continue its funding to business operating in the global business services industry with the aim of business becoming more competitive with the grant funding and attracting more international contracts, thus contributing to increasing exports of services and the creation of new digital jobs.

To ensure that industrial financing is delivering against key objectives of attracting investment, increasing local production, contributing towards the creation of new jobs and transformation, an annual Industrial Financing Report will be published showing the performance against these objectives. In addition to this, the recommendations from the 2018 study on the impact evaluation of government business incentives will be reviewed and where applicable will be fully implemented.

Programme Resource Considerations

Budget Table 7: Incentives expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Broadening Participation and Industrial Incentives	22.1	29.7	19.9	42.3	24.1%	0.5%	48.1	47.0	49.2	5.2%	0.9%
Manufacturing Incentives	3 662.0	3 678.4	3 195.0	2 463.2	-12.4%	60.6%	2 951.5	3 122.5	3 262.8	9.8%	57.4%
Services Investment Incentives	871.2	997.2	1 150.2	1 115.7	8.6%	19.3%	1 025.1	1 063.1	1 111.4	-0.1%	21.0%
Infrastructure Investment Support	1 884.2	630.9	1 037.1	542.7	-34.0%	19.1%	1 144.9	1 184.8	1 238.8	31.7%	20.0%
Product and Systems Development	11.8	11.5	13.1	17.4	14.1%	0.3%	15.2	16.1	17.5	0.2%	0.3%
Strategic Partnership and Customer Care	14.7	15.3	15.9	19.5	9.8%	0.3%	20.4	21.3	22.3	4.5%	0.4%
Total	**6 465.9**	**5 363.1**	**5 431.1**	**4 200.7**	**-13.4%**	**100.0%**	**5 205.2**	**5 454.9**	**5 701.9**	**10.7%**	**100.0%**
Change to 2024 Budget estimate				–			5.4	7.9	8.6		
Economic classification											
Current payments	**150.4**	**161.5**	**161.3**	**161.4**	**2.4%**	**3.0%**	**183.3**	**192.0**	**201.1**	**7.6%**	**3.6%**
Compensation of employees	139.3	142.0	141.7	140.0	0.2%	2.6%	152.4	159.8	167.4	6.1%	3.0%
Goods and services	11.1	19.5	19.6	21.4	24.5%	0.3%	30.9	32.3	33.7	16.4%	0.6%
of which:						–					–
Communication	*0.7*	*1.0*	*1.0*	*0.8*	*3.1%*	–	*0.8*	*0.9*	*0.9*	*5.9%*	–
Consultants: Business and advisory services	*4.7*	*7.3*	*8.9*	*5.6*	*6.1%*	*0.1%*	*10.5*	*10.8*	*11.3*	*26.8%*	*0.2%*
Legal services	*2.7*	*5.8*	*3.2*	*3.6*	*9.8%*	*0.1%*	*5.1*	*5.3*	*5.5*	*15.6%*	*0.1%*
Operating leases	*0.0*	–	–	*0.0*	–	–	*0.9*	*1.0*	*1.0*	*909.2%*	–
Travel and subsistence	*2.5*	*5.2*	*6.2*	*10.6*	*62.7%*	*0.1%*	*11.3*	*11.9*	*12.4*	*5.3%*	*0.2%*
Operating payments	*0.0*	*0.0*	*0.0*	*0.2*	*128.0%*	–	*0.7*	*0.7*	*0.8*	*48.9%*	–
Interest and rent on land	–	–	–	0.0	–	–	–	–	–	-100.0%	–
Transfers and subsidies	**6 315.6**	**5 201.6**	**5 269.8**	**4 039.3**	**-13.8%**	**97.0%**	**5 021.9**	**5 262.8**	**5 500.8**	**10.8%**	**96.4%**
Public corporations and private enterprises	6 314.2	5 201.1	5 269.4	4 038.3	-13.8%	97.0%	5 020.8	5 261.7	5 499.6	10.8%	96.4%
Households	1.3	0.5	0.4	1.1	-7.5%	–	1.1	1.1	1.2	4.5%	–
Total	**6 465.9**	**5 363.1**	**5 431.1**	**4 200.7**	**-13.4%**	**100.0%**	**5 205.2**	**5 454.9**	**5 701.9**	**10.7%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**56.9%**	**50.9%**	**52.0%**	**44.7%**	**–**	**–**	**47.0%**	**53.3%**	**53.3%**	**–**	**–**

5.7 Programme 7: Exports

a) **Purpose:** To engender export-led growth of the South African economy. This is achieved through the increase of the volume of goods and services exports to the world and through increasing the proportion of companies that currently export from South Africa**.**

b) **Description of Sub-Programmes**

(i) **Export Promotion and Marketing** promotes exports of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.

(ii) **Trade and Investment Foreign Services Management Unit** promotes trade and investment and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.

(iii) **Export Development and Support** manages the National Exporter Development Programme, designed to contribute to positioning South Africa as a reliable trade partner, improve, and expand the country's exporter base.

c) **Strategic focus for 2025/26**

The Exports Branch will be contributing to the Medium-Term Development Plan (MTDP) priority: Drive Inclusive Growth and Job Creation with a focus on the outcome of Increased Investment, Trade and Tourism. More specifically, the branch will implement a work programme which speaks to the following objectives:

- Prioritising the implementation of the African Continental Free Trade Area to increase total South African exports to the rest of the continent, including the export of services.
- Strengthening economic diplomacy with our largest trading partners and potential trading partners.

In support of reducing dependence on a small domestic market and the South African economy transitioning to an export-oriented economy, and to contribute to the department's priorities of **industrialization, job creation, transformation and building a capable state,** the branch will expand and improve the effectiveness of current export measures, as well as implement new export initiatives. The branch work will be responding to the following departmental strategic plan areas:

- Increase South African total exports to the world from R2 trillion to R3 trillion.
- Increase the utilisation of existing preferential trade agreements - Increase the utilisation from 85% to 90%.
- Continuous improvement of business processes to increase productivity and reduce inefficiencies across operations.
- Reduced market concentration by ensuring that economic opportunities are accessible to a broader range of businesses, particularly focusing on the empowerment of historically disadvantaged groups.

- Increasing Skills and Work Experience for the Economy.

In terms of markets, the department will adopt a **"butterfly approach"** which prioritises the implementation of the AfCFTA and unlocking opportunities in the rest of Africa as the foundation of our global engagements, with the 'wings' representing additional export initiatives in the rest of the world focusing on leading and established markets as well as new and emerging market opportunities. Export initiatives will primarily focus on 22 priority markets, while opportunities that arise in key additional markets will also be advanced.

In order to leverage various trade agreements that offer preferential access to key markets the branch will target the marketing of agreement-specific products that have reduced tariffs or have duty-free market access and/or no quota restrictions in order to advance exports into that market. The branch will also leverage development assistance that is offered by trade partners to increase exports.

As part of implementation, the work of the branch will also be sensitive to geo-political dynamics with significant impacts on market access, with required market diversification responses developed and implemented.

The export activities of the branch will prioritise sectors and products in the revised Industrial Policy including but not limited to:

- **Decarbonisation**
  - Battery Value Chains and Beneficiation of Critical Minerals
  - Green Economy

- **Diversification**
  - Cannabis and Hemp
  - Clothing, Textile, Footwear and Leather (CTFL)
  - Agro-processing
  - Steel, Metal Fabrication and Aluminium sector
  - The Global Business Services (GBS) sector
  - Automotives industry
  - Chemicals
  - Plastics sector
  - Cosmetics sector
  - Oceans Economy

- **Digitalisation**
  - Pharmaceuticals, Vaccines and Medical Technologies

- Electro-Technical industries and White Goods
- Aerospace and Defence
- Digital Economy

The department will work with **dtic** entities and the broader export community on implementing the export agenda, with a particular focus on coordination with **export champions** such as export councils, including but not limited to:

- SA Boatbuilders' Export Council
- SA Capital Equipment Export Council
- SA Electrotechnical Export Council
- SA International Steel Fabricators
- Steel Tube Export Association
- SA Wire Business Association
- African Rail Industry Association
- South African Abalone Export Council
- SA Ostrich Business Chamber
- Fresh Produce Exporters' Forum/ Fruit South Africa
- SA Fruit & Vegetable Canners' Export Council
- SA Footwear & Leather Export Council
- Wines of South Africa
- Cosmetics Export Council of SA
- SA Aerospace Maritime & Defence Export Council

Programme contribution towards 6 Outputs Indicators

The following table sets out the 'Outputs' and the 'Output Indicators' as well as the targets for the number of specific outputs to be produced.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation, Transformation & Capable State	**53**	Increase South African total exports to the world from R2 trillion to R3 trillion	Rand value of South African exports to the rest of the world in key industrial policy sectors, including services	New Indicator	New Indicator	New Indicator	New Indicator	R120bn	R123bn	R126bn
	54		Rand value of South African exports to the Rest of Africa in key industrial policy sectors, including services	New Indicator	New Indicator	New Indicator	New Indicator	R132bn	R138bn	R142bn
	55	Continuous improvement of business processes to increase productivity and reduce inefficiencies across operations	Number of days reduction in the Export Marketing and Investment Assistance (EMIA) group scheme programme application processes	New Indicator	New Indicator	New Indicator	New Indicator	15 Days	10 days	5 days
	56	Reduced market concentration by ensuring that economic opportunities are accessible to a broader range of businesses, particularly focusing on the empowerment of historically disadvantaged groups	Rand value of South African exports to the rest of the world by SMMEs funded by EMIA	New Indicator	New Indicator	New Indicator	New Indicator	R20m	R25m	R30m
	57		Rand value of South African exports to the rest of the world by Black owned entities funded by EMIA	New Indicator	New Indicator	New Indicator	New Indicator	R15m	R20m	R25m
	58	Increasing Skills and Work Experience for the Economy	Number of entities capacitated on exporting skills	New Indicator	New Indicator	New Indicator	New Indicator	300	300	300

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Rand value of South African exports to the rest of the world in key industrial policy sectors, including services	R120bn	0	0	0	R120bn
Rand value of South African exports to the Rest of Africa in key industrial policy sectors, including services	R132bn	0	0	0	R132bn
Number of days reduction in the Export Marketing and Investment Assistance (EMIA) group scheme programme application processes	15 days	0	0	0	15 days
Rand value of South African exports to the rest of the world by SMMEs funded by EMIA	R20m	0	0	0	R20m
Rand value of South African exports to the rest of the world by SMMEs funded by EMIA	R15m	0	0	0	R15m
Number of entities capacitated on exporting skills	300	0	0	0	300

Explanation of planned performance over the medium-term period

The Exports Branch will pursue the following two strategic outcomes in support of the growth target being set by the economic cluster:

- Increase South African total exports to the world from R2 trillion to R3 trillion.
- Increase the utilisation of existing preferential trade agreements - Increase the utilisation from 85% to 90%.

Pursuing the above two objectives above will align the actions of government to the real situation faced by businesses today and ensure that policy measures are designed to make it easier for exporters for maximum growth impact. The coordination of national, provincial and local government as a whole in increasing the proportion of businesses that export in South Africa will increase government focus on local development across the country and broaden the scope for future economic growth. With the appropriate contributions by Provinces and Municipalities, these two targets are sufficient to form a judgement on the success of government policies in a manner that is responsive to the real-life and real-time experience of businesses today.

The export initiatives will align with the department's priorities of reindustrialisation, job creation, transformation, and building a capable state, and will include:

- Increasing capacity of South Africa’s enterprises to export, including skills for exporting;
- Penetrating African export markets beyond SADC, also focussing on advancing services exports, including using the benefits of the AfCFTA.
- Increasing the value of South Africa’s investments in the rest of Africa;
- Promotion and marketing of South African goods and services exports globally;
- Economic diplomacy and the professionalization of the foreign service;
- Resolving trade barriers faced by South African businesses; and
- Improved trade finance instruments.

Programme Resource Considerations

Budget Table 8: Export expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
African Bilateral Economic Relations	19.1	19.3	24.3	22.6	5.7%	5.4%	24.9	26.0	27.2	6.4%	6.3%
Export Promotion and Marketing	40.1	43.9	40.2	41.9	1.4%	10.6%	49.9	51.1	53.2	8.3%	12.3%
Trade and Investment Foreign Services Management Unit	327.6	322.6	340.7	282.2	-4.9%	81.0%	300.6	317.7	336.7	6.1%	77.8%
Export Development and Support	12.2	12.1	11.5	11.8	-1.1%	3.0%	14.9	16.4	13.4	4.4%	3.5%
Total	**399.0**	**397.8**	**416.7**	**358.4**	**-3.5%**	**100.0%**	**390.3**	**411.2**	**430.5**	**6.3%**	**100.0%**
Change to 2024 Budget estimate				–			(17.6)	(15.6)	(15.6)		
Economic classification											
Current payments	**190.2**	**242.3**	**258.9**	**194.2**	**0.7%**	**56.3%**	**220.9**	**236.1**	**247.5**	**8.4%**	**56.5%**
Compensation of employees	152.3	185.6	191.7	146.6	-1.3%	43.0%	169.3	181.7	190.6	9.1%	43.3%
Goods and services	38.0	56.7	67.2	47.6	7.9%	13.3%	51.6	54.4	56.9	6.1%	13.2%
of which:						–					–
Computer services	*1.0*	*1.0*	*1.3*	*3.4*	*51.7%*	*0.4%*	*1.4*	*3.4*	*0.8*	*-38.5%*	*0.6%*
Consultants: Business and advisory services	*1.0*	*0.1*	*1.2*	*3.8*	*56.5%*	*0.4%*	*3.7*	*1.7*	*1.8*	*-22.2%*	*0.7%*
Operating leases	*15.9*	*24.8*	*24.7*	*10.8*	*-12.0%*	*4.8%*	*15.4*	*16.0*	*17.8*	*18.1%*	*3.8%*
Travel and subsistence	*4.3*	*8.1*	*10.1*	*8.7*	*26.6%*	*2.0%*	*10.7*	*11.4*	*11.4*	*9.5%*	*2.6%*
Operating payments	*11.0*	*12.7*	*11.9*	*10.7*	*-0.8%*	*2.9%*	*10.8*	*11.0*	*14.9*	*11.5%*	*3.0%*
Venues and facilities	*0.2*	*1.3*	*2.9*	*1.7*	*95.0%*	*0.4%*	*4.0*	*5.2*	*4.3*	*36.6%*	*1.0%*
Transfers and subsidies	**208.7**	**154.3**	**157.1**	**162.7**	**-8.0%**	**43.4%**	**167.9**	**173.6**	**181.5**	**3.7%**	**43.1%**
Public corporations and private enterprises	208.1	150.0	155.5	162.5	-7.9%	43.0%	167.9	173.6	181.5	3.7%	43.1%
Households	0.6	4.3	1.6	0.2	-29.6%	0.4%	–	–	–	-100.0%	–
Payments for capital assets	**0.1**	**1.2**	**0.6**	**1.4**	**125.0%**	**0.2%**	**1.5**	**1.6**	**1.6**	**4.6%**	**0.4%**
Machinery and equipment	0.1	1.2	0.6	1.4	125.0%	0.2%	1.5	1.6	1.6	4.6%	0.4%
Payments for financial assets	**0.0**	**0.0**	**0.0**	**–**	**-100.0%**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**399.0**	**397.8**	**416.7**	**358.4**	**-3.5%**	**100.0%**	**390.3**	**411.2**	**430.5**	**6.3%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**3.5%**	**3.8%**	**4.0%**	**3.8%**	**–**	**–**	**3.5%**	**4.0%**	**4.0%**	**–**	**–**

5.8 Programme 8: Transformation and Competition

a) **Purpose**: Develop and roll out policy interventions that promote transformation and competition issues through effective economic planning, aligned investment and development policy tools.

b) **Description of Sub-Programmes**

(i) **Economic Planning and Advisory:** Promotes integrated economic planning analysis of economic plans and advancement of competition priorities.

(ii) **Implementation Coordination and Competition Oversight** promotes the implementation economic development plans that are aligned with competition decisions, orders, and recommendations and to provide support to the minister to carry out responsibilities as required in terms of competition legislation.

(iii) **Investment and Development**: Promotes public and private investment for development.

(iv) **Equity and Empowerment** promotes broad-based black economic empowerment (B-BBEE) and the growth of the industrial base through the black industrialist programme.

(v) and the growth of the industrial base through the black industrialist programme.

c) Strategic focus for 2025/26

Competition policy is an important means to build both a more dynamic and a transformed economy. Concentrated markets – namely product sectors where a small number of firms controls the bulk of output and market share – together with exclusionary behaviour by dominant firms limit the ability of new entrants, particularly SMMEs and start-up firms by black South Africans. Policy can assist in a number of ways: by market inquiries conducted by the competition authorities in concentrated sectors; through public interest measures that mitigate higher levels of economic concentration; and through competition law enforcement. Through the Public Transport Market Inquiry we would monitor and evaluate the work of the Competition Commission in enhancing competitive pricing in rail transport. Similarly the Department will also be monitoring and evaluating the work of the B-BBEE Commission to ensure there is an increase in the number of black suppliers in the rail sector procurement activities.

The Programme aims to improve the developmental impact of Competition policy, by ensuring mergers and acquisitions are accompanied by appropriate commitments on those public interest matters set out in the legislation; by working with Competition authorities to address heavily concentrated sectors and by supporting the development of the Social and Solidarity Economy. Indicators for the programme reflect the centrality of development considerations in **the dtic**'s approach to Competition issues, and efforts to respond to persistently high levels economic concentration. In order to address red tape reduction, the Department will monitor compliance by the Competition Authorities on turn-around times on merger filings.

Economic transformation will be promoted and implemented through empowerment instruments such as B-BBEE legislation, generic codes and customised sector measures such as Sector Codes. Since 2003 when the B-BBEE legislation was promulgated, there has been substantive progress in B-BBEE implementation, whilst more should be done to create economic opportunities for all South Africans. Work on B-BBEE has placed increased focus on promoting and increasing black ownership across key sectors of the economy, including creating opportunities for black entrepreneurs, designated groups, Employee Share Ownership Programmes (ESOPs) and Broad-Based Ownership Schemes (BBOS).

Lastly, compliance to B-BBEE policywill be closely monitored, as well as strengthening regulations on compliance to expand the base of black entrepreneurs and industrialists in the economy, capacity and skills development of youth to enable them to effectively participate in the economy. Merger control will be used to support procurement by SMMEs and promoting localisation, while block exemptions will be used as a tool to enhance the competitiveness of SMMEs. Through Black Industrialist and B-BBEE Policies, partnerships with the private sector will be pursued to increase access to markets and procurement opportunities for SMMEs and black entrepreneurs and industrialists.

The Transformation Fund aims to support majority black-owned businesses, black industrialists and SMMEs, in terms of financial and non-financial support:

- Focus on Townships and Rural Areas as well as productive sectors with high impact on job creation: The Funds will be applied to productive sectors of economy and priority sectors which, amongst others include township business support, supporting businesses in rural areas, agriculture, manufacturing and sectors that are a priority as identified in the industrial policies.
- Technical Support and Access to Markets: Access to markets and technical support will be prioritized and adequately funded above all pillars of the Fund. This is to ensure that there is sustainability through an all-round intervention.
- Avail products and services covering (Equity, Working Capital, Asset Finance, Venture Capital, grants (include research and development) and the whole spectrum of financial products and services in between, that address the specific barriers Black entrepreneurs face when seeking different types of financing.

Programme contribution towards 7 Output Indicators

The table that follows sets out more precisely the ‘Outputs’ and the ‘Output Indicators’ as well as the target for the number of specific outputs to be produced.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Indicator numbers	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation, Transformation & Capable State	**59**	R8 Billion in investment pledges leveraged from competition and transformation interventions	Rand Value of investments leveraged from competition and transformation interventions	New Indicator	New Indicator	R18bn	R15bn	R8bn	R8bn	R8bn
	60	Implementation of the R100bn Transformation Fund by 2029 to support majority-black owned enterprises and SMMEs in productive sectors	Rand value of Transformation Fund aggregated and disbursed	New Indicator	New Indicator	New Indicator	Concept document developed and published for public comments	R20bn of Transformation Fund aggregated and disbursed	R20bn of Transformation Fund aggregated and disbursed	R20bn of Transformation Fund aggregated and disbursed
	61	Implementation of B-BBEE to achieve 40% black ownership in critical sectors by 2029	% Implementation of B-BBEE of black ownership in critical sectors	New Indicator	New Indicator	New Indicator	30% black ownership achieved in critical sectors	30% black ownership achieved in critical sectors	30-35% black ownership achieved in critical sector	35-40% black ownership achieved in critical sector
	62	50 000 Social Employment Fund (SEF part-time or temporary job opportunities) jobs created	Number of SEF job opportunities created	New Indicator	New Indicator	50 000 SEF job opportunities created	50 000 SEF job opportunities created	50 000 SEF job opportunities created	_	_
	63	**10 000** additional workers with shares in their companies	Number of additional workers with shares in their companies including but not limited to competition initiatives	New Indicator	New Indicator	20 000 workers	10 000 workers	10 000 workers	10 000 workers	10 000 workers

Outcome	Indicator numbers	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	62	Reduce market concentration in highly concentrated markets through the implementation of concluded Market Inquiries	Number of Market Inquiries completed	New Indicator	New Indicator	New Indicator	New Indicator	1	1	1
	63	200 000 Unemployed youth trained under the Youth Employment Service (YES) by 2029	Number of unemployed youth trained under the Youth Employment Service (YES) by 2029	New Indicator	New Indicator	New Indicator	New Indicator	40 000	40 000	40 000

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Rand value of investments leveraged from competition and transformation interventions	R8bn	R2bn	R2bn	R2bn	R2bn
Rand value of Transformation Fund aggregated and disbursed	R20bn of Transformation Fund raised	R3bn	R5bn	R10bn	R2bn
% Implementation of B-BBEE of black ownership in critical sectors	30% black ownership achieved in critical sectors	0	0	0	30%
Number of SEF job opportunities created	50 000	0	25 000	0	25 000
Number of additional workers with shares in their companies including but not limited to competition initiative	10 000 workers	2 500	2 500	2 500	2 500
Number of Market Inquiries completed	1	0	0	0	1
Number of unemployed youth trained under the Youth Employment Service (YES) by 2029	40 000	20 000	0	0	20 000

Explanation of planned performance over the medium-term period

The Transformation and Competition branch will evaluate merger applications and engage firms to secure social compacts that support public interest considerations, including on:

- Employment
- Spatial impact on regions
- Industrial impact on industries and regions
- Exports
- Transformation

Monitor and support the implementation of previous merger agreements that have public interest commitments, including on

- Employment
- Spatial impact on regions
- Industrial impact on industries and regions
- Exports
- Transformation

Coordinate initiatives to address market concentration, through:

- Following-up on the recommendations and findings of past market inquiries
- Following-up on the recommendations and findings of the Economic Concentration Report

Exercise oversight over the Competition Authorities by reviewing all regulatory and legislative required documents. Actively assist the Competition Commission, Tribunal, and B-BBEE to reduce red tape by promoting reduction of timeframes and revision of forms and notices.

Implementation of the Social and Solidarity Economy (SSE) policy framework

The Social Employment Fund (SEF) continues making great strides in the social economy space. The programme is one of the best performing programmes within the President Employment Stimulus and was mentioned by the President in his recent State of the Nation speech. The most recent data available notes that the SEF created 84 000 part time work opportunities for the period 1 April 2024 to end of January 2025.

The SEF received an allocation of R1.292bn for the 2025/26 financial year. The fund will be still be administered by the IDC as the fund manager, with **the dtic** providing oversight and chairing the Project Steering Committee, and the Presidency also forming part of the Steering Committee

The SEF will continue maintaining the target of 50 000 part-time or temporary jobs for the new financial year. The Project Steering Committee met and agreed on the Terms of Reference that will be relevant to the fourth round of funding.

The PSC discussed the possibility of future rounds of the SEF to ultimately be able to scale to create between 75 000 – 100 000 temporary work opportunities per annum. This is however dependent on whether the SEF will receive further and increased funding from the Fiscus.

Black Industrialist Programme

The Black Industrialists Policy is a key part of government's broad industrialisation initiatives to expand the industrial base and inject new entrepreneurial dynamism in the economy as highlighted in Industrial Policy. The Black Industrialist policy complements the B-BBEE by focusing support directly at black manufacturers. It has been eight (8) years since the approval of the Black Industrialist Policy by cabinet, in 2015. In these eight years, effort has been made to position transformation of the manufacturing sectors / industrialising of the economy as a key and strategic element for economic growth.

The South African Government has prioritized efforts to reconstruct the society through the socio-economic promotion of historically marginalized sections of the population, through ensuring transformation of the patterns of asset ownership in a manner that reinforces the national objective of building an inclusive economy.

To this end, Government has embarked on a focused programme on industrialization initiatives to expand the industrial base and participation of Black Industrialists in the manufacturing activities of the economy. Thus, Black Industrialist demonstrated the successes of black South Africans in producing various products including agriculture, components, furniture, clothing and textile products, steel, chemicals and mining products. These interventions in manufacturing sectors will definitely lead to address triple challenges of poverty, inequality and poverty in our economy.

B-BBEE Policy Implementation

Implementation of the B-BBEE policy and transformation activities by the Transformation and Competition branch will focus on B-BBEE Advocacy and stakeholder engagement; strengthening implementation gaps, promoting the alignment of other pieces of Legislation to B-BBEE, promote and facilitate Sectoral Transformation management of Equity Equivalent Investment Programmes and B-BBEE Facilitators in order to promote meaningful participation of Black people in the mainstream economy through:

- Employment;
- Ownership;
- Spatial impact on regions;
- Industrial impact on industries and regions
- Income redistribution; and
- Exports.

To monitor implementation of existing EEIPs, Sector Codes, B-BBEE Facilitator Statuses, YES initiative, as well as B-BBEE Deviations and Exemptions granted by the Minister in terms of the B-BBEE Act.

- Employment;
- Ownership;
- Spatial impact on regions;
- Industrial impact on industries and regions
- Income redistribution; and
- Exports.

Coordinate activities to address Women and Designated Groups Empowerment by the department, through:

- Implementation of the Women Empowerment Strategy of the Department;
- Ensure alignment by the Department and Agencies with the objectives and activities of Department of Women, Youth and Persons with Disabilities.

Exercise oversight over and assist the B-BBEE Commission in executing its mandate.
Assist and work with SANAS to ensure that there is improvement in quality of B-BBEE verification and certificates.

Provide secretariat and other support to the functioning of the B-BBEE Advisory Council. The Advisory Council's existence is legislatively mandated, and one of their functions is to review progress on B-BBEE implementation. The President chairs Council while the Minister serves as the Deputy Chairperson.

Address and strengthen implementation gaps in the policy, which include the Broad-Based Black Economic Empowerment (B-BBEE) Codes of Good Practice, Sector Codes as well as Regulations taking into account current developments within the Economic Transformation landscape.

Programme resource considerations

Budget Table 9: Transformation and Competition expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2021/22 - 2024/25**		**2025/26**	**2026/27**	**2027/28**	**2024/25 - 2027/28**	
Economic Planning and Advisory	10.6	14.2	11.8	11.9	4.1%	0.8%	7.9	8.5	8.9	-9.2%	0.7%
Implementation Coordination and Competition Oversight	1 368.4	1 464.5	1 348.9	1 702.5	7.6%	95.7%	1 890.4	619.9	648.8	-27.5%	94.5%
Investment and Development	3.9	4.1	3.5	4.8	8.0%	0.3%	4.1	4.5	4.7	-0.8%	0.4%
Equity and Empowerment	48.6	51.1	51.5	50.9	1.5%	3.3%	56.0	59.0	61.6	6.5%	4.4%
Total	**1 431.5**	**1 533.9**	**1 415.6**	**1 770.1**	**7.3%**	**100.0%**	**1 958.4**	**692.0**	**724.0**	**-25.8%**	**100.0%**
Change to 2024 Budget estimate				–			1 038.6	(261.7)	(272.8)		
Economic classification											
Current payments	**68.9**	**74.6**	**72.0**	**80.1**	**5.2%**	**4.8%**	**86.0**	**91.1**	**95.9**	**6.2%**	**6.9%**
Compensation of employees	57.0	55.0	52.5	60.4	1.9%	3.7%	66.6	70.6	74.6	7.3%	5.3%
Goods and services	11.9	19.6	19.4	19.7	18.4%	1.1%	19.4	20.4	21.4	2.7%	1.6%
of which:						–					–
Communication	*0.9*	*0.6*	*0.5*	*0.4*	*-20.4%*	–	*0.8*	*1.5*	*0.8*	*20.7%*	*0.1%*
Consultants: Business and advisory services	*2.9*	*3.5*	*1.5*	*8.1*	*40.5%*	*0.3%*	*3.7*	*4.2*	*4.7*	*-16.4%*	*0.4%*
Legal services	*6.7*	*12.4*	*13.7*	*2.1*	*-32.4%*	*0.6%*	*2.1*	*2.1*	*2.1*	*0.4%*	*0.2%*
Contractors	–	–	*0.2*	*0.5*	–	–	*2.7*	*2.1*	*2.7*	*81.8%*	*0.2%*
Travel and subsistence	*0.6*	*2.5*	*2.3*	*6.4*	*123.7%*	*0.2%*	*7.5*	*7.9*	*8.2*	*8.5%*	*0.6%*
Training and development	*0.1*	–	*0.8*	*0.2*	*3.7%*	–	*0.5*	*0.5*	*0.5*	*44.9%*	–
Transfers and subsidies	**1 362.2**	**1 459.3**	**1 343.3**	**1 689.4**	**7.4%**	**95.2%**	**1 871.6**	**600.0**	**627.1**	**-28.1%**	**93.1%**
Departmental agencies and accounts	476.5	491.8	446.3	466.4	-0.7%	30.6%	482.9	499.4	522.0	3.8%	38.3%
Public corporations and private enterprises	883.9	965.5	895.0	1 221.3	11.4%	64.5%	1 387.0	98.9	103.3	-56.1%	54.6%
Non-profit institutions	1.6	1.7	1.7	1.6	-0.8%	0.1%	1.7	1.7	1.8	3.7%	0.1%
Households	0.1	0.3	0.3	0.2	7.2%	–	–	–	–	-100.0%	–
Payments for capital assets	**0.3**	**–**	**0.4**	**0.6**	**20.9%**	**–**	**0.9**	**0.9**	**1.0**	**18.3%**	**0.1%**
Machinery and equipment	–	–	0.2	–	–	–	0.3	0.3	0.3	–	–
Software and other intangible assets	0.3	–	0.2	0.6	20.9%	–	0.6	0.7	0.7	4.5%	–
Total	**1 431.5**	**1 533.9**	**1 415.6**	**1 770.1**	**7.3%**	**100.0%**	**1 958.4**	**692.0**	**724.0**	**-25.8%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**12.6%**	**14.6%**	**13.6%**	**18.8%**	**–**	**–**	**17.7%**	**6.8%**	**6.8%**	**–**	**–**

5.9 Programme 9: Research

a) **Purpose:** Undertake economic research; contribute to development of economic strategies, and guide economic policy narratives.

b) **Description of Sub-Programmes**

(i) **Economic Research and Policy Coordination:** Undertakes economic research, contributes to the development of policy options, and guides policy through consultation with stakeholders.

(ii) **Growth Path and Decent Work:** Develops and coordinates economic strategies in support of the Economic cluster, MINMEC and NEDLAC constituencies to achieve Government's strategic priorities.

c) **Strategic focus for 2025/26**

This Programme provides services to Programmes 2 to 8. The programme will provide high-quality economic analysis, scenarios and economic modelling reports to the Economic Cluster, **the dtic** Group and the public.

The Programme aims to create a knowledge base to provide officials with research products and access to policy-relevant information.

This programme has 7 Output Indicators

The table that follows sets out more precisely the 'Outputs' and the 'Output Indicators' as well as the target for the number of specific outputs to be produced.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Indicator numbers	Output	Output Indicator	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Industrialisation & Transformation	**64**	MTDP Implementation reports produced	Number of MTDP Implementation reports produced	New Indicator	New Indicator	New Indicator	New Indicator	4	4	4
	65	Approved Energy Roadmap	Accelerated Energy Roadmap approved by the Minister	New Indicator	New Indicator	New Indicator	New Indicator	1	0	0
	66		Number of negotiated price agreements between Eskom and firms to improve the competitiveness of key industrial sectors	New Indicator	New Indicator	New Indicator	New Indicator	2	2	2
	67	Digital Roadmap developed for shared public infrastructure economic reforms	Digital Roadmap approved by the Economic Cluster	New Indicator	New Indicator	New Indicator	New Indicator	1	0	0
	68	Stimulate investment in tech start-ups through first loss fund and Venture Capital industry mobilisation	Digital Venture Capital Fund established in partnership with industry	New Indicator	New Indicator	New Indicator	New Indicator	1	1	1
	69	Digital skilling partnerships established to expand access to digital skills	Number of youths trained in digital skills	New Indicator	New Indicator	New Indicator	New Indicator	10,000	10,000	10.000
			Number of unemployed persons completed digital literacy training courses	New Indicator	New Indicator	New Indicator	New Indicator	50,000	100,000	100,000

Output Indicators: Annual and Quarterly Targets for 2025/26

Output Indicators	Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Number of MTDP Implementation reports produced	4	1	1	1	1
Accelerated Energy Roadmap approved by the Minister	1	0	0	0	1
Number of negotiated price agreements between Eskom and firms to improve the competitiveness of key industrial sectors	2	0	0	0	2
Digital Roadmap approved by the Economic Cluster	1	0	0	1	0
Digital Venture Capital Fund established in partnership with industry	1 fund established	0	0	1	0
Number of youths trained in digital skills	10000	0	3000	3000	4000
Number of unemployed persons completed digital literacy training courses	50000	0	15000	15000	20000

Explanation of planned performance over the medium-term period

The Research branch will focus on:

- Providing support to the DG so that he is able to co-chair the Economic Cluster effectively, assess implementation progress and highlight emerging or intractable coordination failures in the State.
- Ensuring that the Energy and Digital Economy Roadmaps are concluded and presented to the Economic Cluster for approval.
- Supporting the emergence of digital start-ups in order to increase the number of dynamic SMMEs operating in the sector.
- Securing partnerships with the private-sector, civil society and skills development structures in order to introduce digital literacy training for unemployed persons. In addition, to deepen and expand the digital skills ecosystem, the branch will establish significant scale interventions to train especially the youth in vocational fields where unfilled global demand is high.

Programme Resource Considerations

Budget Table 10: Research expenditure trends by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expen-diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen-diture/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Economic Research and Policy Coordination	19.6	30.6	35.3	35.3	21.5%	62.5%	36.2	37.8	39.9	4.2%	56.9%
Macroeconomic and Microeconomic Policy	8.6	9.7	10.7	11.1	9.1%	20.8%	14.0	15.0	15.5	11.6%	21.2%
Growth Path and Decent Work	9.7	8.0	3.2	11.4	5.4%	16.7%	14.4	15.4	15.9	11.8%	21.8%
Total	**38.0**	**48.2**	**49.3**	**57.8**	**15.0%**	**100.0%**	**64.6**	**68.2**	**71.3**	**7.3%**	**100.0%**
Change to 2024 Budget estimate				–			(2.6)	(1.7)	(1.7)		
Economic classification											
Current payments	**38.0**	**47.5**	**49.0**	**57.2**	**14.7%**	**99.1%**	**63.4**	**67.0**	**70.0**	**7.0%**	**98.4%**
Compensation of employees	33.2	35.1	32.7	39.4	5.9%	72.7%	44.5	47.1	49.3	7.8%	68.9%
Goods and services	4.8	12.3	16.3	17.8	55.0%	26.5%	18.9	19.8	20.7	5.2%	29.5%
of which:						–					–
Administrative fees	*1.7*	*1.3*	*1.8*	*3.7*	*28.7%*	*4.4%*	*2.9*	*3.0*	*3.1*	*-5.5%*	*4.9%*
Computer services	*0.5*	*0.1*	*0.1*	*0.7*	*6.8%*	*0.7%*	*0.7*	*0.7*	*0.8*	*4.6%*	*1.1%*
Consultants: Business and advisory services	*1.8*	*7.4*	*13.4*	*10.8*	*80.4%*	*17.3%*	*8.3*	*8.7*	*9.1*	*-5.4%*	*14.1%*
Consumables: Stationery, printing and office supplies	*0.1*	*0.3*	*0.3*	*0.6*	*89.7%*	*0.7%*	*0.7*	*0.7*	*0.7*	*9.9%*	*1.0%*
Travel and subsistence	*0.0*	*0.1*	*0.3*	*1.3*	*419.1%*	*0.9%*	*4.1*	*4.3*	*4.5*	*53.3%*	*5.4%*
Venues and facilities	*–*	*–*	*–*	*0.0*	*–*	*–*	*0.6*	*0.7*	*0.7*	*233.2%*	*0.8%*
Transfers and subsidies	**0.0**	**0.8**	**0.3**	**–**	**-100.0%**	**0.6%**	**–**	**–**	**–**	**–**	**–**
Households	0.0	0.8	0.3	–	-100.0%	0.6%	–	–	–	–	–
Payments for capital assets	**–**	**–**	**–**	**0.6**	**–**	**0.3%**	**1.2**	**1.2**	**1.3**	**29.8%**	**1.6%**
Machinery and equipment	–	–	–	–	–	–	0.5	0.6	0.6	–	0.6%
Software and other intangible assets	–	–	–	0.6	–	0.3%	0.6	0.6	0.7	5.4%	1.0%
Total	**38.0**	**48.2**	**49.3**	**57.8**	**15.0%**	**100.0%**	**64.6**	**68.2**	**71.3**	**7.3%**	**100.0%**
Proportion of total programme expenditure to vote expenditure	**0.3%**	**0.5%**	**0.5%**	**0.6%**	**–**	**–**	**0.6%**	**0.7%**	**0.7%**	**–**	**–**

6. Updated Key Risks

Risks to the Department are:

No.	Outcome	Key Risk	Risk Mitigation
1	Re-Industrialisation- Sector partnerships and social compact through master plans and firm/sector level initiatives	Increased costs of implementation preventing the private sector from implementing the Masterplan requirements	Quarterly engagements/meetings with potential investors to create jobs through the masterplan programmes and non-master plan programmes
2	Re-Industrialisation Localisation, beneficiation and COVID industrial production initiatives	Lack of uptake by the private sector in the promotion and implementation of localisation, due to the inadequate enabling environment	1. Standardisation of reporting mechanisms for local output information 2. Escalation to principals on the challenges at the public entities 3. Quarterly engagements to create awareness of requirements and challenges
3	Re-Industrialisation Increased and diversified exports (including value-added services such as GBS) with African countries and to other global markets	Inaccessible foreign markets resulting in the inability to export to export South African products and services	1. Undertake export promotion initiatives on the Continent to unlock AfCFTA opportunities as they are implemented. 2. Enhance efforts to promote export opportunities to new markets. 3. Prioritise exhibitions selected and augment through inward and outward buying missions based on reduced available budgets.
		Environmental risks i.e. natural disasters, floods, effects of climate change	Support firms' efforts to become climate-resilient.
		Geo-political tensions and 'trade wars' and protectionism in key export markets	Diversify export products and destinations while continuing to induce demand in the domestic market through localisation efforts
4	Re-Industrialisation	Increased costs of implementation preventing the private	Monitoring and evaluation of quarterly reports from the project management office through

No.	Outcome	Key Risk	Risk Mitigation
	Green economy initiatives to shift to a less carbon-intensive industry	sector from implementing green economy requirements	the green economy sector desk at sectors branch
5		Global de-carbonisation interventions and protectionism	Advocate for multilateral solutions to climate change and for developing countries to be given the necessary time to re-engineer production processes to lower its carbon content. incentives are being finalised to encourage auto firms to produce electric vehicles (EV's) in SA.
6	Re-Industrialisation Investment initiatives to increase the level of investment	Lack of investor confidence and the poor operating/enabling environment preventing investment opportunities	1. Meetings of the Advisory Panel to facilitate the reciprocal commitments, which includes commitments on jobs. Obtain data from ITAC (either signed reciprocal commitments or ITAC investigation reports) to determine the number of jobs to be created. 2. Proactively identify and target resilient sectors that continue to attract investment (e.g., renewable energy, digital economy, critical minerals). 3. Engage international chambers of commerce to facilitate investment 4. Establish a steering committee to compile an Investment Project Book with DFIs, public sector and Private sector projects, like transnet, IDC , The Investment Project Book will serve as a comprehensive and strategic tool for promoting and managing SA investment opportunities. The project book will highlight high-potential sectors and key projects that are attractive for both domestic and foreign investment.

No.	Outcome	Key Risk	Risk Mitigation
			5. Interface with SEZs, IPs and Districts through ICT based platform (Webinars, etc.) 6. Investment promotion activities will be tailored to the needs of individual firms, 9SEZs and IPs that are at various stages of development(SID and ISA collaboration)
		Geo-political tensions and 'trade wars'	Monitor the political environments and seek alternative investment opportunities
7	Job Creation Stabilisation of sectors in distress	Economic instability	1. Diversify export products and destinations while continuing to induce demand in the domestic market through localisation efforts 2. The new industrial policy will introduce a 'whole of government' approach to industrialisation and stabilise industries in distress
8	Job Creation Encouraging investment and growth of emerging sectors in partnership with the private sector	Economic instability	1. The new industrial policy will scale up investment and support to emerging industries and align policy levers to our industrialisation objectives 2. AfCFTA to support domestic firms to enter African markets 3. Strengthen export support measures including establishing an 'export opportunities' knowledge hub. 4. Amending guidelines to reduce administrative burden and red tape.
9	Job Creation Providing temporary 'work opportunities' with relatively modest skill requirements.	Lack of private sector buy in	1. Close monitoring of jobs supported and created and close monitoring of Black Industrialist jobs supported. 2. Amending the requirements in the guidelines to be more accommodative to more companies in the country. 3. Quarterly reporting on jobs to be created

No.	Outcome	Key Risk	Risk Mitigation
			7.
10	Transformation Employment and ownership: Expanding economic opportunities through waged work, self-employment, and the social economy, promoting more equitable ownership (black industrialists, women, youth, worker ownership, and small businesses) and worker empowerment.	Reluctance by private firms to buy into worker ownership	Quarterly engagement with industries by sector desks to monitor jobs.
11	Transformation Structural transformation: Addressing economic concentration and supporting SMMEs.	Lack of uptake and appetite from SMMEs in rural areas and outside	1. Determine what info is required and for what purpose (needs clarity) 2. DDM model (include in DDM's agenda for discussion) 3. Review incentives available for SMMEs and propose making these less stringent 4. Incentives to involve all Branches when creating incentives to understand needs 5. Prioritisation of key recommendations for implementation from past market inquiries 6. Policy instruments will be used for every merger and acquisition 7. Communicate the requirement for a strong competition law and enforcement to drive it
12	Transformation Spatial transformation: Promoting more equitable and sustainable spatial development, including using the District Development Model and promoting the township/rural economy.	Ineffective model for spatial industrial initiatives and to promote township, economy	1. Training and development, building capacity in local municipalities to deal with investors. 2. Political Intervention (DDM include in agenda) 3. Map areas of concern and obtain solutions via various sources (agencies, offices, depts., municipalities, metros).

No.	Outcome	Key Risk	Risk Mitigation
			4. Interface with SEZs, IPs and Districts through ICT based platform (Webinars, etc.) 5. **the dtic** to advise on governance issues at the Steering Committee meetings. 6. Older and more successful SEZs will be invited to attend steering committee meetings to advise the applicants from the onset of the application. 7. Engage with provinces and SEZs at the quarterly CEO Forum.
13	Capable State Department: Building strong capacity in **the dtic** and streamlining its work, reviewing programmes to determine their impact and relevance, strengthening forensic capacity under **the dtic** shared services programme in its commitment against fraud and corruption	Structure not fit for purpose to execute the mandate of the Department	Fit for purpose project to be approved by Minister and DPSA
		Poor organisational culture	Identify skills needs and procure service provider to implement
		Cyber attacks RISKCAT11 Logical Attacks (Hacking Malware, etc) RISKCAT07 Unauthorised actions RISKCAT10 Software Failures RISKCAT09/10 Software failure and Hardware Incidents RISKCAT07 Unauthorised actions	1. Manage security incidents and events 24 * 7 * 365. 2. Implement improved security awareness campaign 3. Enhanced cloud security offering.
14	Capable State Entities: Building the entity staffing, governance capacity, and quick response; developing shared services; and rationalisation of functions and integration of work between entities and with the department.	Reputational risk from poor governance of entities	1. Development and implementation of the Entities Oversight framework 2. Proposals on rationalisation of entities submitted to Minister (per the commissioned study)

No.	Outcome	Key Risk	Risk Mitigation
15	Capable State Smart regulation: Address red tape and compliance in internal processes and in legislation and regulations; enable fit-for-purpose regulations	Ineffective processes to facilitate achievement of departmental objectives	Enterprise architecture project to reduce manual processes and red tape Focus on Automation and digitisation of processes.
16	Capable State Coordination with other parts of the state: Ensuring effective support functions from other public entities to achieve **the dtic** outcomes.	Uncoordinated planning and oversight with the entities	1. Strategy session for **the dtic** and entities-led by Minister 2. Implement a Entitles Forum with PEO and Branches 3. MOUs with entities to streamline the processes
17	Capable State Contribute to social compact with other social partners	Lack of engagement by social partners	1. Obtain clarity of what is allowable 2. Narratives on practices which NT has, to be imparted to all

7. Public Entities

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
Companies and Intellectual Property Commission (CIPC)	Companies Act, 2008 (Act No. 71 of 2008), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant: 0 Own generated Income: 784 462 000 **Total revenue: 784 462 000**
Export Credit Insurance Corporation (ECIC)	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Promote the growth of exports in the economy as a generator of jobs and contributor to GDP growth	Government grant: 167 881 000 Own generated Income - premiums: 286 818 000 - investment income: 620 377 000 **Total revenue: 1 075 076 000**
National Consumer Commission (NCC)	Consumer Protection Act, 2008 (Act No.68 of 2008)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant: 71 360 000 Own generated Income Interest income: 4 856 000 **Total revenue: 76 216 000**
National Consumer Tribunal (NCT)	National Credit Act, 2005 (Act No.	Improved regulatory environment	Government grant: 53 726 000 Own generated Income: 20 393 000

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
	34 of 2005), as amended	conducive for consumers and companies as well as providing access to redress	**Total revenue** **74 119 000**
Companies Tribunal (CT)	Companies Act, 2008 (Act No. 71 of 2008), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant 30 706 000 Rent Waived 2 985 000 Own generated Income (Interest received) 929 000 **Total revenue** **34 620 000**
National Credit Regulator (NCR)	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant 81 675 000 Own generated Income 72 355 000 **Total revenue** **154 030 000**
National Empowerment Fund (NEF)	National Empowerment Fund Act, 1995 (Act No. 105 of 1995)	Increased and enhanced instruments for spatial development	Government grant 0 Own generated Income 1 211 682 912 **Total revenue** **1 211 682 912**

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
		of targeted regions and economic transformation	
National Gambling Board (NGB)	National Gambling Act, 2004 (Act No. 7 of 2004)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant: 35 790 000 Own generated Income: 228 164 000 **Total revenue: 263 954 000**
National Lotteries Commission (NLC)	National Lotteries Act, 1997 (Act No. 57 of 1997)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress	Government grant: 0 Own generated Income: 668 357 000 **Total revenue: 668 357 000**
National Metrology Institute of South Africa (NMISA)	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Increased industrialisation through the development of Master Plans in national priority sectors	Government grant: 165 099 000 Own generated Income: 23 288 843 **Total revenue: 188 387 843**

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
National Regulator for Compulsory Specifications (NRCS)	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Increased industrialisation through the development of Master Plans in national priority sectors	Government grant: 149 235 000 Own generated Income: 370 837 000 **Total revenue: 520 072 000**
South African Bureau of Standards (SABS)	Standards Act, 2008 (Act No. 8 of 2008)	Increased industrialisation through the development of Master Plans in national priority sectors	Government grant: 296 701 000 Own generated Income: 601 400 000 **Total revenue**: 898 101 000
South African National Accreditation System (SANAS)	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Increased industrialisation through the development of Master Plans in national priority sectors	Government grant: 29 866 000 Own generated Income: 115 311 000 **Total revenue: 145 177 000**
Competition Commission	Competition Act, 1998 (Act No. 89 of 1998)	It investigates mergers and/ or anti-competitive conduct and reflects its findings to the Competition	Government grant: 440 339 000 Own generated Income: 90 483 000 **Total revenue: 530 822 000**

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
		Tribunal for a decision	
Competition Tribunal	The Competition Amendment Act (Act No. 18 of 2018)	Adjudicates on mergers and prohibited practice cases that involve anti-competitive outcomes achieved either through co-ordinated conduct between competing firms or through unilateral conduct by a dominant firm	Government grant: 41 492 000 Own generated Income: 25 155 000 **Total Revenue: 66 647 000**
Industrial Development Corporation (IDC)	The Industrial Development Corporation Act, 1940 (Act 22 of 1940)	Plays strategic role of supporting economic transformation by promoting economic empowerment of historically disadvantaged communities and persons.	Government grant: 1 838 000 000 Own generated Income: 27 676 870 160 **Total revenue: 29 514 870 160**

Name of Public Entity	Mandate	Outcomes	Annual Budget (2025/26)
International Trade Administration Commission (ITAC)	The International Trade Administration Act, 2002 (Act No. 71 of 2002)	Creation of fair-trade conditions that will boost South Africa's economic development and growth. ITAC comprises three core business units, namely Tariff Investigations, Trade Remedy Investigations and Import and Export Control	Government grant: 117 772 000 Own generated Income: 3 549 000 **Total revenue: 121 321 000**
Takeover Regulation Panel (TRP)	Companies Act, 2008 (Act No. 71 of 2008), as amended read with Companies Regulations 2011, as amended from time to time	To maintain the integrity of the marketplace and ensure fairness to the shareholders of regulated companies.	Government grant: 0 Own generated Income: 36 746 105 **Total revenue: 36 746 105**

8. Infrastructure Projects

No.	Project name	Programme	Project description	Outputs	Project Start date	Project completion date	Total Estimated cost	Current year expenditure	Longitude (East/ West/+X)	Latitude (North/ South/-Y)
0	0	0	0	0	0	0	0	0	0	0

- No infrastructure projects planned for the 2025/2026 financial year .

9. Public-Private Partnerships

the dtic has a PPP agreement for office accommodation in operation for a period of 25 years. The agreement commenced in August 2003, and provides for the designing, financing, building, operating/maintaining and transferring of **the dtic**'s campus. This fully serviced office accommodation is provided to **the dtic** and one other government department, as well as some public entities located on the campus. As part of the Public-Private Partnership (PPP) the concessionaire will, for the duration of the contract period, own and maintain assets such as the equipment, buildings, improvements on the land and the majority of the furniture. Departmental assets excluded from this agreement include departmental vehicles; computer equipment and certain furniture items such as may be in the regional offices.

To address deficient performance that had been reported on earlier regarding the concessionaire party, a new FM Sub-contractor was duly appointed in 2021 and the remedial works that had been required to rectify the under-performance. Some activities will be dealt with under a comprehensive refurbishment programme (regarded as updated maintenance) in anticipation of the hand-back that is envisaged in 2028/29.

The updating of the financial model gave rise to a marginally adjusted unitary payment following its conclusion. Variation orders are initiated from time to time to address small changes to the infrastructure such as office alterations. In this regard the accessibility audit results which require action will be addressed through such means, i.e., an appropriate variation order.

the dtic concluded the process of procurement for specialist advisors, including of various engineering disciplines to assist it with preparing for the transition post 2028 when the current agreement will expire. Activities such as a formal condition assessment and timely planning of life cycle replacement processes in line with the handover provisions of the PPP will be undertaken. Options post hand-back will be explored in conjunction with GTAC as subjected to the relevant Treasury Regulations governing PPPs.

the dtic is not planning any other office accommodation infrastructure that would materially impact on the current situation at present.

Matter of importance, **the dtic** is currently proceeding towards an arbitration regarding a dispute related to headcount / occupancy usage of **the dtic** campus, which the concessionaire translated into a claim against the department.

10. Part D: Technical Indicator Descriptors (TIDs)

Programme 1: Administration

Indicator Title (1)	(%) of procurement contracts approved towards women owned businesses
Definition	Contributing to this specific output by way of reporting on the total % of all procurement i.e., tenders and RFQs approved towards women owned businesses. Women owned businesses are defined as businesses that have at least 51 % ownership by women
Source of data	Orders issued by SCM, Centralised Supplier Database and B-BBEE certificates
Method of Calculation or Assessment	% of all procurement i.e., tenders and RFQs approved towards women owned businesses
Means of verification	Report signed by Senior Manager indicating orders issued
Assumptions	% of all procurement i.e., tenders and RFQs approved towards women owned businesses
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	% of all procurement towards women owned businesses
Reporting Cycle	Annually
Desired performance	Target met
Indicator Responsibility	CFO

Indicator Title (2)	(%) of procurement contracts approved towards youth owned businesses
Definition	Contributing to this specific output by way of reporting on the total % of all procurement i.e., tenders and RFQs approved towards youth owned businesses
Source of data	Orders issued by SCM, Centralised Supplier Database and B-BBEE certificates
Method of Calculation or Assessment	% of all procurement i.e., tenders and RFQs approved towards Youth owned businesses
Means of verification	Report signed by Senior Manager indicating orders issued
Assumptions	% of all procurement i.e., tenders and RFQs approved towards Youth owned businesses
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	% of all procurement towards Youth owned businesses
Reporting Cycle	Annually
Desired performance	Target met
Indicator Responsibility	CFO

Indicator Title (3)	(%) of procurement contracts approved towards PWD owned businesses
Definition	Contributing to this specific output by way of reporting on the total % of all procurement i.e., tenders and RFQs approved towards PWD owned businesses.
Source of data	Orders issued by SCM, Centralised Supplier Database and B-BBEE certificates
Method of Calculation or Assessment	% of all procurement i.e., tenders and RFQs approved towards PWD owned businesses
Means of verification	Report signed by Senior Manager indicating orders issued
Assumptions	% of all procurement i.e., tenders and RFQs approved towards PWD owned businesses
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	% of all procurement towards PWD owned businesses
Reporting Cycle	Annually
Desired performance	Target met
Indicator Responsibility	CFO

Indicator Title	Unqualified audit opinion for both financial and non-financial performance
Definition	This indicator measures the audit outcome based on performance for the previous financial year
Source of data	Audited Annual Report
Method of Calculation or Assessment	Verify if the opinion expressed by the external auditors on the financial and non-financial performance report is unqualified with all material findings corrected.
Means of verification	Audit report issued by the external auditors
Assumptions	The department's annual financial statements and non-financial performance report will be audited
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Unqualified audit opinion on financial and non-financial performance
Indicator Responsibility	CFO

Indicator Title	Percentage of entities achieving 80% performance
Definition	The percentage of the entities that achieve a minimum of 80% of their targets In Q1 reporting will be against the 2024/25 annual performance of entities In Q2 reporting will be against Q1, Q3 reporting will be against Q2, in Q4 reporting will be against Q3
Source of data	Quarterly performance information received from **the dtic** entities.
Method of Calculation or Assessment	Number of entities achieving a minimum of 80% performance against their APP
Means of verification	Quarterly performance reports from **the dtic** 30 days after the end of each quarter.
Assumptions	All entities will submit their quarterly performance reports.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	Target met
Indicator Responsibility	Chief Director: Operations & Projects

Indicator Title	% of staff engaged through performance excellence culture survey
Definition	Percentage of staff who completed in the performance excellence culture survey questionnaire
Source of data	Culture survey questionnaires
Method of Calculation or Assessment	No. of staff who completed the performance excellence culture survey questionnaires/ Total No. of staff employed *100
Means of verification	Reports on the performance excellence culture survey
Assumptions	Performance excellence culture survey conducted
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Percentage
Reporting Cycle	Annually
Desired performance	Target achieved
Indicator Responsibility	CMSB

Indicator Title	Investigations of whistleblowing cases concluded within 60 days of reporting
Definition	Cases from the whistleblowing line investigated and concluded within 60 days
Source of data	Whistleblowing line (email)-CONFIDENTIAL as cases are reported anonymously
Method of Calculation or Assessment	Cases from whistleblowing line and responses to the complainant
Means of verification	Whistleblowing email (confidential)
Assumptions	Investigating branches/institutions prioritise the cases and meet the60 day timeline
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Bi-annually
Desired performance	Target achieved
Indicator Responsibility	CRO/Head of Ethics

Indicator Title	Unlock 1 Billion p.a in economic infrastructure investment for Metros
Definition	Through the operationalization of the fusion centres unlock a minimum of R1bn p.a. in economic infrastructure investments in Metros in support of targeted economic growth rates as contracted with each Metro.
Source of data	Reports from the Metro and investors
Method of Calculation or Assessment	Simple Count
Means of verification	Municipal reports
Assumptions	Metros will accept the programme and provide necessary support for investment
Disaggregation of Beneficiaries (where applicable)	Target is 8 Metros which are found in various provinces
Spatial Transformation (where applicable)	Target met
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	Target achieved
Indicator Responsibility	ODG: Head of Office

Indicator Title	Number of funded skilled internships for municipalities
Definition	200 unemployed graduates in key critical areas placed in Metros
Source of data	Reports from the appointed service provider
Method of Calculation or Assessment	Simple Count
Means of verification	Availability of funds and participation by unemployed persons
Assumptions	Municipal reports
Disaggregation of Beneficiaries (where applicable)	Unemployed persons will be drawn from designated groups
Spatial Transformation (where applicable)	Unemployed persons will be drawn from a range of metros.
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	Target achieved
Indicator Responsibility	ODG: Head of Office

Programme 2: Trade

Indicator Title	Number of countries that have started trading under the AfCFTA (Excluding SADC)
Definition	This indicator measures the total count of African countries (excluding SADC) that have officially begun engaging in trade under the African Continental Free Trade Area (AfCFTA) agreement.
Source of data	Notifications from the AfCFTA Secretariat of the countries that have gazetted their offer and thereby are ready to start trading under the AfCFTA
Method of Calculation or Assessment	Quantitative, simple count
Means of verification	Government Gazette including new countries that have concluded legal processes into the SA Customs and Excise Act in partnership with National Treasury and SARS
Assumptions	Countries complete their legal processes and gazette their offer
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of economic interest strategies implemented for key trading partners
Definition	This indicators measures the economic interest strategies implemented for 5 key trading partners
Source of data	Existing country profile documents Existing country strategy documents Draft Africa Strategy SA National Interest document Decision Support Model Trade Map Outcomes of Bi-National Commissions, State Visits and Business Forums
Method of Calculation or Assessment	Quantitative, simple count
Means of verification	Document setting out economic interest strategy and implementation plan for 5 key trading partners approved by the DDG *Economic interest strategies and implementation plans will be developed for the following countries:: Kenya, Egypt, Angola, Nigeria, Ghana; Brazil, Russia, India, China; US; EU; UK; Iran, Saudi Arabia; Germany; UAE,* Tanzania, Mexico, Japan, France ,Korea, Singapore, Vietnam, Turkey) *(the specific countries are not for public consumption, but for internal reporting processes only)*
Assumptions	Sufficient economic data and information is available to draft the strategy SA economic interests included in the respective trading arrangments
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Actual performance meets targeted performance
Indicator Responsibility	DDG: Trade Branch

Indicator Title	Maintain sustainable trade relations with the US
Definition	This indicator measures the relations with the United States resulting from the implementation of the Trade and Investment Framework Agreement (TIFA).
Source of data	Agreed TIFA work programme Report on the profile of investment and trade with US in line with the implemented Trade and Investment Framework Agreement (TIFA)
Method of Calculation	Simple count
Means of verification	Agreed TIFA work programme
Assumptions	US agrees to resucitate TIFA as a forum to strengthen relations
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of issues agreed with the EU under the SADC-EU EPA to expand market access
Definition	This indicator measures the expanded market access between the Southern African Development Community (SADC) and countries to the European Union (EU) as a result of the agreement reached under the SADC-EU Economic Partnership Agreement (EPA).
Source of data	Requests submitted to the EU on increased tariff rate quota volumes for wine, sugar and canned fruit. Request submitted to the EU for cumulation for EVs under the EPA
Method of Calculation	Simple count
Means of verification	Outcome of requests submitted to the EU on increased tariff rate quota volumes for wine, sugar and canned fruit. Outcome of SA's requests to cumulate under the EU EPA for EVs
Assumptions	EU agrees to increased tariff rate quota volumes EU agrees to cumulate for EVs
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of issues agreed on the SACUM-UK EPA built-in agenda to expand market access
Definition	This indicator measures the effectiveness of progress of specific objectives set out in the built in agenda under the SACUM-UK Economic Partnership Agreement (EPA)
Source of data	Document setting out the negotiations under the built-in agenda Requests submitted to the UK on increased tariff rate quota volumes for wine, sugar and canned fruit. Request submitted to the UK for cumulation for EVs under the EPA
Method of Calculation	Simple count
Means of verification	Outcomes of negotiations under the built-in agenda Outcome of requests submitted to the UK on increased tariff rate quota volumes for wine, sugar and canned fruit. Outcome of SA's requests to cumulated under the UK EPA for EVs
Assumptions	UK agrees to increased tariff rate quota volumes UK agrees to cimulation for EVs
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Draft amendments for Patents Act submitted to Executive Authority and Cabinet for approval
Definition	This indicator refers to the amendments to the Patents Bill to ensure integration of TRIPS flexibilities to unlock innovation, promote equitable access to key technologies to unlock industrial development in key sectors, including pharmaceuticals
Source of data	Draft Bill Publication for public comments
Method of Calculation or Assessment	Quantitative, simple count
Means of verification	Patents Bill submitted to Executive Authority and Cabinet for approval.
Assumptions	Patents Bill approved by the Executive Authority
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Draft amendments to Designs Act submitted to Executive Authority and Cabinet for approval
Definition	This indicator measures the successful amendment of the Designs Act to ensure that South African design laws remain relevant, competitive, and aligned with global standards, providing better legal certainty and support for creators and businesses in the design sector. These will also ensure alignment to the new Patents Act, which will make changes to the utility model.
Source of data	Draft Bill Publication for public comments
Method of Calculation or Assessment	Quantitative, simple count
Means of verification	Designs amendment Bill submitted to Executive Authority and Cabinet for approval.
Assumptions	Design Amendment Bill approved by the Executive Authority
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Coordinated efforts in G20 to advance SA's national interest
Definition	This output indicator refers to the active and strategic participation of South Africa in the G20 meetings and discussions, aiming to influence and align global policies with the country's national priorities. It measures the effectiveness of South Africa's diplomatic efforts to promote its economic, political, and social interests within the G20 framework. The indicator tracks the collaboration, negotiations, and initiatives led or supported by South Africa to advance its national agenda on key global issues such as trade, development, and sustainability.
Source of data	SA Issues note for G20 Trade and Investment Working Group Bilateral and multilateral engagements Development of a G20 • Africa Cooperation Agenda • Principles on trade and inclusivity Principles to promote global solidarity and global commons Framework on Green Industrialisation and investment to promote sustainable development • Ministerial Statement of WTO Reform
Method of Calculation or Assessment	Quantitative, simple count
Means of verification	Agreed statements and outcomes of G20 Trade Ministers' meeting Media reports detailing South Africa's participation in G20 discussions and how its national interests were promoted or advanced during meetings or through specific initiatives
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of WTO reform outcomes attained
Definition	This output indicator measures the total number of reforms or changes successfully proposed by South Africa within the framework of the World Trade Organization (WTO).
Source of data	Engagements with the Africa Group Briefings prepared on key reform issues under discussion at the WTO
Method of Calculation	Simple count
Means of verification	Africa Group agreement on WTO reform proposals on policy space and dispute settlement Africa Group agreement on WTO reform proposal on Special and differential treatment Africa Group agreement on WTO reform proposal on agriculture reform
Assumptions	The reform proposals submitted by the Africa Group are agreed to in the WTO
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of trade instruments deployed
Definition	This indicator measures the number of trade instruments deployed towards a fair and inclusive transition to a low-carbon economy
Source of data	• Trade directive issued to ITAC to review trade instruments for green products or green manufacturing value chains. • Requests submitted to the EU and UK on cumulation in the Economic Partnerships to promote production of EVs and hybrids. • Directive to ITAC to review the current standard materials under the Automotive Production Development Programme (APDP). • Engagements with the industry on unilateral trade barriers (e.g. CBAM) • Reports on negotiations/engagements between SA and EU on CTIP • Engagements with SASOL • Negotiations with the EU on Flexible Sustainable Aviation Fuel Allocation and Leveraging South Africa's Fischer-Tropsch Technology
Method of Calculation	Simple count
Means of verification	The trade instruments deployed will included from the following: • ITAC report on outcome of review of tariff structure for green products or green manufacturing value chains. • Agreement reached on accumulation in Economic Partnerships with the EU and UK to promote production of EVs and hybrids. • Amendment to the APDP regulations/information document to include critical mineral as standard materials under the Automotive Production Development Programme (APDP) • Clean Trade and Investment Partnership Agreement signed between SA and the EU • Expansion of the APDP to include EVs. • Agreement by the EU that enables SASOL to export Sustainable Aviation Fuel • Government Gazette notices on amendments to duties or creation do rebates for energy efficient or green products
Assumptions	N/A

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Indicator Title	Number of regional value chains developed
Definition	This indicator measures the regional value chains developed in autos
Source of data	Reports from international organisations such as the ITC, UNCTAD, African Development Bank etc. on studies on regional value chains, and sector development. These reports may include forecasts or goals for specific industries like autos, pharmaceuticals, and agro-processing.
Method of Calculation	Simple count
Means of verification	Report indicating regional value chain on autos that has been developed. This report could include value chain mapping, sectoral assessments, business reports, case studies and market feasibility studies for autos.
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG Trade Branch

Programme 3: Investment and Spatial Industrial Development

Indicator Title	Rand value of investment attracted through greenfield and brownfield investments in targeted sectors including Special Economic Zones and Industrial Parks
Definition	This covers pledges announced at the South African Investment Conferences; investments promoted and facilitated by InvestSA, settlement agreements or conditions in M&A or other competition areas; reciprocal commitments in trade measures; counter-party investment plans for all incentive programmes across **the dtic**-group, commitments unlocked through masterplans and BEE programmes such as EEIP, investments covered by **the dtic** and other government departments These also include attracting greenfield and brownfield investments in targeted sectors and countries **including in** the following strategic areas: Electric vehicles; Battery and Energy storage; Renewable energy components; Automotive and electro-technical components; Digital economy and critical Minerals; and key priority sectors New investments or expansions in productive capacity in partnership with Sectors branch to localise transmissions and electro technical components manufacturing in South Africa. Attract investment and expand domestic companies in partnership with sectors branch to localise transmission and electro technical components manufacturing in SA, by identifying targeting companies in the electro technical industry globally to attract investment in manufacturing in SA.) Promote Joint ventures and technology transfers. Build local supply chains to be located in SEZ's and Industrial Parks Facilitate an enabling environment for businesses to grow through Retention and Aftercare Programmes. Promote investments into SEZ's and Industrial Parks, Facilitate investment in energy generation infrastructure as well as in transmission infrastructure. Contribute to localising the renewable energy value chain through investment attraction and expansion in relevant components.
Source of data	Emails, correspondence and reports
Method of calculation	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of new Special Economic Zones (SEZs) designated to facilitate re-industrialisation utilising the new model derived from the Spatial Industrial Development (SID) Strategy
Definition	Number of new Special Economic Zones (SEZs) designated utilising the new model derived from the Spatial Industrial Development (SID) Strategy. This include, amongst others, committed and vetted investments, viable business plans and feasibility studies, involvement, commitments and clear roles and responsibilities of all spheres of government. The designation involves the assessment of feasibility studies, business plans submitted by applicants. The viability will also include the investment committed that are vetted by the dtic, clear roles and responsibilities of all spheres of government. The application will be submitted to the minister for consideration after the assessment made by the technical teams or SEZ Advisory Board
Source of data	Reports, correspondence from companies
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Annual
Desired performance	Target achieved exceeded
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of Cross Border partnerships developed between South Africa and other countries to facilitate the integration of regional value chains through Special Economic Zones (SEZs)
Definition	Cross border SEZ established between domestic SEZ and international SEZ to facilitate the integration of value chains. This will be done through collaborative partnerships agreement between individual SEZ or country to country agreements
Source of data	Reports, Agreements, minutes of the meetings, official letters, Emails
Method of Calculation or Assessment	Simple count
Means of verification	Minutes, letters, Quarterly reports signed by Senior Manager
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Infrastructure investments in underdeveloped regions closer to the boarders of South Africa and neighbouring countries
Calculation Type	N/A
Reporting Cycle	Annual
Desired performance	Meet or exceed the target
Indicator Responsibility	DDG: Investment and Spatial Industrial Development

Indicator Title	Number of linked trade corridor anchored by SEZs to enhance the logistical efficiencies to enable the effective manufacturing and trading of value added goods
Definition	Strategic Trade led corridors established to enhance logistical efficiencies for value added goods The SEZs will be developed as catalytic projects to developed rail or road linked corridors to enhance trade between cities inside the country as well as trade between South Africa and other countries. This work will include coordination and efforts with relevant institutions like Transnet ,SANRAL., DBSA.
Source of data	Reports, Minutes, correspondence from companies, MOUs
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Annual
Desired performance	Target achieved exceeded
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Increase in the land area of existing SEZs to provide more space for targeted investments in key sectors
Definition	Expansions of the existing SEZ's land sizes to create more space for targeted investment. This will include business cases and verified investments This will be in the form of application from the existing SEZ. The application will include business case or motivation, containing prospective investments and infrastructure costs. The applications will be assessed by the technical team or SEZ Advisory Board before submitted to the minister for consideration.
Source of data	Business plans, correspondence with SEZ entities and provinces, letters of commitments from investors
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Annual
Desired performance	Target achieved exceeded
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of industrial parks developed into competitive infrastructure platforms for supporting diversified sectors
Definition	Industrial parks developed into competitive infrastructure platforms for supporting diversified sectors (in agro-processing; digital / ICT clusters; light engineering services; artisans incubation support; EV innovation; etc.) and linked to value chains in township & rural areas and their enterprises, under the new model of implementation
Source of data	Reports, correspondence from companies, emails
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved exceeded
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of prototypes commercialised
Definition	Commercialization projects launched in the market, resulting in innovative technologies, products, or services that drive economic growth and address local, regional, and global challenges. Focus on key priority sectors
Source of data	Project reports or programme reports or meeting minutes or emails or templates or correspondence
Method of Calculation or Assessment	Quantitative (number of commercialised products) or qualitative (extent of product/technology improvement) or cumulative year end count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	Technologies supported for commercialisation, will enable market capture, and business growth. This will enable localisation and creation of jobs
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Actual performance meets targeted performance
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of new One Stop Shop rolled out in 6 provinces
Definition	One Stop Shops established, launched and operational to effectively contribute to investment facilitation, retention and aftercare in support of government's Red Tape Reduction initiatives.
Source of data	MoAs, Launch date, operational plans, reports, meeting documentation
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	Consistent collaboration with national and provincial stakeholders
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Annual
Desired performance	The target achieved
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of new Fusion Centre to undertake regulatory reform for Acts, Regulations, Licencing, Permits and Registrations
Definition	New Fusion Centre Roll Out to support Regulatory Reform and Red Tape Reduction for Acts , Regulations, Licensing, Permits and Registrations
Source of data	Acts, Regulations, Licenses, Permits , Registrations
Method of Calculation or Assessment	Simple
Means of verification	No of Acts, Regulations, Licenses, Permits , Registrations reformed and turnaround time
Assumptions	Interdepartmental and Inter Governmental
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG: Regulation and DDG; ISID

Indicator Title	Number of investor facilitation surveys conducted to support investor satisfaction
Definition	Investor facilitation surveys conducted to support investor satisfaction
Source of data	Customer surveys
Method of Calculation or Assessment	Simple count
Means of verification	Templates reports emails and correspondence
Assumptions	Consistent collaboration with national and provincial stakeholders
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Biannually
Desired performance	The target achieved
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Number of unblockings through (EOSS)
Definition	Number of unblockings facilitated by the EOSS for independent power producers to obtain renewable energy permit
Source of data	Reports, correspondence from companies, emails
Method of Calculation or Assessment	Simple count
Means of verification	Project reports or programme report or meeting minutes or emails or templates or correspondence
Assumptions	Funding and human resources allocated to EOSS
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Target achieved exceeded
Indicator Responsibility	DDG Investment and Spatial Industrial Development

Indicator Title	Percentage increase in workplace-based placement of internships
Definition	Increase the number of internship opportunities to provide work experience and the share of funding through the SETAs and other skills-based interventions leveraged through policies such as BBB-EE and Equity Equivalent Investment Programme
Source of data	Quarterly and Annual reports: SETAs and dtic entities
Method of Calculation or Assessment	Cumulative based on baseline figure and annual targets
Means of verification	LMIS and SETA Management Information System (SETMIS)
Assumptions	A coordinated system to capture the number of available internship and apprenticeship opportunities and placements enrolled and completed
Disaggregation of Beneficiaries (where applicable)	Demographic profile: population group, sex youth and PWD
Spatial Transformation (where applicable)	National
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Determine a baseline number of internships and internship funding: baseline7%: target : 30%
Indicator Responsibility	the dtic and DHET

Indicator Title	Number of Demand-led skills plan in place for each masterplan developed
Definition	Develop a demand-led skills plan for each master plan
Source of data	Progress reports: Master Plan Skills committees
Method of Calculation or Assessment	One skills plan per Master Plan
Means of verification	Signed off progress reports and draft plans
Assumptions	Implementation plan to develop the skills plan with deliverables and timelines
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation type	Simple count
Reporting Cycle	Quarterly
Desired performance	Mid-year: draft plan; final quarter- final and approved plan with costing
Indicator Responsibility	the dtic., relevant entities and SETAs

Programme 4: Sectors

Indicator Title	Increased % manufacturing growth through the implementation of a National Industrial Policy
Definition	A policy that guides industrial development in the country. 1 (a) An approved policy that guides industrial development in the country. 1 (b) Tracks and monitors the implementation of the National industrial policy
Source of data	Signed off submission by the DDG: Sectors to the DG
Method of Calculation or Assessment	Qualitative (as per milestones)
Means of verification	1) Signed off progress reports on the implementation of industrial policy signed off by the DDG: Sectors to the DG Official data reflecting percentage increase in manufacturing growth
Assumptions	Stakeholder buy-in Availability of budget Timeous approval by relevant structures (Economic Cluster, Cabinets and Executive Authority) Economic environment (Nationally and globally)is conducive
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Quarterly
Desired performance	Target achieved
Indicator Responsibility	ADDG Sectors

Indicator Title	Increased % of global market share for processed critical minerals
Definition	Implementation of the national strategy to support energy transition and beneficiation Critical minerals include: Battery grade minerals (Aluminium, Nickel, Manganese, Copper, Vanadium, Rare Earth Elements (REE), Graphite and Cobalt); Chrome; Iron ore
Source of data	International Energy Agency Annual report: Energy Technology Perspectives
Method of Calculation or Assessment	Quantitative
Means of verification	Description of methodology in the annual report Submission signed off by the DDG: Sectors to the DG
Assumptions	Stakeholder buy-in Timeous approval by relevant structures (Economic Cluster, Cabinets and Executive Authority) Discouraging the export of unwrought minerals with limited production capacity, and subject to building absorptive capacity– to ensure reliable supply of input materials. – MPRDA S26 - DMPR Introduce differentiated electricity tariffs for highly valued processed minerals with high energy intensity – Electricity pricing DEE
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Annual
Desired performance	Target achieved
Indicator Responsibility	ADDG Sectors

Indicator Title	Rand value increase in the procurement value of locally manufactured goods and services
Definition	Contribution of procurement spent towards localisation and re- industrialisation
Source of data	Quarterly monitoring reports on the procurement spent submitted to the DG
Method of Calculation or Assessment	Quantitative
Means of verification	Submission from Industrial Procurement consolidating procurement figures from the sector desks signed off by the DDG: Sectors to the DG Submissions from procuring entities and/or suppliers
Assumptions	Stakeholder buy-in and implementation, availability of budget to implement the infrastructure programmes, timeous execution of projects, approval of the regulations under the Procurement Act, approval of the NIPP amendments, reporting by suppliers and procuring entities, adoption of strategic procurement approaches for strategic fleets (e.g Rails, Transmission and distribution lines, water infrastructure, pharmaceuticals, etc)
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Quarterly
Desired performance	Target achieved
Indicator Responsibility	ADDG Sectors

Indicator Title	% increase in the local production of rail transport equipment
Definition	Reduce the import content in the rail transport equipment to support localisation and re-industrialisation
Source of data	Quarterly report signed off by the DDG: Sectors to DG
Method of Calculation or Assessment	Quantitative
Means of verification	Trade data analysis using official data sources Reports from rail related SOC's and suppliers
Assumptions	Timeous award of tenders Stakeholder buy-in and implementation Growth in aggregated domestic demand Timeous execution of projects Approval of the regulations under the Procurement Act Approval of the NIPP amendments Reporting by suppliers and procuring entities Adoption of strategic procurement approaches for strategic fleets (e.g. rails; overhead equipment; rolling stock and parts)
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Quarterly
Desired performance	Target achieved

Indicator Title	Increase the growth of the Cannabis Industry by 10% per annum from a base of R14bn
Definition	Approval and implementation of Cannabis Commercialization Policy
Source of data	Submission from DDG: Sectors to DG
Method of Calculation or Assessment	Qualitative
Means of verification	Signed submission from DDG: Sectors to DG
Assumptions	Stakeholder buy-in and implementation Availability of budget Timeous approval by relevant structures (Economic Cluster, Cabinets and Executive Authority) Economic environment (Nationally and globally)is conducive Approval of the Cannabis for Private Purposes Regulation by Parliament and consequence Acts/ regulations by other Departments i.e. DoA, DoH , DoJ , DSTI
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Quarterly
Desired performance	Target achieved
Indicator Responsibility	ADDG Sectors
	Target achieved

Indicator Title	Development of the rail tariff reduction support programme
Definition	Rail tariff reduction support programme for strategic sectors approved by the accounting officer
Source of data	Annual submission with the proposals signed off by the DDG: Sectors to DG
Method of Calculation or Assessment	Qualitative (as per milestones)
Means of verification	Tariff and costs reports from rail related SOC's and suppliers
Assumptions	Stakeholder buy-in and implementation Implementation of Rail Policy Legislations and Strategies: • National Rail Policy (May 2022) • Roadmap for the Freight Logistics System in South Africa • Economic Regulation of Transport Act (Act 6 of 2024) • Railway Safety Act (Act No.30 of 2024) • Updated rail Network Statements National Treasury writing off SOC's infrastructure cost- old debts Transnet Rail Infrastructure Manager's ability to • raise or access funding/loans • recover of all operating costs incurred in the efficient provision of services to train operating companies • improve operational effeciencies Subsidies mechanism developed and provided to rail operators/customers to cover the portion of the cost Implementation of the Private Sector Participation Programme Support and approval of Joint initiative programme between Transnet and its customers (i.e Automotive, Mining houses, general freight and others) to undertake maintenance programme.
Disaggregation of Beneficiaries (where applicable	N/a

Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Annual
Desired performance	Targets Achieved
Indicator Responsibility	ADDG Sectors

Indicator Title	Percentage increased in manufacturing of the EV batteries
Definition	Manufacturing of batteries for EV production
Source of data	Quarterly report signed off by the DDG: Sectors to DG
Method of Calculation or Assessment	Qualitative
Means of verification	Signed quarterly reports by the DDG: Sectors to DG
Assumptions	Stakeholder buy-in and implementation: - DMPR, - IDC, - Transnet; - Industry; and - Provincial governments. Availability of budget Timeous approval by relevant structures (Economic Cluster, Cabinets and Executive Authority) Economic environment (Nationally and globally)is conducive Approval by Automotive EOC structure
Disaggregation of Beneficiaries (where applicable	N/a
Spatial Transformation (where applicable)	N/a
Calculation Type	Milestones achieved
Reporting Cycle	Quarterly
Desired performance	Target achieved
Indicator Responsibility	ADDG Sectors

Indicator Title	Percentage Increased on renewable energy components
Definition	Monitor and report on the increase in demand from renewable energy and storage in industrial parks coverred by the Eco Industrial Park Project
Source of data	Eco Industrial Park Project Reports NCPC reports
Method of Calculation or Assessment	Renewable energy demand by eco industrial parks and/or renewable energy installation by eco industrial parks
Means of verification	Data supplied by NCPC and quarterly reports signed off by NCPC Executive Management
Assumptions	Stakeholder Buy-in Industries/industrial parks providing accurate information on a regular basis Continued sufficient funding for NCPC-SA
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annual
Desired performance	Target achieved
Indicator Responsibility	DDG: Sectors

Indicator Title	Implementation of Decarbonisation Strategy to inform Industrial Policy, Trade Policy and Policy position on Carbon Tax
Definition	Establish a Decarbonisation Project Structure, Project Structure to provide input on the detail design of the decarbonisation Strategy and implementation measures, Use the Environmental Implementation Plan (Legislative Requirement) of **the dtic** as the reporting implementation and reporting mechanism
Source of data	Information supplied by Branches, IDC,
Method of Calculation or Assessment	Qualitative as per agreement with the DFFE under the National Environmental Management Act Climate Change Act
Means of verification	To be determined
Assumptions	Stakeholder Buy-in and stakeholder implementation
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Qualitative
Reporting Cycle	Annual
Desired performance	Annual approval of the EIP
Indicator Responsibility	DDG: Sectors

Programme 5: Regulation

Indicator Title	Number of Regulations amended and reports submitted to Executive Authority
Definition	Draft Regulations on National Gambling Act & Liquor Act, Act National Credit Act; Lotteries Act, and Copyright Act Regulations 3,5,6,7 and 13 of the LPM Regulations 2000. Minister to increase number LPMS the provinces may approve on their own and increase stakes and prizes for LPM sector.) and the Liquor Regulations (to streamline registration processes, automation, provide for gaps in the Regulations, trading hours, etc), National Credit Regulations identified by the Youth Employment Working Group (Regulation 17, 18, 19, 23A, 24, 28, 29, 30, 31(4)); ; Lotteries
Source of data	Approved Reports or Draft Regulations on the National Gambling Act regarding Exclusions Register to address problem gambling, the Liquor Regulations and other Regulations submitted to Executive Authority for publication in the Government Gazette
Method of Calculation or Assessment	Simple
Means of verification	Approved Reports or Draft Regulations on the National Gambling Act regarding Exclusions Register to address problem gambling, the Liquor Regulations and other Regulations submitted to Executive Authority for publication in the Government Gazette
Assumptions	-
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG: Regulation

Indicator Title	Number of Omnibus Bills amended and reports submitted to Executive Authority
Definition	Omnibus Bill developed to address red tape and contribute to inclusive growth
Source of data	Draft Legislation or approved submission by DDG
Method of Calculation or Assessment	Simple count
Means of verification	Draft Legislation or approved submission by DDG
Assumptions	Companies Amendment Act assented to / approved.
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG: Regulation

Indicator Title	Number of interventions to streamline processes to enable red tape reduction and report submitted to EA
Definition	Interventions include procedures, standards, policies, rules, digital processes
Source of data	Approved reports by DDG
Method of Calculation or Assessment	Simple
Means of verification	Approved reports by DDG
Assumptions	Cooperation from entities
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG: Regulation

Indicator Title	% of turnaround time reduced on processes, applications and permits in the dtic entities and report submitted to EA
Definition	Identification of process efficiencies to reduce turnaround time and actions recommended to entities Turnaround times includes timeframes on processes, applications and permits. They can be number of days, months and years
Source of data	Approved reports by DDG
Method of Calculation or Assessment	Simple
Means of verification	Approved reports by DDG
Assumptions	Cooperation from entities
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target achieved or exceeded
Indicator Responsibility	DDG: Regulation

Programme 6: Incentives

Indicator Title	Rand value of investment through industrial financial support
Definition	The total value of projected investments from private sector and foreign direct investments through industrial financing support from approved enterprises/ projects (ADEP, AIS, APSS, BIS, CIP, Film and TV, MSP, and SEZ) **Exceptions:** 1. The total value of projected investments in case BIS equals total projected costs (including incentive grant) of all the enterprises/ projects approved. 2. AIS projected investment is based on qualifying investment.
Source of data	Signed Adjudication Committee (AC) minutes and Adhoc Decision Review Committee (ADRC) minutes (only for projects approved via appeals)
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report and Supporting Schedule
Assumptions	Approved projects/enterprises will commit to the value of projected investments
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year end
Reporting Cycle	Quarterly
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Indicator Title	Rand value of export revenue of Global Business Services
Definition	The total actual value (rand) of export revenue generated through supported global business services projects as reported by disbursed projects
Source of data	Incentive claim packs and BAS incentive Reports
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report and Supporting Schedule - signed by Senior Manager
Assumptions	Supported projects are generating export revenue
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year end
Reporting Cycle	Quarterly
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Indicator Title	Rand value disbursed to projects/ enterprises
Definition	The total value (Rands) of approved funding disbursed to enterprises/projects across all incentives.
Source of data	Incentive claim packs and BAS incentive reports
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report and Supporting Schedule - signed by Senior Manager
Assumptions	Approved enterprises/projects submit claims for disbursement of incentive funds
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year end
Reporting Cycle	Quarterly
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Indicator Title	Number of new jobs created
Definition	The actual number of new permanent jobs created by disbursed projects/enterprises (ADEP, AIS, APSS, BIS, CIP, GBS, and MSP).
Source of data	Incentive claim packs and Bas incentive report
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report and Supporting Schedule - signed by Senior Manager
Assumptions	Projects/enterprises are creating jobs as per approval
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year end
Reporting Cycle	Bi-Annually
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Indicator Title	Implementation of an integrated industrial financing single access
Definition	Implementation of an integrated industrial financing single access (web portal)
Source of data	The current website
Method of Calculation or Assessment	N/A
Means of verification	Functional online integrated IFG web portal
Assumptions	The website reduced time of searching for industrial financing programmes offered by **the dtic,** NEF and the IDC
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	N/A
Reporting Cycle	Annually
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Indicator Title	Number of jobs created through the digital economy programme (GBS)
Definition	The actual number of jobs created (new and/or retained) by the digital economy programme (GBS)
Source of data	Incentive claim packs and BAS incentive report
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report and Supporting Schedule - signed by Senior Manager
Assumptions	GBS projects/enterprises are creating jobs as per approval
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year end
Reporting Cycle	Bi-Annually
Desired performance	Target met or higher
Indicator Responsibility	DDG: Incentives

Programme 7: Exports

Indicator Title	Rand value of South African exports to the rest of the world in key industrial policy sectors, including services
Definition	Annual report outlining cumulative value of South African exports in sectors promoted, including by Export Councils, based on SARS Raw data or data obtained from trading partners or reports by select exporters. Sectors include, but are not limited to goods and services in: • Clothing, Textile, Leather and Footwear (CTFL) • Agriculture and Agro-Processing • Steel, Metal Fabrication and Aluminium Sector • Cosmetics Sector • Oceans Economy • Electro-Technical Industries • Aerospace and Defence • Automotive and Components
Source of data	Report(s) using data from SARS, EMIA, Export Councils, **the dtic** agencies, Trading Partners and Exporters.
Method of Calculation or Assessment	Simple count
Means of verification	Signed report on exports in in sectors promoted, including by Export Councils.
Assumptions	Exports to international markets
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End.
Reporting Cycle	Annually.
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Export Promotion and Marketing - CD: Export Development

Indicator Title	Rand value of South African exports to the Rest of Africa in key industrial policy sectors, including services
Definition	Annual report outlining cumulative value of South African exports to the Rest of Africa in sectors promoted, including by Export Councils, based on SARS Raw data or data obtained from trading partners or reports by select exporters. Sectors include, but are not limited to goods and services in: • Clothing, Textile, Leather and Footwear (CTFL) • Agriculture and Agro-Processing • Steel, Metal Fabrication and Aluminium Sector • Cosmetics Sector • Oceans Economy • Electro-Technical Industries • Aerospace and Defence • Automotive and Components
Source of data	Report(s) using data from SARS, EMIA, Export Councils, **the dtic** agencies, Trading Partners and Exporters.
Method of Calculation or Assessment	Simple count
Means of verification	Signed report on exports in in sectors promoted, including by Export Councils.
Assumptions	Exports to international markets
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A

Calculation Type	Cumulative Year-End.
Reporting Cycle	Annually.
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Export Promotion and Marketing - CD: Export Development

Indicator Title	Number of days reduction in the Export Marketing and Investment Assistance (EMIA) group scheme programme application processes.
Definition	Reports setting out progress on reducing EMIA programme application processes. Number of days reduction in the Export Marketing and Investment Assistance (EMIA) group scheme programme application processes.
Source of data	Reports
Method of Calculation or Assessment	Simple count.
Means of verification	Signed reports.
Assumptions	Effective and accessible EMIA programme to benefit more companies..
Disaggregation of Beneficiaries (where applicable	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End.
Reporting Cycle	Annually.
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Exports/Operations - CD: Export Promotion and Marketing

Indicator Title	Rand value of South African exports to the rest of the world by SMMEs funded by EMIA
Definition	Annual report outlining cumulative value of South African exports of SMMEs funded by EMIA
Source of data	Report(s) using data from EMIA and Exporters.
Method of Calculation or Assessment	Simple count.
Means of verification	Signed report on exports through EMIA export initiatives.
Assumptions	Exports to international markets.
Disaggregation of Beneficiaries (where applicable	SMMEs
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End.
Reporting Cycle	Annually.
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Exports/Operations - CD: Export Promotion and Marketing

Indicator Title	Rand value of South African exports to the rest of the world by Black owned entities funded by EMIA
Definition	Annual report outlining cumulative value of South African exports of Black owned companies funded by EMIA.
Source of data	Report(s) using data from EMIA and Exporters.
Method of Calculation or Assessment	Simple count.
Means of verification	Signed report on exports through EMIA export initiatives.
Assumptions	Exports to international markets.
Disaggregation of Beneficiaries (where applicable	Black
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting Cycle	Annually
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Exports/Operations - CD: Export Promotion and Marketing

Indicator Title	Number of entities capacitated on exporting skills
Definition	Provide export capacity building (training, mentorship, coaching and incubation and acceleration) for export readiness to new and emerging exporters
Source of data	Report(s) on export capacity building provided (training, mentorship, coaching and incubation and acceleration) and attendance register
Method of Calculation or Assessment	Simple count
Means of verification	Signed report on training and capacity building on exporting
Assumptions	Exports to international markets.
Disaggregation of Beneficiaries (where applicable	
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End.
Reporting Cycle	Annually.
Desired performance	Target achieved or exceeded.
Indicator Responsibility	CD: Exports/Operations - CD: Export Development and Support

Programme 8: Transformation and Competition

Indicator Title	Rand Value of investments leveraged from competition and transformation interventions
Definition	It is the value of investment commitments facilitated by programme 8 over a financial year. Each investment commitment has an indicated investment value in Rand which collectively equates to the overall investment value
Source of data	Rand value identified in one or more of the following: (1) agreements reached regarding investment commitments associated with mergers, Black Industrialists, EEIP or any other work undertaken by programme 8 (2) investment commitments made orders by the Competition Authorities (the Competition Commission or the Competition Tribunal) (3) Reports from the Competition Authorities, (4) Reports by programme 8, signed by a senior manager
Method of Calculation	Simple count
Means of verification	Quarterly reports signed by Senior Manager
Assumptions	That a number of large mergers will be notified during the year, and that parties will negotiate investment commitments in mergers where the public interest is advanced. That EEIP applications made support the investment target and that **the dtic** funding to Black Industrialists secures investment commitments.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	80% - 100% of target achieved or target exceeded
Indicator Responsibility	DDG: Transformation and Competition

Indicator Title	Rand value of Transformation Fund aggregated and disbursed
Definition	Implementation of the R100bn Transformation Fund by 2029
Source of data	Information/ reports/ agreements/ orders from the Competition Authorities, the EEIP programme, the Black Industrialist programme, government entities, IDC reports.
Method of Calculation	Simple count
Means of verification	Quarterly reports signed by Senior Manager
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Simple count
Reporting Cycle	Annually
Desired performance	Meet or exceed targets
Indicator Responsibility	DDG Transformation and Competition

Indicator Title	% Implementation of B-BBEE of black ownership in critical sectors
Definition	Implementation of BBBEE to achieve 40% black ownership in critical sectors by 2029
Source of data	Information/ reports/ agreements/ orders from the Competition Authorities, the EEIP programme, the Black Industrialist programme, government entities, IDC reports.
Method of Calculation	Simple count
Means of verification	Annual report signed by Senior Manager
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	Meet or exceed targets
Indicator Responsibility	DDG Transformation and Competition

Indicator Title	Number of SEF job opportunities created
Definition	50 000 Social Employment Fund (SEF part-time or temporary job opportunities) jobs created
Source of data	Reports from the IDC on SEF for the number of job opportunities created.
Method of Calculation	Simple count
Means of verification	Reports signed by Senior Manager
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Measurement of jobs opportunities for males, females, and youth – in the social economy
Spatial Transformation (where applicable)	None
Calculation Type	Simple count
Reporting Cycle	Bi-Annually
Desired performance	80% - 100% of target achieved or target exceeded
Indicator Responsibility	DDG: Transformation and Competition

Indicator Title	Number of market inquiries concluded
Definition	Reduce market concentration in highly concentrated markets through the implementation of concluded Market Inquiries
Source of data	Research, case studies, Competition Authorities; SARS, StatsSA, experts, published articles, media
Method of Calculation or Assessment	Simple count
Means of verification	Market inquiry reports gazetted and tabled in Parliament
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Simple count
Reporting Cycle	Annually
Desired performance	100% of target achieved or target exceeded
Indicator Responsibility	DDG: Transformation and Competition

Indicator Title	Number of additional workers with shares in their companies including but not limited to competition initiatives
Definition	Additional workers with shares in their companies as presented in commitments made
Source of data	Agreements with companies; Tribunal orders; information and reports from the companies and ESOPs, **the dtic** programmes, government departments and entities including the IDC, the NEF and B-BBEE Commission
Method of Calculation	Simple count
Means of verification	Quarterly reports signed by Senior Manager
Assumptions	Assume large mergers take place where companies are prepared to consider and negotiate ESOPS
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	80% - 100% of target achieved or target exceeded
Indicator Responsibility	DDG: Transformation and Competition

Indicator Title	Number of unemployed youth trained under the Youth Employment Service (YES) by 2029
Definition	Skills development programme focusing on unemployed youth designed and implemented with 200 000 unemployed youth trained, inclusive of the YES programme
Source of data	Reports signed by Senior Manager
Method of Calculation or Assessment	Quantitative
Means of verification	Quarterly reports signed by Senior Manager
Assumptions	Availability of funds and firms' ability to provide training facilities
Disaggregation of Beneficiaries (where applicable	The beneficiaries will be disaggregated based on gender and Spatial demographics
Spatial Transformation (where applicable)	Participation by firms and beneficiaries will be promoted across all the 9 provinces.
Calculation Type	Simple count
Reporting Cycle	Bi-Annually
Desired performance	Skills training programme designed and 200 000 unemployed youth trained inclusive of the YES Programme
Indicator Responsibility	DDG: Transformation and Competition

Programme 9: Research

Indicator Title	Number of MTDP Implementation reports produced
Definition	Quarterly reports produced tracking MTDP implementation.
Source of data	Report tabled in Cabinet
Method of calculation	Quantitative
Means of verification	Research Reports produced
Assumptions	Departments in the Economic Cluster provide relevant data timeously thereby allowing for analysis.
Disaggregation of Beneficiaries (where applicable)	The quarterly report will track progress in supporting designating groups as specified in the MTDP.
Spatial Transformation (where applicable)	The quarterly report will provide a high-level analysis of provincial economic trends.
Calculation Type	Simple count
Reporting Cycle	Quarterly
Desired performance	Four quarterly reports produced tracking MTDP implementation.
Indicator Responsibility	DDG: Research

Indicator Title	Accelerated Energy Roadmap approved by the Minister
Definition	Energy Roadmap developed and approved by the Minister including analysis of electricity costs
Source of data	Submission signed by Minister
Method of Calculation / Assessment	Quantitative
Means of verification	Approved submission from Ministry
Assumptions	Strong stakeholder participation will be required to develop the Roadmap which accelerates private-sector participation and diversifies the energy mix.
Disaggregation of Beneficiaries (where applicable)	The Roadmap will seek to provide beneficiaries with access to digital infrastructure.
Spatial Transformation (where applicable)	The Roadmap will identify districts which could benefit from new sources of energy generation such as hydrogen, solar, wind.
Calculation type	Simple count
Reporting cycle	Annually
Desired performance	One Accelerated Energy Roadmap approved by the Minister
Indicator Responsibility	DDG: Research

Indicator Title	Number of negotiated price agreements between Eskom and firms to improve the competitiveness of key industrial sectors
Definition	Negotiated price agreements between Eskom and firms to improve the competitiveness of key industrial sectors.
Source of data	Approved Submission Eskom NPA's
Method of Calculation / Assessment	Quantitative
Means of verification	Price agreements between Eskom and firms
Assumptions	Eskom willingness to sign new NPA's
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Simple count
Reporting cycle	Annually
Desired performance	Two price agreements between Eskom and firms concluded
Indicator Responsibility	DDG: Research DDG: ISID DDG: Sectors

Indicator Title	Digital Roadmap approved by the Economic Cluster
Definition	Digital Roadmap developed and approved by the Economic Cluster.
Source of data	Economic Cluster minutes
Method of Calculation / Assessment	Quantitative
Means of verification	Approved Digital Roadmap by the Economic Cluster
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	The Roadmap will seek to provide beneficiaries with access to digital infrastructure.
Spatial Transformation (where applicable)	The Roadmap will prioritise townships and other under-served areas
Calculation type	Simple count
Reporting Cycle	Annually
Desired performance	One Digital Roadmap approved by the Economic Cluster
Indicator Responsibility	DDG: Research

Indicator Title	Digital Venture Capital Fund established in partnership with industry
Definition	Digital Venture Capital (VC) Fund established
Source of data	Contracts between DFIs and firms
Method of Calculation / Assessment	Quantitative
Means of verification	Approved VC Fund
Assumptions	Availability of funds
Disaggregation of Beneficiaries (where applicable)	The Fund will support tech start-ups including from designation groups.
Spatial Transformation (where applicable)	The Fund will track support to firms by district to ensure under-served areas are also supported.
Calculation Type	Simple Count
Reporting Cycle	Annually
Desired performance	One Digital VC Fund established
Indicator Responsibility	DDG: Research

Indicator Title	Number of youths trained in digital skills
Definition	Digital skills development programme focusing on 10 000 youth trained
Source of data	Internal Submission
Method of Calculation	Quantitative
Means of verification	Reports on youth digital skills training
Assumptions	Beneficiaries will take up the opportunity
Disaggregation of Beneficiaries (where applicable)	Youths
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	10,000 youths trained
Indicator Responsibility	DDG: Research

Indicator Title	Number of unemployed persons completed digital literacy training courses
Definition	Unemployed persons who received and completed literacy training skills
Source of data	Internal Submission
Method of Calculation / Assessment	Quantitative
Means of verification	Reports on unemployed persons completed digital literacy training courses
Assumptions	Beneficiaries will take up the opportunity
Disaggregation of Beneficiaries (where applicable)	Youths
Spatial Transformation (where applicable)	N/A
Calculation Type	Simple count
Reporting Cycle	Annually
Desired performance	50 000 unemployed persons completed digital literacy training courses
Indicator Responsibility	DDG: Research

11. Abbreviations and Acronyms

TERM	DEFINITION
AfCFTA	African Continental Free Trade Area Agreement
AAMP	Agriculture and Agro-processing Masterplan
AC	Adjudication Committee
ADEP	Aquaculture Development and Enhancement Programme
ADRC	Adhoc Decision Review Committee
AGOA	African Growth and Opportunity Act
AGSA	The Auditor General of South Africa
AIS	Automotive Incentive Scheme
APDP	The Automotive Production and Development Program
APP	Annual performance Plan
APSS	Agro-Processing Support Scheme
AU	African Union
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
BBOS	Broad-Based Ownership Schemes
BEE	Black Economic Empowerment
BI	Black Industrialist
BIS	Black Industrialist Scheme
BRICS	Brazil, Russia, India, China and South Africa
CBAM	Carbon tax border adjustment measures
CC	Competition Commission
CD	Chief Director
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIP	Critical Infrastructure Programme
CIPC	Companies and Intellectual Property Commission, a public entity reporting to **the dtic**
CMSB	Corporate Management Services Branch
CSIR	Council for Scientific and Industrial research
CSR	Corporate Social Responsibility
CT	Companies Tribunal, a public entity reporting to **the dtic**
CTFL	Clothing, Textile, Footwear and Leather

TERM	DEFINITION
CTIP	Clean Trade and Investment Partnership
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBTS	Digital Business Transformation Strategy
DDG	Deputy Director-General
DDM	District Development Model
DFI	Development Finance Institution
DG	Director-General
DMRE	Department of Mineral Resources and Energy
DTIC	Department of Trade, Industry and Competition
EA	Executive Authority
ECIC	Export Credit Insurance Corporation SOC Ltd, a public entity reporting to **the dtic**
EEIP	Equity Equivalent Investment Programme
EFTA	European Free Trade Association
EMIA	Export, Marketing and Investment Assistance
EOSS	Energy One Stop Shop
EPC	Engineering, Procurement, and Contracting
EPWP	Expanded Public Works Programme
ERRP	Economic Reconstruction and Recovery Plan
ESD	Enterprise or Supplier Development
ESOPS	Employee Share Ownership Programmes
EU	European Union
EV	Electric Vehicles
FDI	Foreign Direct Investment
FER	Foreign Economic Representatives
4IR	Fourth Industrial Revolution
FTE	Full-Time Equivalents
FY	Financial Year
GATT	General Agreement on Trade and Tariffs
GBS	Global Business Services
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIAMA	Government Immovable Asset Management Act

TERM	DEFINITION
GNU	Government of National Unity
GSP	Generalised System of Preferences
GTAC	Government Technical Advisory Centre
HVAC	Heating, Ventilation Air-Conditioning
ICE	Internal Combustion Engine
ICT	Information and Communications Technology
ICTS	International Cooperation, Trade and Security
IDC	Industrial Development Corporation, a public entity reporting to **the dtic**
IFG	International Financing Group
4IR	Fourth Industrial Revolution
ISA	Investment South Africa
ITAT	Industrialisation Think-Action Tank
ITAC	International Trade Administration Commission, a public entity reporting to **the dtic**
JET	Just Energy Transition
MTDP	Medium Term Development Plan
MTEF	Medium Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NCC	National Consumer Commission, a public entity reporting to **the dtic**
NCR	National Credit Regulator, a public entity reporting to **the dtic**
NCT	National Consumer Tribunal, a public entity reporting to **the dtic**
NDP	National Development Plan
NDPWI	National Department of Public Works and Infrastructure
NEDLAC	National Economic Development and Labour Council
NEF	National Empowerment Fund, a public entity reporting to **the dtic**
NGB	National Gambling Board, a public entity reporting to **the dtic**
NIP	National Industrial Policy
NLA	National Liquor Authority
NLC	National Lotteries Commission, a public entity reporting to **the dtic**
NMISA	National Metrology Institute of South Africa, a public entity reporting to **the dtic**
NRCS	National Regulator for Compulsory Specifications, a public entity reporting to **the dtic**
NT	National Treasury
ODG	Office of the Director-General

TERM	DEFINITION
OECD	Organisation for Economic Co-Operation and Development
OEMs	Original Equipment Manufacturers
PEO	Public Entity Oversight
PPP	Public-Private Partnership
PPPA	Preferential policy Framework Act
PWD	Persons with Disabilities
RCM	Regional Critical Minerals
RFQ	Request for Quote
SA	South Africa
SABS	South African Bureau of Standards, a public entity reporting to **the dtic**
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAF	Sustainable Aviation Fuel
SAIC	South Africa Investment Conference
SANAS	South African National Accreditation System, a public entity reporting to **the dtic**
SANS	South African National Standards
SAREM	South African Renewable Energy Masterplan
SARS	South African Revenue Service
SCM	Supplier Chain Management
SEF	Social Employment Fund
SEZ	Special Economic Zone
SMME	Small, Medium and Micro-Sized Enterprises
SMS	Senior Management Service
SOE	State Owned Enterprises
SONA	State of the Nation Address
STATSA	Statistics South Africa
TCTA	Trans-Caledon Tunnel Authority
THL	Tongaat Huletts
TID	Technical Indicator Description
TIFA	Trade and Investment Framework Agreement
TIWG	Trade and Investment Working Group
TRIPS	Trade Related Aspects of Intellectual Property Rights

TERM	DEFINITION
TRP	Takeover Regulation Panel, a public entity reporting to **the dtic**
UK	United Kingdom
UNFCC	United Nations Framework Convention on Climate Change
US	United State of America
VCF	Venture Capital Fund
WTO	World Trade Organisation
WYPD	Women, Youth, and Persons with Disabilities
ZAR	South African Rands

Annexures to the Annual Performance Plan

Annexure A: Amendments to the Strategic Plan

N/A.

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