the dtic
Performance Report

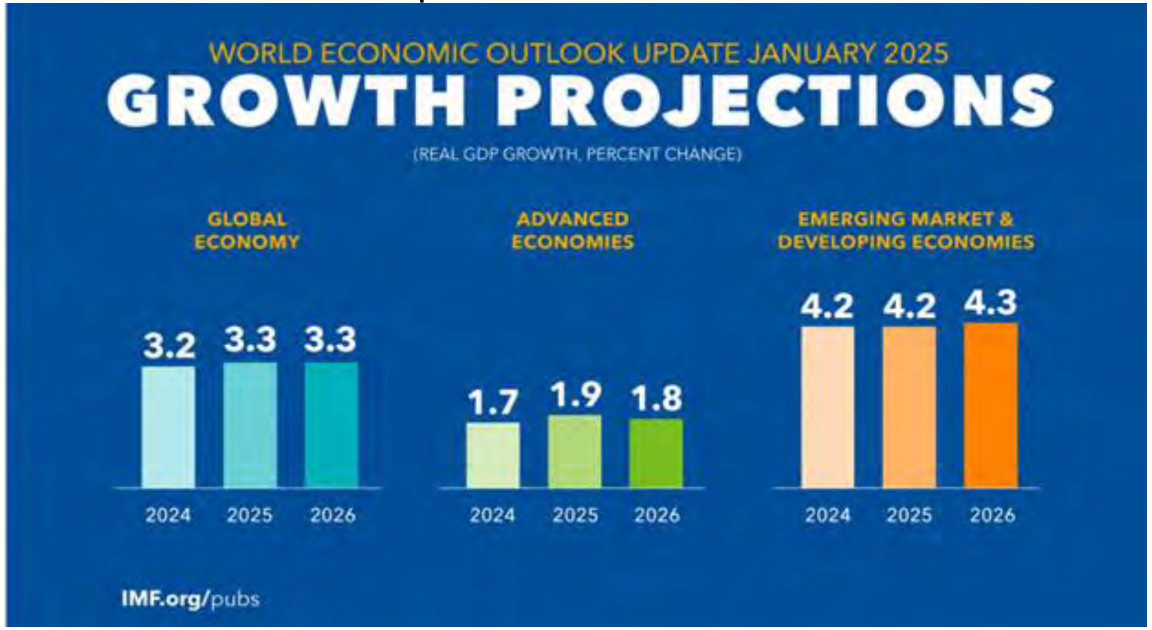
Presentation to the Portfolio Committee on Trade, Industry and Competition

Second & Third Report 2024/2025 Accounting Period

Economic Context Overview - 1

1. Global growth is projected at 3.3% both in 2025 and 2026, below the historical (2000-19) average of 3.7%. This is in line with the April 2024 World Economic Outlook (WEO) forecast, at 3.2% in 2024 and 3.3% in 2025.
2. This forecast is broadly unchanged from that in the October 2024 WEO, primarily on account of an upward revision in the United States (US) offsetting downward revisions in other major economies.
3. Global headline inflation is expected to decline to 4.2% in 2025 and to 3.5% in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.
4. According to the IMF forecast, South Africa's GDP has increased marginally and is expected to grow by 1.5% in 2025, and 1.6% in 2026.
5. Most of South Africa's exports, sitting at 25% are destined for the SADC region; and this exposure to sub-Saharan Africa is an important opportunity. Growth in sub-Saharan Africa is expected to pick up in 2025.

Growth outlook for 2025 has improved.



Source: IMF, January 2025: World Economic Outlook

Global Risks

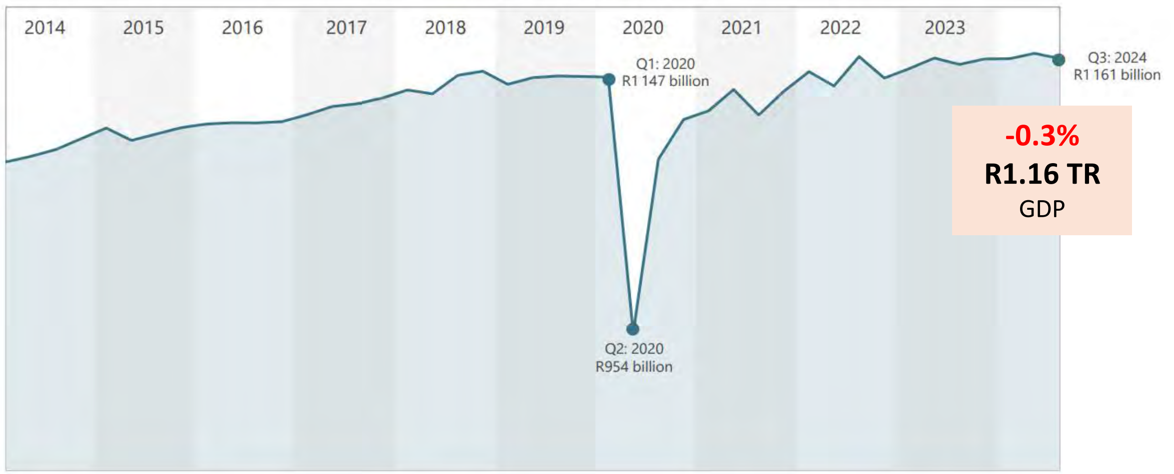
1. Medium-term risks to the baseline are tilted to the downside. While the upside risks could lift already-robust growth in the US, in the short run, risks in other countries are on the downside amid elevated policy uncertainty.
2. Economic policy uncertainty - has increased sharply, especially on the trade and fiscal fronts, with some differentiation across countries;
3. An intensification of protectionist policies - could exacerbate trade tensions, lower investment, reduce market efficiency, distort trade flows, and again disrupt supply chains;
4. Renewed inflationary pressures - could prompt central banks to raise policy rates and intensify monetary policy divergence;
5. Labour force disruptions - may permanently reduce potential output and raise inflation during the adjustment period; and,
6. Geopolitical tensions - could intensify, leading to renewed spikes in commodity prices.

Economic Context Overview - 2

South African GDP over time

Real GDP was R1 161 billion in Q3: 2024, down from an all-time high in the previous quarter

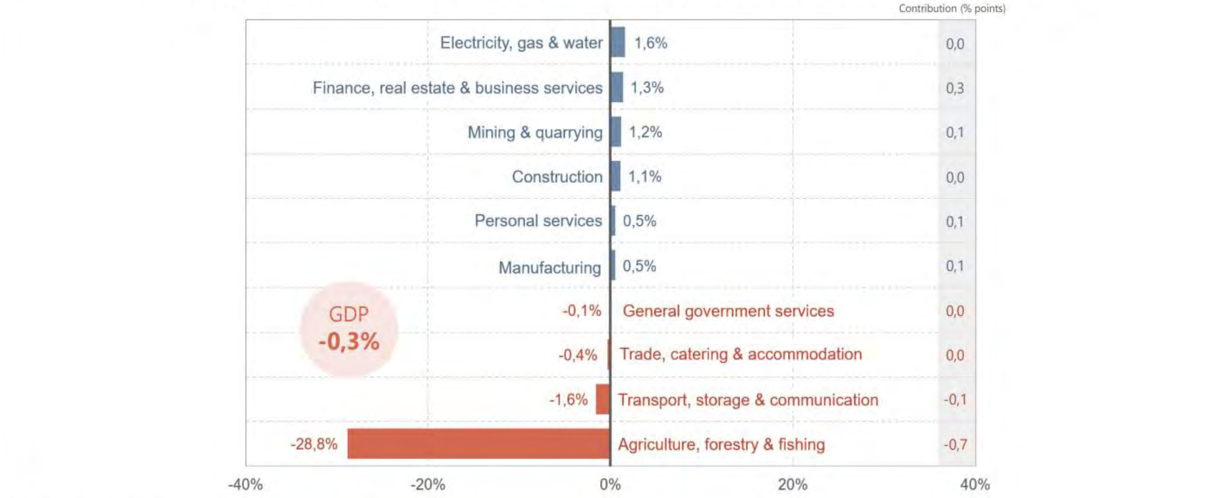
Constant 2015 prices, seasonally adjusted



-0.3%
R1.16 TR
GDP

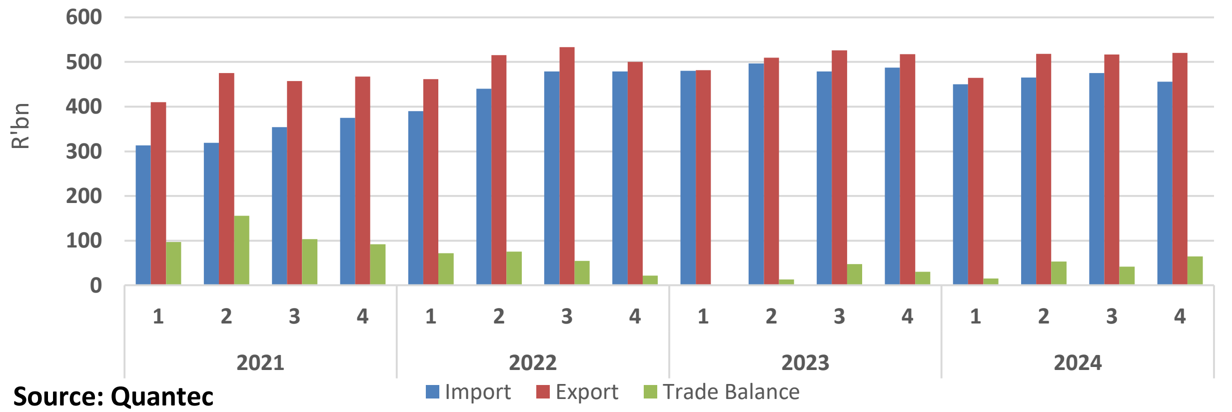
Four industries contracted in Q3: 2024

Industry growth rates, Q3: 2024 compared with Q2: 2024 (constant 2015 prices, seasonally adjusted)



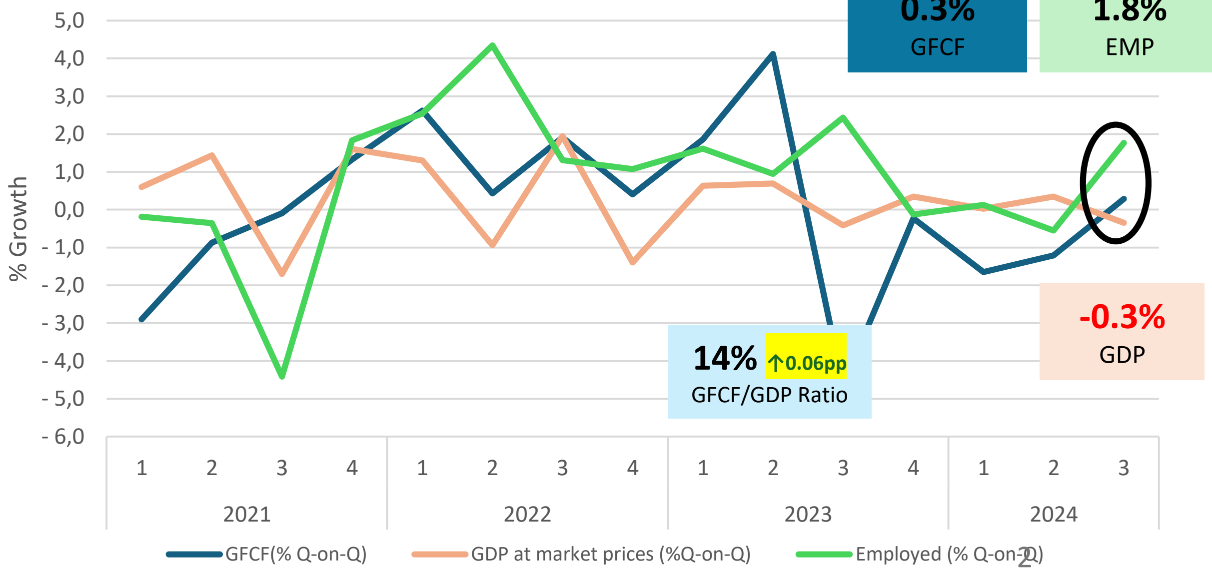
Agriculture, forestry & fishing was the largest drag on GDP growth in Q3: 2024.

SA Trade with the R.O.W.



Source: Quantec

R456 bn	**R521 bn**	**R65 bn**
-4%	**+0.7%**	**+55%**
Imports	**Exports**	**Trade Balance**



0.3%
GFCF

1.8%
EMP

14% ↑0.06pp
GFCF/GDP Ratio

-0.3%
GDP

Source:StatsSA

South African Economy - significant disruptions in Q2 & Q3

The past two quarters, South Africa's economy has experienced several significant disruptions:

1. **Political Transition to the 7th Administration**: Following the 2024 national and provincial elections, South Africa transitioned to the 7th administration. This change necessitated the revision and re-tabling of Annual Performance Plans (APPs) for various departments and their entities to align with the new administration's priorities.

2. **Unexpected Economic Contraction in Q3 2024**: In the third quarter of 2024, South Africa's economy unexpectedly contracted by 0.3% quarter-on-quarter, primarily due to a severe drought that led to a substantial decline in agricultural production.

3. **Revised Economic Growth Projections**: In response to ongoing economic challenges, the government revised its growth target downward. The initial projection of 3% GDP growth was adjusted to 1.1% for the year, reflecting the need for more realistic expectations amid current economic conditions.

4. **Stabilization of Business Confidence**: After a significant surge in the latter half of 2024, South African business confidence stabilized in January 2025. The Business Confidence Index (BCI) stood at 120.0, slightly down from December's 121.0 but well above November's 118.1. This stability was influenced by factors such as higher imports, vehicle sales, and tourist numbers, despite challenges like lower export volumes.

5. **Challenges in the Steel Industry**: The steel industry faced critical challenges, with urgent discussions underway to prevent the closure of major steel mills in Newcastle and Vereeniging. Potential shutdowns could result in significant job losses and impact investor confidence, highlighting the sector's vulnerability amid economic pressures.

These disruptions underscore the dynamism shaping South Africa's economic landscape.

South African Economy - Foodborne illnesses Government Action

In recent months, South Africa has faced significant challenges related to foodborne illnesses, prompting government action and parliamentary oversight. Key developments include:

1. **Presidential Address on Foodborne Illnesses**: On 15 November 2024, President Cyril Ramaphosa addressed the nation regarding the rise in foodborne illnesses and related fatalities, particularly among children. He expressed deep concern over the increasing cases of severe illness and deaths linked to contaminated food.

2. **Parliamentary Committee Briefings**: In response to the escalating crisis, the Parliamentary Committee on Trade received briefings on the government's strategies to address foodborne illnesses. On 29 January 2025, the committee was updated on the national response to the outbreak of classified foodborne illnesses.

3. **Inter-Ministerial Committee's Action Plan**: In December 2024, Ministers leading the interdisciplinary team on foodborne illnesses and illicit trade briefed the media on the progress of the government's action plan. The plan includes appointing health experts to a Ministerial Advisory Committee, implementing urgent reporting measures for deaths among children under 12, and developing medium-to-long-term prevention strategies.

4. **Health Interventions and Reporting Directives**: The government has mandated the immediate reporting of deaths among children aged 12 and below due to foodborne illnesses. This directive aims to provide real-time data on the burden of disease and at-risk populations, facilitating timely interventions.

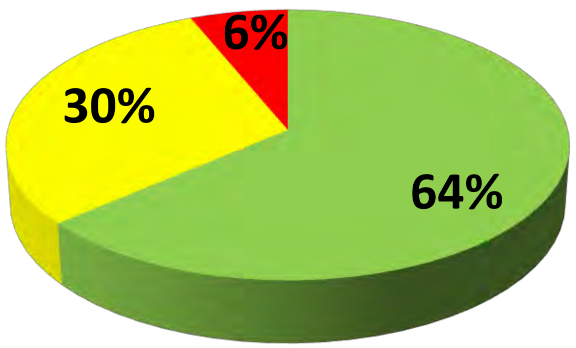
5. In response to the challenges faced by spaza shops, the South African government has established a R500 million fund to support these businesses. This initiative is a collaborative effort between the DTIC and the Department of Small Business Development (DSBD). This fund is part of a broader government initiative to formalize and support spaza shops, ensuring they operate safely and contribute to the local economy. By providing financial assistance and resources, the government aims to enhance the sustainability and competitiveness of these businesses.

These developments highlight the government's commitment to addressing foodborne illnesses through coordinated efforts across various sectors, including health, trade, and agriculture.

Q2 and Q3 Highlights of Key Achievements

Summary of Q2 & Q3 APP Performance (dtic)

Q2
Non Financial Performance



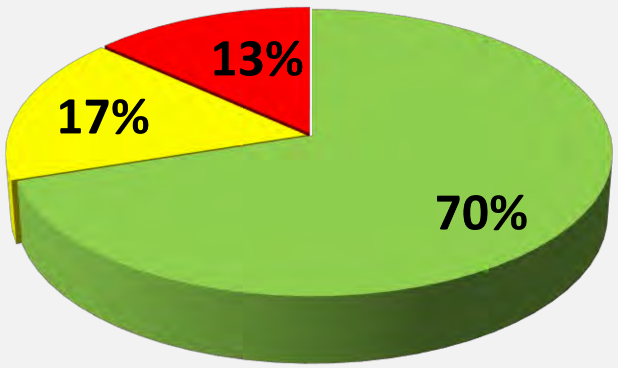
80 Planned Q2 Targets
51 Achieved
24 Partially Achieved
5 Not Achieved

Q2 Non Achieved Targets

1. 3 Business Forums hosted **(Four Hosted in Q3)**
2. R875M additional local output committed
3. R250M value of output by black industrialists supported through sector interventions
4. Progress report on the implementation and Monitoring of a Metal Trading System to identify stolen public infrastructure entering the scrap metal value-chain, export market or legitimate metal production industry **(Draft report prepared)**
5. A report on high-impact measures to improve the efficiency and/or effectiveness, of the dtic's policy or programme interventions

Q2 Financial Performance (01 April – 30 September 2024)		
R 9.6 billion		Original Budget
R 4.7 billion		Spent as at 30 September 2024
% of budget spent	=	**49.4%**

Q3
Non Financial Performance



30 Planned Q3 Targets
21 Achieved
5 Partially Achieved
4 Not Achieved

Q3 Not Achieved Targets

1. R5bn of Transformation Fund raised
2. 5 Commitments for Transformation Fund
3. 2 Discussion papers produced to influence economic policy debates
4. 10% Increase localisation in both public and private sectors through key sectoral interventions

Q3 Financial Performance (01 April – 31 December 2024)		
R 9.67 billion		Adjusted Budget
R 7 billion		Spent as at 31 December 2024
% of budget spent	=	**72.8%**

Entities’ Q2 & Q3 APP Performance

The following tables are a summary of **the dtic entities’** Q2 & Q3 APP performance

No	Entity	Achievement	
		Q2	Q3
1	Broad-Based Black Economic Empowerment (B-BBEE)	94%	92%
2	Companies and Intellectual Property Commission (CIPC)	100%	92%
3	Companies Tribunal	88%	80%
4	Competition Commission (CompCom)	88%	83%
5	Competition Tribunal	75%	88%
6	Export Credit Insurance Corporation (ECIC)	71%	70%
7	Industrial Development Corporation (IDC)	19%	39%
8	International Trade Administration Commission (ITAC)	75%	68%
9	National Metrology Institute of South Africa (NMISA)	77%	50%
10	National Consumer Commission (NCC)	92%	81%

No	Entity	Achievement	
		Q2	Q3
11	National Consumer Tribunal (NCT)	100%	100%
12	National Credit Regulator (NCR)	92%	86%
13	National Empowerment Fund (NEF)	71%	50%
14	National Gambling Board (NGB)	93%	93%
15	National Lotteries Commission (NLC)	45%	71%
16	National Regulator for Compulsory Specification (NRCS)	75%	64%
17	South African Bureau of Standards (SABS)	40%	60%
18	South African National Accreditation System (SANAS)	87%	73%
19	Takeover Regulation Panel (TRP)	80%	86%

Entities' Q2 & Q3 Performance – reasons for performance and corrective actions

No	Entity	Reasons for performance Variances	Corrective Actions
1.	**Industrial Development Corporation (IDC)**	• IDC's KPIs are output based and measure the actual impact in the economy and are only counted at the time of clearing conditions precedent or where a transaction has reached financial close. • Approved transactions which will contribute significantly to the KPIs are taking longer to close-out due to the complexity of the transactions requiring additional time, resources and consultations. • However transformation targets have been met and achieved R18,3 billion which exceeds the full year target of R17,5 billion	• Several operational actions and initiatives that are aimed at accelerating deal closure, driving business growth, and enabling a strong finish to the financial year are under implementation, and some successes in terms of moving the performance in a positive direction have been noted during Q3. • To accelerate deal closure, we have a dedicated team supporting deal teams in clearing conditions precedent and facilitating disbursements. • Additionally, the CEO chairs weekly progress meetings to closely track and drive the execution of high-priority transactions, ensuring timely and effective delivery
2.	**International Trade Administration Commission (ITAC)**	Some targets have external dependencies e.g: • vitality and growth of macro-economy; • Non-submission of applications to ITAC hence no decisions would have been made (e.gTrade Remedies) • Improvements introduced in processes	• The targets have external dependencies
3.	**National Consumer Commission (NCC)**	• The NCC focussed its attention on the food poisoning disaster as such, some objectives suffered. • The NCC received high volumes of applications for internships. The process of shortlisting, was therefore prolonged.	• The targets are cumulative and will be met in Q4.
4.	**National Empowerment Fund (NEF)**	The Q3 performance was affected by changes in the KPI, with an increase in "investments made" target changed from R675 million to R1.5 billion, with other KPI's linked to Investments also lagging e.g: • new job opportunities created (which was changed to reflect the new focus on new jobs as opposed to total jobs impacted which included existing jobs). • New KPIs introduced mid-year—such as Agribusinesses, and Catalytic sectors, posed additional performance challenges as new pipelines had to be developed during the financial year.	• The NEF will prioritize accelerating disbursement of committed funds. This will support the creation of nearly 9,000 jobs, ensure 70% of businesses receive funding within 45 days, and help fund 150 SMEs, with over 50% being Black Industrialists. This will improve performance across several indicators.

Entities' Q2 & Q3 Performance – reasons for performance and corrective actions

No	Entity	Reasons for performance variances	Corrective Action
5.	**National Lotteries Commission (NLC)**	• In Q2, most of the targets were not achieved due to capacity constraints and delays in commencement of the projects having a direct bearing to the achievement of the targets. • The modernisation journey that the NLC has embarked upon necessitated that systems and processes be reviewed, reengineered and remapped, which marked a massive transition within the life of the NLC.	• Contingency plans were implemented in quarter 3, and the organisation has moved swiftly in capacitating areas that experienced shortcomings. • Catch-plans and refinement of project plans are underway to sustain and improve on the performance of quarter 3.
6.	**National Metrology Institute of South Africa (NMISA)**	• Entity is suffering high staff turnover, with experienced scientists and engineers leaving the organisation to pursue better economic opportunities in industry. This negatively impacts the availability of resources to fulfil all operational needs.	The Board has approved the filling of a few priority positions, and the recruitment processes are underway.
7.	**National Regulator for Compulsory Specification (NRCS)**	• The NRCS lost productive time due to industrial action by NEHAWU-affiliated employees • Difficult market conditions leading to depressed revenue collections	• Recovery plans have been developed and will be implemented during Q4 to improve on Letter of Authority processing and inspection performance. • A revenue improvement task team was established to drive improvement. Tariff increase is under consideration by **the dtic**
8.	**South African Bureau of Standards (SABS)**	• In Q2 the entity experienced a strike and thus negatively impacting the majority of the Human Capital (HC) targets. However, by Q3 majority of those targets were back on track. • In Q3, the entity was hit by a ransomware and thus was unable to measure the indicators that they were already meeting. • For some of the missed indicators (Infrastructure and ICT), although project activities were conducted, the outstanding close-out processes at the steering committees meant that those targets could not be recorded as fully achieved.	• The PMO resource capacity constraints have been resolved. • Projects on ICT (business process mapping and ERP) and Infrastructure met targets in Q3 • Where entity is not able to report due to system availability post ransomware attack, it is following a highly focused intense recovery process. • The key indicator on accreditation status will be closed as soon as the systems are restored. All identified non-conformances were successfully addressed and cleared by December 2024. However, due to the cyberattack incident in November 2024, the SABS requested an extension from SANAS, as the records to verify the implemented corrective actions were being retrieved. As a result, an extension was granted and is valid until April 2025.

Governance: Filling Of Key Management Positions (Entities)

INDUSTRIAL DEVELOPMENT CORPORATION (IDC)

Ms Mamokgoshi Lekhethe was appointed Chief Executive Officer (CEO) of the IDC for a term of 5 years effective 01 February 2025.

- Ms Lekhethe, is an experienced economist with a demonstrated history of working in the Public Sector and International Financial Institutions. She worked as an Executive Director at the African Development Bank and later as Deputy Director-General: Asset and Liability Management at the National Treasury.
- She holds a B-Com Degree from University of Durban Westville, B-Com Honours from the University of the Witwatersrand (WITS) and a Master of Science Degree from the University of London.

NATIONAL EMPOWERMENT FUND (NEF)

Mr Mziwabantu Dayimani was appointed CEO of the NEF for a term of 5 years effective 01 January 2025.

Mr Dayimani is an admitted Attorney, Notary and Conveyancer.

- He joined the NEF in 2008 as a Legal Advisor and rose through the ranks of the entity. He was later appointed as the General Counsel of the NEF; a position he held since 2011. Prior to his appointment as CEO, he has been acting as CEO of the NEF since 01 January 2024.
- Mr Dayimani has strong corporate finance background having spent most of his time in practice specializing in banking, finance and regulatory law. He was part of the law firm's team of lawyers who provided legal advice in the drafting of some of the aspects of the BEE Codes of Good Practice.

STATUS OF OTHER KEY MANAGEMENT VACANCIES IN ENTITIES:
A selection process is currently underway for all Boards, Tribunals, CEOs, and Deputy Commissioners' vacancies that were advertised in September 2024.

A Capable Department (1/2)

Filling of Key Management Positions (DG & DDGS)

Status on the filling of **four** Executive positions:

- **Director-General post**: Cabinet Memo on the recommended candidate for the post was submitted to DPSA for consideration and approval by Cabinet.
- The screening for the following **3 Deputy Director-General posts** were concluded during December 2024 and the recruitment process will be concluded once the Director-General assumes duty.
  - Deputy Director-General: Spatial Industrial Development and Economic Transformation
  - Deputy Director-General: Competition Policy and Economic Planning
  - Deputy Director-General: Industrial Competitiveness and Growth
- Deputy Director-General: Departmental Operations – Not supported by **the MPSA** and therefore not advertised

Internal Resourcing

- **138 internal human resourcing needs** identified and addressed through **132 internal re-assignments to date**.
- The current compensation of employees' budget does not make provisions for **carry-through costs in the outer years,** posing a challenge to filling vacant posts. In addition **a reprioritisation** exercise was undertaken, resulting in **12 permanent posts and 7 contract posts prioritized,** in addition to the filling of the DG and 3 DDG posts. National Treasury has confirmed funding for the filling of these posts.

Structure Fit for Purpose Project

- The **review of the Organisational Structure** is underway and proposed macro-organisational structure is currently being consulted
- Phase 1 of the project, which is the **Skills Audit Survey for Senior Management Service** employees and **feedback** to employees **concluded**.
- Action plan developed on the Professionalisation of the Public Service Framework.

Occupancy and Vacancy Rate

The current organizational structure of **the dtic** provides for **1182** approved positions of which 1 010 (**85.4% occupancy**) were filled and 172 (**14.6% vacancy rate**) were vacant as on 31 December 2024. Of the 172 vacancies, 168 posts have been frozen due to budgetary constraints in respect of carry-through costs for the medium term. Key positions prioritised for filling are the DG and 3 DDG Posts.

Governance: A Developmental Department (2/2)

Inclusive Culture

- **55% Women in SMS** employed exceeding the 50% target (Q2 & Q3)
- **4.6% Persons with Disabilities** employed (Q2 & Q3)
- **8.6% of Youth** employed during Q2 and 7.8% in Q3
- **31 Interns** appointed for the period 2024-2026

- **Promotion of Diversity and Equity** in recruitment and selection, observing of special events as per calendar such as Women's Day, Conversations with Women, Heritage Day, Health and Wellness Days, Men's Day, Disability Rights, 16 Days of Activism for No Violence Against women and Children
- New **Employment Equity Committee appointed** to monitor targets and practices in line with the Employment Equity Act
- **Annual Employment Equity Report** submitted on 17 December 2024
- A series of **Values Moments** issued to raise awareness and entrench departmental values

Enabling professionalization by providing capacity development in the public sector in order to build a skilled and capable developmental state

Internal Skills Development: 979 participants in Q2 & 740 participants in Q3 in the following fields:

- Economic and Financial Analysis, Investment Appraisal, Investment Promotion, Export promotion, Research
- Trade Policy, Local & Advanced Manufacturing
- Transformation (B-BBEE), Environmental and Green Energy Management
- Accelerated Management Development Programme
- Protocol & Etiquette
- Professionalization and Ethics
- Red Tape Reduction

132 bursary holders

- 8 PhD, 30 Masters, 28 Postgraduate/ Honours, 53 Undergraduate, 10 Advanced Diplomas and 3 Certificates

Investment & Spatial Industrial Development

Annual Target

R330 billion domestic investment and FDI attracted through greenfield and brownfield investments

Quarter 2 Achievement

R21,57 billion

Quarter 3 Achievement

R7,8 billion

Year to Date - Achievement

R50,89 billion

- **R21,57 billion achieved in Q2** against the target of **R63 Billion.**
- **R7,8 billion achieved in Q3** against the target of **R 5 Billion**.
- While the Q2 target of R63 billion was not fully realized, it reflects the current voluntary nature of quarterly reporting by companies.
- We are proactively engaging with companies to foster a stronger culture of collaboration and transparency, encouraging more frequent updates that will enhance alignment with our shared economic goals.

Top 5 Investments Secured in Q2:

1.	**Yanfeng Plastic Omnium**	**R1 billion**
2.	**Toyota Ogihara**	**R1, 75 billion**
3.	Ericson	R400 million
4.	Rayal Tiles	R300 million
5.	Harvest Bag	R128.5 million

Top 5 Investments Secured in Q3:

1.	DeCo	R5 billion
2.	Defy	R500 million
3.	PepsCo	R860 million
4.	Rheinmettal Denel Munition	R731 million
5.	**FAW Plant**	**R200 million**

Interventions to increase investment

1. Proactively identify and target resilient sectors that continue to attract investment (e.g., renewable energy, digital economy, critical minerals).
2. Engage international chambers of commerce to facilitate investment
3. 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 attractive projects for domestic and foreign investment.

13

Investment & Spatial Industrial Development

Companies

Yanfeng Plastic Omnium

- The approximate **R1 billion** investment and 325 jobs is a significant contributor to the local economy and community. The state-of-the-art facility has been established to supply components for the latest version of the locally manufactured BMW South Africa X3 (G45 platform). YFPO is a renowned global provider of automobile components, specialising in interior and exterior solutions. It was formed by a joint venture between Yanfeng Automotive Trim Systems and Plastic Omnium, headquartered in Shanghai, China. YFPO operates in more than 20 countries and employs nearly 50 000 people worldwide.

FAW

- FAW plans to invest **R200 million** into its plant at Coega and this investment will start from 2025 until 2030, it will include bodybuilding capacity expansion, stockyard extension(e.g. stocking yard finally reach 100,000 sqm, KD parts storage area reach 40,000 sqm), equipment upgrade, assemble line capacity expansion, digital system, raining centre upgrade, etc.

Ogihara South Africa

- On December 15th, 2023, OTC and Toyota Tsusho SA (TTAF) established a joint venture to manufacture automotive sheet metal parts for Toyota South Africa Motors (TSAM). The $40M facility, located at Dube Trade Port SEZ, spans 30,000m² and targets a BBBEE Level 4 rating. With OTC holding 51% and TTAF 49%, production is set to begin in June 2026. The plant will create 300 jobs in Phase 1, supporting local industry growth. This investment strengthens South Africa’s role in the global automotive supply chain.

Special Economic Zones (1)

Despite the challenging global trading environment, the country's SEZ Programme continues to make a meaningful contribution towards attracting fixed capital investments.

Table 2.1: Overview of the SEZ Performance

SEZ Name	No. of operational Investments	Value of Operational Investments (R Million)	Total Number of Active Created
Coega	70	12 617	10 497
ELIDZ	40	5 825	4 413
MAPSEZ	4	1 025	172
SBIDZ	16	268	107
DTPSEZ	50	3 367	4 627
RBIDZ	4	1 941	147
OR Tambo	18	993,5	2 734
Atlantis	7	815	423
TASEZ	11	5 602	3 333
Total	**220**	**32 453**	**26 453**

- Q2 , the nine operational SEZs reported on cumulative investment value of R30, 9 **billion**, which created 27 021 permanent employment opportunities.
- However the Q3 data indicates that although operational investment increased **R32,4 billion**. There was a decline of jobs reported with the number now standing at **26 453**
- The key job loses occurred in COEGA and Dube Trade Port . This was due to some companies exiting the Zones based on leases that expired or ceased manufacturing on factors outside the zones control

Ministerial Visits to SEZ

- On 30 August 2024, the Deputy Minister Whitfield visited the Atlantis SEZ. The purpose of the visit was to meet with the Atlantis SEZ's executive leadership who briefed him on the SEZ's operations, infrastructure rollout, pipeline of prospective SEZ investors, as well as skills, enterprise and community focused initiatives of the SEZ.
- On 22 August 2024, Deputy Minister Godlimpi visited the O R Tambo SEZ Jewellery Manufacturing precinct to support the country's mineral beneficiation strategy. The precinct's strategy seeks to enhance manufacturing of minerals mined in South Africa into products for global consumption.

15

Special Economic Zones (2)

Funding	• The department and National treasury have aligned SEZ funding with BFI, in order for SEZs to apply for Bulk Infrastructure funding from BFI. The department will support the Top Structure funding • Provincial governments is also committing Operational and Infrastructure funding for SEZs.
Mineral Beneficiation	• 3 New SEZ have been identified for the beneficiation of Minerals and supporting the value chains. • Namakwa SEZ is already designated for the beneficiation of zinc. Submissions for the designation of the proposed Bojonala and FTSEZ to be gazette are in advance stages .
Township Economies	• Work is being done on developing a strategic framework, that will provide guidance on how SEZs and Industrial Parks can support township economies.
New Models on SEZs	• Research is underway to explore cross regional/border SEZs, to support trade strategies such as the AFCFTA. • The research will also focus on what incentives is required to make SEZs more Competative.
Economic Impact of SEZs	• The department research division, is looking at the economic impact of SEZs based on the funding support received, vs private sector investments and the job numbers achieved. Thus determining the through cost of Jobs in the SEZs
Governance	• The department is ensuring representation on all SEZ boards • Also where required the department is involved in the recruitment of SEZ CEO's • The IZP is also deployed to SEZs that require capacity support.

16

Manufacturing Exports

Global

Annual Target
R900 billion Manufacturing exports to the world

Year-to-date achievement
R 787 billion

R520 billion*
Value of total manufacturing exports to the World from **July - December 2024.**

% of app target achieved
87%

Rest of Africa

Annual Target
R400 billion Manufacturing exports to Rest of Africa

Year-to-date achievement
R 344 billion

R233 billion*
Manufacturing exports to other African countries from **July - December 2024.**

% of app target achieved
86%

Export Promotion Initiatives

The department undertook four (4) **export promotion initiatives** from July to December 2024:

- Energy Inward Buying Mission with the South African Electro technical Council from 15 to 19 July 2024.
- Virtual Outward Selling Mission with Saudi Arabia on Meat and Meat Products on 22 August 2024.
- Africa Aerospace and Defence Show from 18 to 22 September 2024.
- China International Import Export (CIIE) 2024 from 5 to 10 November 2024.

- The **Global Exporter Passport Programme (GEPP)** trained 13 SMMEs in July 2024 to become export-ready.
- The **dtic** partnered with the SAB Foundation to support export development for Tholoana Enterprise Programme beneficiaries. This began with a webinar for 63 potential exporters on the Export Passport Programme, part of a joint initiative with the dtic, IDC, ECIC, and NEF.
- In November-December 2024, 22 SMMEs participated in the Partnering in Business with Germany Programme, alongside the German Ministry and GIZ.
- Five stakeholder engagements were held to promote exports through the **National Export Development & Promotion Forum**.

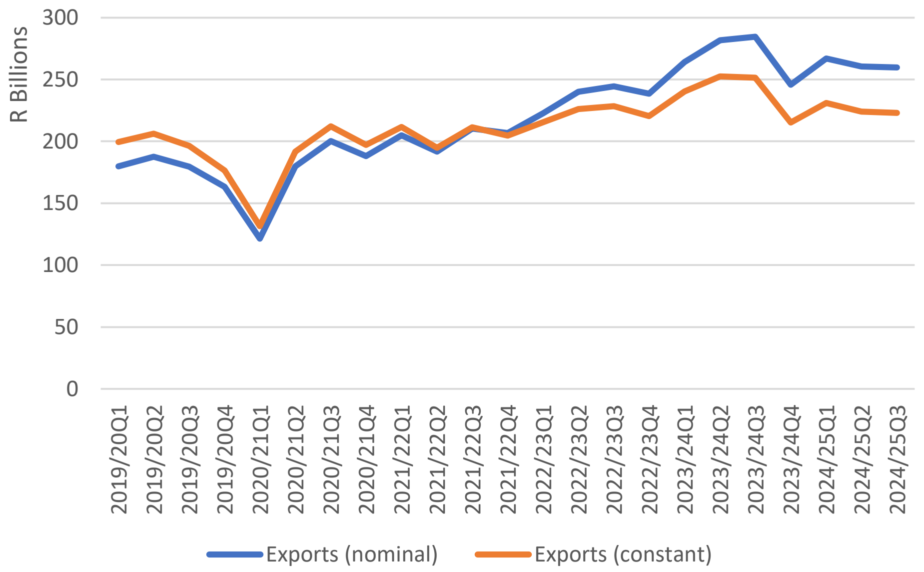
*** SARS provisional data for 1 July 2024 – 31 December 2024 subject to updates***

17

Manufactured Exports

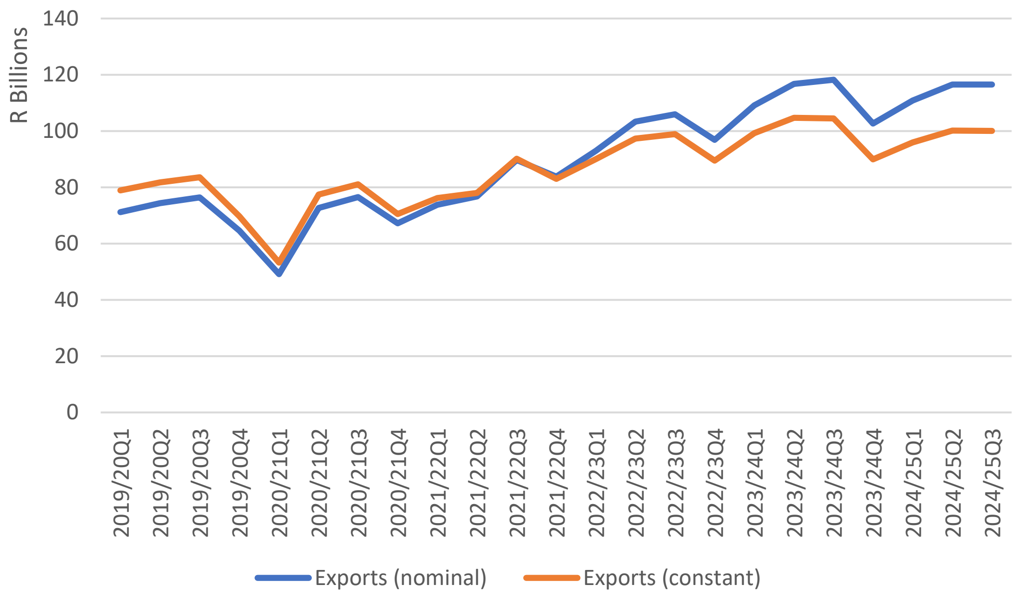
*Manufacturing exports to the world**

SA's Manufactured exports to the World dropped in Q2 of 2024-25 by 2.4% to R260 billion, a decline that was also reflected in the production numbers, as output in the sector fell by 0.8%. The main contributors to manufacturing decline were the automobile and textile industries. The drop in manufacturing export in Q2 is however seen as temporary as exports in the sector registered a strong 9.7% compound annual average growth over the last 5 years. Q3 exports were essentially same as Q2 (R259.7 billion) meaning export between July and December was about R520 billion. This closely mimics the entire economy which contracted by 0.3% between Q2 and Q3.



*Manufacturing exports to Africa**

Manufactured exports to Africa bucked the global trend to register a meaningful increase of 5.1% between Q1 and Q2 of 2024/25, reaching R116 billion. The main export destinations continued to be SADC countries with Namibia, Mozambique and Zambia the biggest importers of South African manufactures. The main exports were ferro alloys, machine parts, machinery, beauty products, wine and bulldozers. Q3 exports were also similar to Q2 (R116 billion), making it almost R 233 billion between July and December.



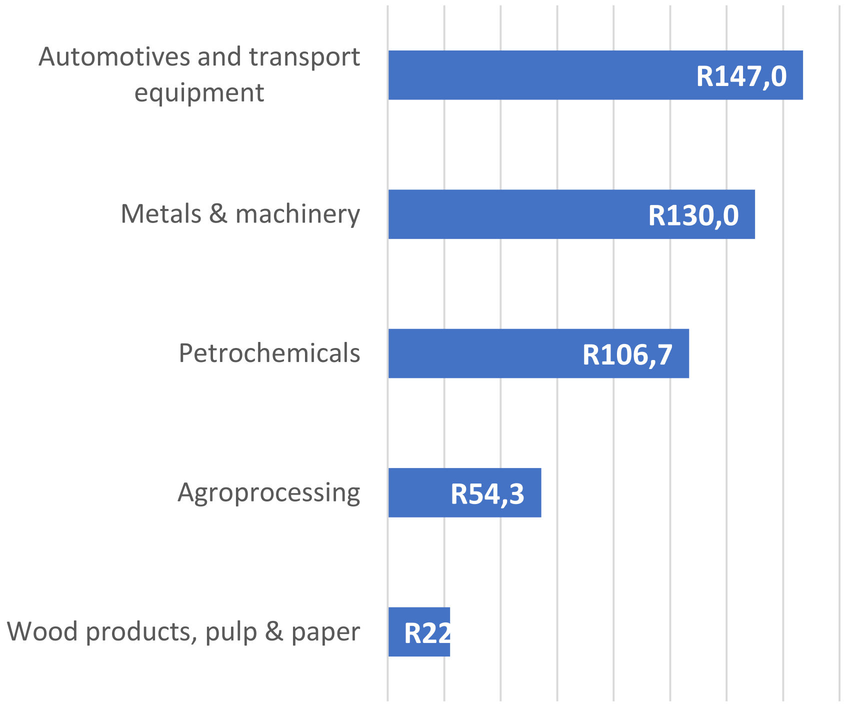
**** SARS provisional data for 1 July 2024 – 31 December 2024 subject to updates***

Constant value adjustment uses CPI values. CPI =100 in December 2021.

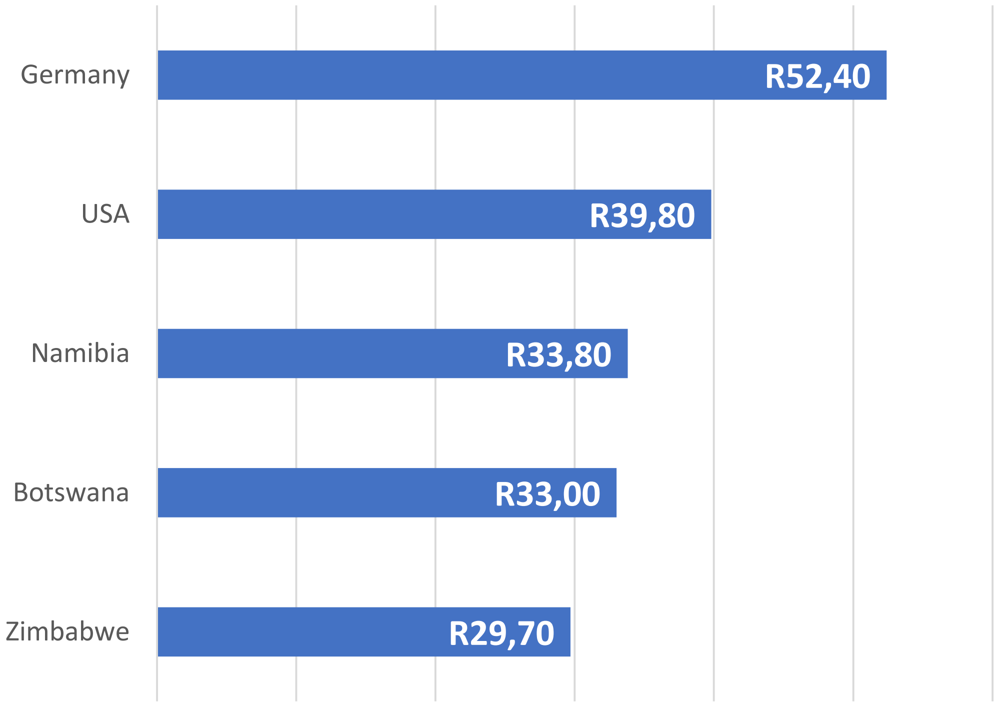
Manufactured exports for Q2 and Q3 Combined

South African manufactured exports in Q2 of 2024-25 registered a small drop largely due to a pullback in production in the auto industry, resulting in a drop in export of passenger vehicles. However, export of chemical products, machinery, beverages and tobacco and prepared foodstuffs increased. Germany and the US continued to be the largest importers of South African manufactures. Manufactured export stayed the same between Q2 and Q3 with automotive products and machinery the top exports.

Top 5 manufactured exports, July to December 2024, R' Billion (NSC2)



Top 5 destinations for manufactured exports, July to December 2024, R' Billion



**** SARS provisional data for July 2024 – December 2024 subject to updates***

Top Exported Products by Top Export Destinations

Top Exported Products by Top Export Destinations, July to September 2024 (HS4)

	Botswana	Germany	Mozambique	Namibia	USA
1	Petrol	Automotive, cars not exceeding 1000 cubic cm	Ferro-alloys	Double cab cars	Automotive, cars not exceeding 1500 cubic cm
2	Distillate fuel	Automotive, cars not exceeding 1500 cubic cm	Instruments for demonstrational purposes	Motor vehicles for transport of goods, not exceeding 5 tonnes	Aluminium
3	Automotive, cars	Double cab cars	Organic surface active agents	Animal or vegetable fats	Ferroy-alloys
4	Aeroplanes	Automotive, cars not exceeding 2500 cubic cm	Maize	Motor vehicles for transport of goods, dumpers	Iron and steel, flat rolled products
5	Medicaments	Catalytic converters	Iron or steel structures	Motor vehicles for transport of goods, not exceeding 20 tonnes	Boats

**** SARS provisional data for July 2024 – September 2024 subject to updates***

20

Top Exported Products by Top Export Destinations

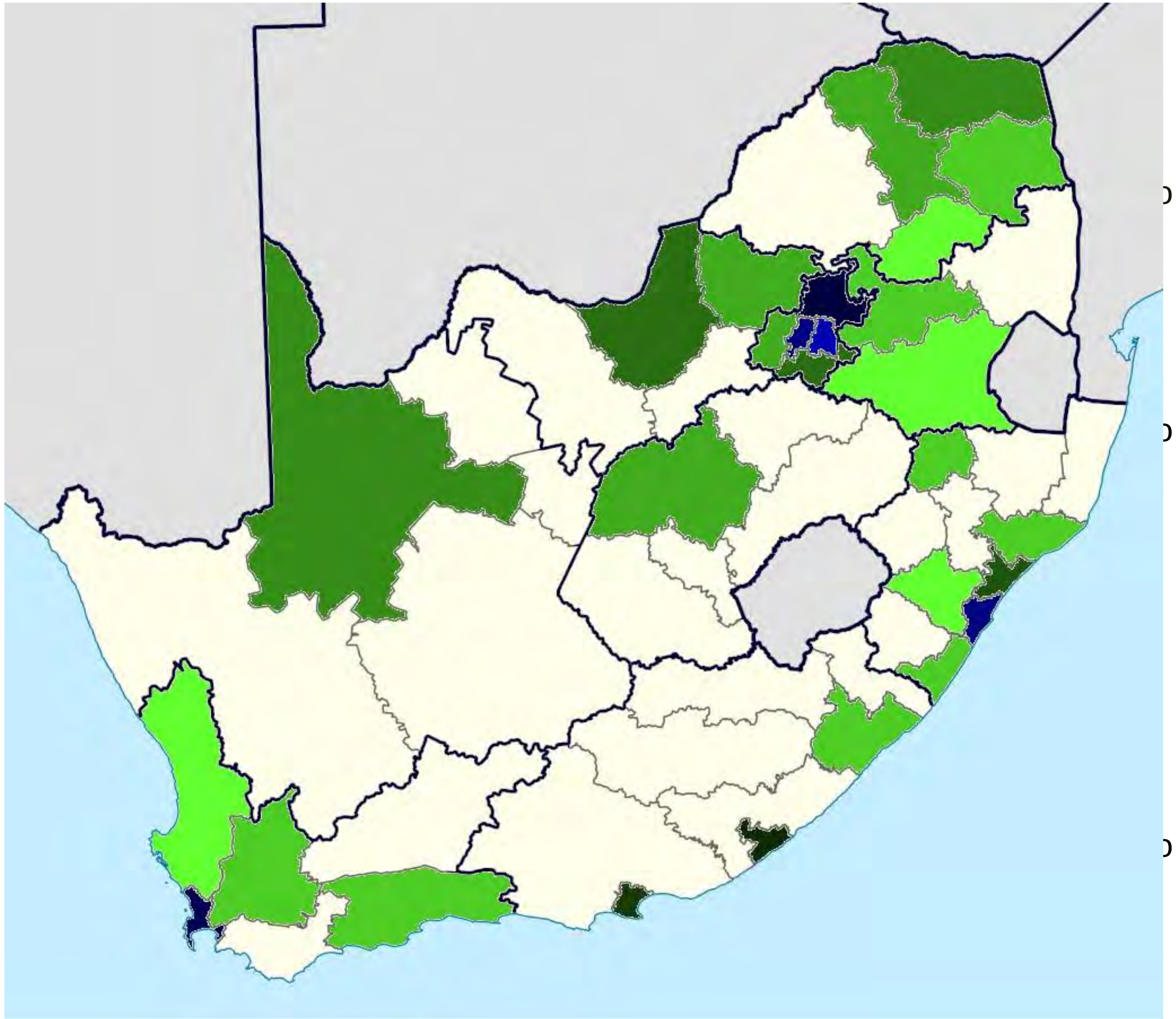
Top Exported Products by Top Export Destinations, October to December 2024 (HS4)

	China	Mozambique	Namibia	USA	Zambia
1	Ferro-alloys	Ferro-alloys	Machine parts	Ferro-alloys	Machine parts
2	Copper bars	Iron bars and rods	Machinery for mineral products	Yachts and other vehicles	Self-propelled bulldozers
3	Wine of fresh grapes	Iron or steel structures	Beauty products	Wines of fresh grapes	Machinery for minerals
4	Raw hides and skins of bovine	Machine parts	Wine of fresh grapes	Pig iron	Electrical accumulators
5	Raw skins of sheep	Flat-rolled iron products	Self-propelled bulldozers	Beauty products	Electrical transformers

**** SARS provisional data for October 2024 – December 2024 subject to updates***

21

Industrial Funding (Incentives)



GREEN: Municipalities outside of the 5 main metros
BLUE: 5 main metros

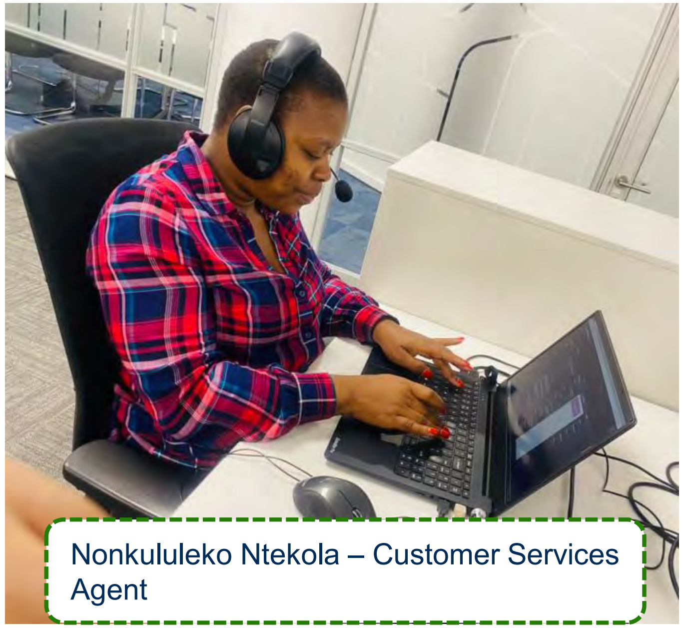
Incentive Disbursements on Track and Progressing towards Economic Inclusion

- **R582 million and R979 million disbursed** to incentive beneficiaries during **Q2 and Q3**, respectively, resulting in approximately R3 billion for the nine-month period and achieving 75% of the **annual target of R4 billion**.
- The R3 billion comprises disbursements of:
  - R437 million to SMMEs;
  - R238 million to women-owned projects and R31 million to youth-owned projects;
  - R807 million to Black Industrialists and black-owned projects;
  - R976 million was disbursed to projects operating in districts outside of the 5 main metros.
- Projects with disbursements over the nine-month period reported the creation of over 9 800 new jobs of which over 3 800 was created by the automotive industry and 4 700 by global business services.

Global Business Services (GBS)

From April to December 2024, incentivised projects in this industry reported **R7.37 billion** of service exports. This comprises of R3.6 billion in Q1, slightly over R1 billion in Q2 and R2,74 billion in Q3. The Q2 and Q3 target of R 1 billion each, was exceeded due to high value of exports reported from BPS & GBS claims received and paid. The United Kingdom and United States of America retained their status as South Africa's prominent importers of global business services. During the nine-month period funded projects reported the creation of over 4 700 new jobs of which over 93% are youth jobs.

- **Generating Export Revenue** - **Nutun Business Services South Africa (Pty) Ltd** is a third-party offshore service provider located in the City of Johannesburg, Gauteng. It is currently being supported through the Global Business Services to expand into the international market.
- Through funding from the incentive, the company provides debt collection, customer services and sales support to clients in the energy sector, retail and banking sectors based in the United Kingdom and United States of America. This has resulted in export revenue of R112 million in the last three years. Clients from the United Kingdom and United States were attracted to South Africa based on the neutral accent of local English speakers, higher retention rates of employees and lower operation costs compared to international competitors as well as the state-of-the-art internet and telephone network infrastructure.
- The company is providing long term job security through a 10 year contract. The GBS is currently funding 387 of the company's 679 jobs which includes 348 youth and 297 female employees.
- Work opportunities that were created for graduates, as well as more experienced South Africans through the GBS funding includes 2 highly complex, 5 complex and 380 non-complex jobs. Employees are supported with on the job induction training required for contracts being serviced, while some are also receiving supervisor training.



Nonkululeko Ntekola – Customer Services Agent

Luzuko Dakada – Customer Services Agent

Mergers: Protecting Public Interest

8

Mergers participated in based on public interest considerations

11

8 Large and 3 intermediate mergers in which the Minister had previously participated in including Q2 were finalised in Q2 (all approved subject to public interest conditions).

3 Large and 8 intermediate mergers in which the Minister had previously participated in Q3

- **79 merger notifications** were received in Q2 and **110 merger notificat**ions received in Q3. Both in Q2 &Q3 they participated in 8 based on public interest considerations.
- Large mergers were approved by the Competition Commission as follows:
  - Q2 (1) The Thebe SPV 022 (Pty) Ltd/Pride Milling , (2) Vision Investments / Tongaat Hulett mergers, are set out in the case studies below.
  - Q3 (1) Southern Point Resources and (2) DSV Holding / Schenker Aktiengesellschaft,
  - The Competition Tribunal Prohibited the Vodacom / Business Venture Investment merger (Maziv). The proposed transaction would have combined the country's largest mobile operator, Vodacom, with one of South Africa's largest fibre infrastructure players, Maziv. Further details below.

The Minister's participation in mergers is aimed at ensuring that public interest issues in terms of Section 12(A)(3) of the Competition Act are considered and addressed in the approval of mergers

Large Merger (1): Thebe SPV 022 (Pty) Ltd/Pride Milling

The acquiring firm Thebe SPV is majority HDP (Historically Disadvantaged Persons) owned is acquiring majority ownership of Pride Milling

Pride Milling, manufacture and distribute milled maize mainly for the South African market with exports into neighbouring countries

The merger was approved on the following public interest commitments:

- Within 30 months of implement date establish a 5% ESOP that will benefit all of its 709 workers
- Within 3 years of approval, acquire 14 additional trucks to deliver maize to townships and rural areas and at the same time facilitate the purchase of maize directly from farms owned by HDP
- Will make available production capacity of 15 000 tons of maize for processing by HDP farmers

Large Merger: Vision Investments / Tongaat Hulett (in Business Rescue)

TongaatHulett

Tongaat-Hulett in business rescue has been acquired by Vision Investment. The acquiring firms comprise of Guma Agri, Almoiz, Remoggo and Terris AgriPro Limited.

TH is an agriculture and agro-processing business focused on sugar production, animal feed, and also has an extensive property portfolio. TH is a major players in the sugar production industry in South Africa as well in Mozambique

Merger conditions:

- ❑ Within 6 years of approval increase sugarcane cultivation by 3 300 hectares which is anticipated to create 350 new jobs
- ❑ For a period of 5 years from approval date procure at least 43% of sugar cane feedstock and animal feeds in South African HDP (Historically Disadvantaged Persons) farmers at market prices
- ❑ No retrenchment as a result of the merger for 3 years
- ❑ An ESOP totalling 5%, with 2.5% benefitting HDP small farmers and the balance of 2.5% benefitting 2 668 South African (including farm) workers, the ESOP will be established in 5 years if certain profit levels are reached otherwise it will be established in 7 years from merger approval date

Merger Prohibited: Vodacom / Business Venture Investment

- The Competition Tribunal prohibited the Vodacom / Business Venture Investment (Maziv) merger, which will result in loss of significant investments and will be a setback in meeting transformation and job creation objectives negotiated between **the dtic** and the merging parties.
- The Competition Tribunal is yet to provide reasons for its prohibition of the merger, given that any appeal against the Tribunal's decision has to be made within 20 business days of the Tribunal's decision. The Minister formally appealed the Tribunal's decision at the Competition Appeal Court (CAC).
- Once the Tribunal publish its written reasons for its decision, the Minister will have an option to continue with the CAC appeal or if the Tribunal's reasons for prohibition are compelling, the Minister may consider withdrawing his appeal.

Addressing Market Concentration & Price Monitoring

Three (3) Market Inquiries achieved in Q2

- **Healthcare Market Inquiry -** A Report setting out progress in addressing market concentration in the health sector through the implementation of the Healthcare Market Inquiry. On 05 July 2024 the CC granted an exemption to small private hospital groups in terms of section 103(b) ii of the Competition Act no 89 of 1998
- **Online Intermediation Platforms Market Inquiry (OIPMI)** - A Report setting out progress in addressing market concentration in the implementation of the OIPMI. On the 13 August the CC and Booking.com reached a settlement on the OIPMI appeal
- **Polymers Market Inquiry -** On 26 March 2024 the CC gazetted and launched the new Polymers Market Inquiry into the South African Polymers Industry. Covering the whole polymers value chain from inputs such as **coal and crude oil** to the end products such as **plastic pipes**. The inquiry will consider if adverse effects are present in the polymers value chain arising from any feature or combination of features that impedes, restricts or distorts competition.

28

Addressing Market Concentration & Price Monitoring

Three (3) Cases on Excessive pricing and price gouging

- A case between CC and Vita Gas (Pty) Ltd on **price fixing** and market allocation in contravention of Section 8(d)(i) and 8(1)(d)(i) of the Competition Act. The CC found that the provisions of the Throughput Agreement between Vita Gas and Sunrise Energy created, enhanced and preserved a Vita Gas dominance in the market for the supply of LPG. Vita Gas has agreed and informed the Commission that it has terminated the Throughput Agreement with effect from 15 June 2023.

- A case between CC and Victron Energy B.V on **price fixing** and market allocation in contravention of the Competition Act. Commission found that a prohibited practice of minimum resale price maintenance, is in contravention of section 5(2) of the Act, had been established. Victron Energy B.V will pay R14,232,581.00 administrative penalty.

- A case between CC and Global Roofing Solutions on **price fixing** and market allocation in contravention of section 8(d)(i) and 8(1)(c) of the Competition Act. CC found that GRS is not dominant firm in the market for the supply of standing seam and concealed fix roofing products or that has contravened. However, GRS undertook not to stipulate any warranty conditions in respect of its current and future standing seam and concealed fix roofing products.

29

Employee Share Ownership Plan (ESOP)

Target

10 000 Additional Workers with shares in their companies as a result of the dtic group interventions including but not limited to competition initiatives

Achievement

7,932 additional workers benefitted in Q2

50 additional workers benefitted in Q3

SECTOR	NUMBER
Manufacture of handling, lifting & earthmoving equipment	97
Cold storage and transport	41
Maize Milling	709
Sugar milling and refinery	2668
Retail building material	4322
IT	95
TOTAL	**7,932**

SECTOR	NUMBER
Mining	50
Total	**50**

30

Transformation Fund

- The Transformation Fund aims to advance the Constitutional commitment and national development imperatives of redress and inclusive growth
- The intention is to address challenges faced by Black entrepreneurs & SMMEs in accessing affordable finance, non-financial support and post-investment assistance from the market.
- The objectives as follows:
  - Promote Economic Inclusion.
  - Address Fragmentation.
  - Foster Sectoral Growth.
  - Enhance market access for the targeted beneficiaries.
  - Support industrialization.

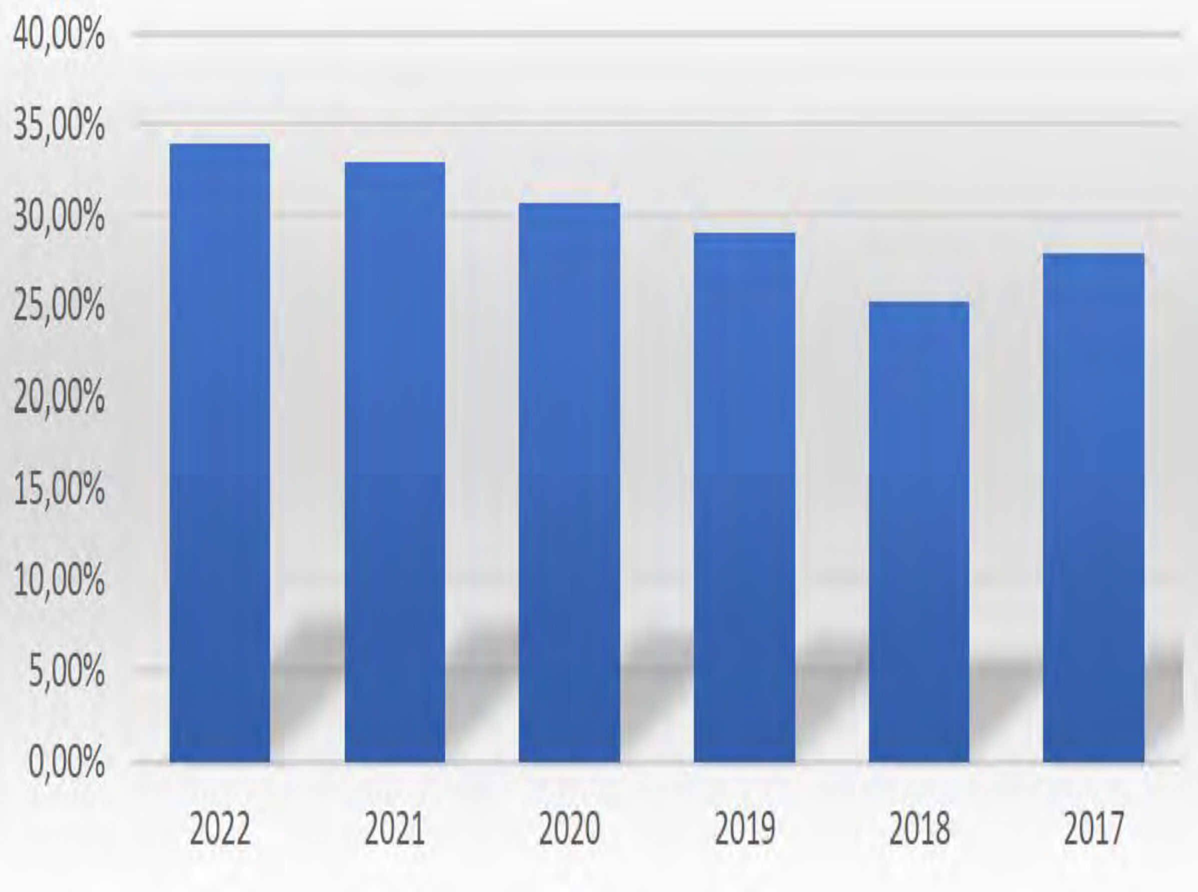
- The B-BBEE Act obligate government to increase the effective economic participation of black-owned and managed enterprises, including small, medium, and micro enterprises and cooperatives, and enhance their access to financial and non-financial support.
- This will be an aggregated fund anchored in the B-BBEE Act within the existing legislated commitments by ensuring that they are strategically utilized to create meaningful economic transformation.
- The fund aims to mobilise **R100 billion** by 2029.
- Targeted beneficiaries for the fund are Black-owned enterprises, including SMMEs, and those owned by designated groups.
- A draft Concept document has been developed.

31

B-BBEE Ownership in Critical Sectors

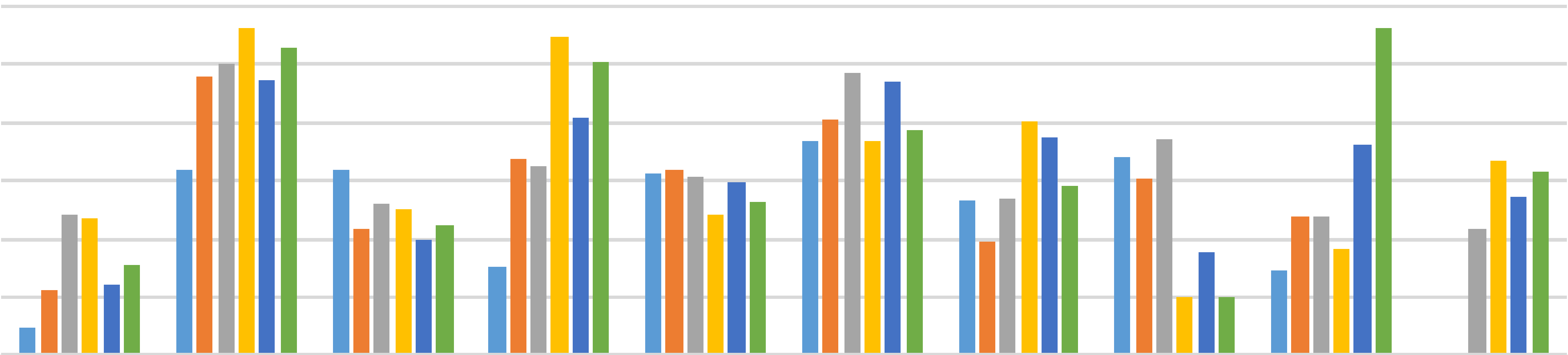
- The key objective of the B-BBEE Act is to increase the extent of ownership and control of the economy by black people to create an inclusive economy.
- The purpose of this output is to measure the impact of B-BBEE on ownership of the economy, particularly in key sectors such as Agriculture, Tourism, ICT and Construction.
- 35% ownership is based on the average of status of transformation reports received from Media, Advertising and Communication (Q1), Forestry sector (Q2), and Property sector (Q3), subject to verification by B-BBEE Commission, which will be completed by Q4.
- Media, Advertising and Communication reported an ownership level of 32%, Forestry 45% and property 29.1%.

Average Black Ownership



B-BBEE Ownership in Critical Sectors

Annualised Black Ownership per Sector



	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
2017	4,90%	32,00%	31,80%	15,40%	31,30%	36,90%	26,70%	34,10%	14,60%	0,00%
2018	11,20%	48,00%	21,60%	33,70%	32,00%	40,50%	19,60%	30,50%	23,80%	0,00%
2019	24,30%	50,10%	26,00%	32,60%	30,80%	48,60%	27,00%	37,20%	23,80%	21,70%
2020	23,60%	56,40%	25,20%	54,70%	24,30%	36,90%	40,20%	9,90%	18,50%	33,40%
2021	12,27%	47,27%	19,80%	40,95%	29,67%	46,90%	37,45%	17,77%	36,33%	27,20%
2022	15,56%	52,80%	22,39%	50,43%	26,51%	38,80%	29,18%	9,95%	56,39%	31,66%

Transformation: B-BBEE Policy & Implementation & Equity Equivalent Investment Programme Agreements (EEIP)

Equity Equivalent Investment Programme Agreements (EEIP)

- The **R 900 million** target for EEIPs agreements was achieved in Q1 through the approval of the **R1.32 billion** EEIP for Microsoft.
- **R 1.6 billion** financial and non-financial support including market access for black owned enterprises was spend on EEIP from Q1 to Q3 reported by the 10 active EEIPs
- **R 156.6 million** of disbursed financial support to black enterprises through EEIP Agreements from Q1 to Q3 reported by the 10 active EEIPs

B-BBEE POLICY DEVELOPMENT & IMPLEMENTATION

- The Minister approved the Legal Sector Code and it was gazetted in terms of section 9 (1) of the B-BBEE Act on 20 September 2024 for implementation by the legal profession.
- The Legal Sector Code serves as transformation guideline for the legal sector, and its purpose is to facilitate the transformation of the legal sector to ensure that it is representative of the demographics of South Africa,
- One of the key impact to the sector aims to achieve is a black ownership of 50% and black women ownership of 25% over 5 years, thus facilitating inclusive participation in the profession.
- In terms of skills development, the legal sector aims to achieve a target of 3,5% expenditure on training programmes for black candidates. The aim is also to ensure training in specialised skills for black legal practitioners, candidate legal practitioners and black junior advocates and designated categories - defined as (black women, black youth, black people with disabilities and black people from rural areas)

34

Social Employment Fund (SEF)

In October 2024, the Social Employment Fund was awarded the **Prosperity Catalyst Award at The Bay Urban Visioning Awards,** held in Bilbao Spain. Over 100 entries were received, and the SEF emerged as one of 3 finalists in the Prosperity Catalyst category. The other two finalists were from the United States and the United Kingdom. The jurors of the award praised the SEF for the originality behind the concept and the possibility of scale that can be achieved.

The SEF forms part of **the dtic's** work on the Social Economy. It is administered by the IDC and forms part of the Presidential Employment Stimulus launched in October 2020 as part of the Economic Reconstruction and Recovery Plan. SEF is overseen by **the dtic,** in partnership with the Presidency and the IDC. The target set by the President was 50,000 work opportunities to be created annually.

During Q2,

- A total of 48 400 unique participants were enrolled on the SEF
- A total amount of R 281. 8 M was disbursed
- The percentage of youth employed during this period amounted to 61%. With an average age of 34 years old.

During Q3,

- A total of **51 101** unique participants were enrolled on the SEF
- A total amount of **R 330, 5 Million** was disbursed
- The percentage of youth employed during this period amounted to 61%. With an average age of 34 years old.

The job creation took place in the following sectors:

Thematic Area	Q2 Jobs	%	Q3 Jobs	%
Community and Public Art	1 451	3%	1 809	3%
Digital Inclusion	77	0.2%	89	0.1%
Education	10 755	22%	11 025	22%
Food Security and Nutrition	10 886	22.2%	11 112	22%
Greening and the Environment	9 151	18.9%	9 590	19%
Health and Care	5 208	10.8%	5 528	11%
Micro Enterprise Development	495	1%	493	0.9%
Placemaking	1 732	3.6%	1 727	3%
Safety and Gender-based Violence	3 996	8.3%	3 966	8%
Other (mixed development)	4 649	9.6%	5 762	11%
Total	**48 400**	**100%**	**51 101**	**100%**

The provincial spread is below:

Province	Q2 Jobs	%	Q3 Jobs	%
Eastern Cape	10 940	23%	11 281	22%
Free state	2 834	6%	2 983	6%
Gauteng	7 361	15%	8 543	17%
KwaZulu Natal	7 653	16%	7 896	15%
Limpopo	3 565	7%	3 808	7%
Mpumalanga	2 549	5%	2 627	5%
Northern Cape	2 233	5%	2 398	5%
Northwest	3 358	7%	3 414	7%
Western Cape	7 907	16%	8 151	16%
Grand Total	48 400	100%		

The gender split is as follows:

Gender	Q2 Numbers	%	Q3 Numbers	%
Male	15 196	31%	16 014	32%
Female	33 204	69%	35 087	68%
Total	48 400	100%	51 101	100%

Export Strategy With Africa at the Center – The "Butterfly Strategy"

In support of **reducing dependence on a small domestic market** and the South African **economy transitioning to an export-oriented economy**, the department will:

- Expand and improve the effectiveness of the current export measures and implementing new export initiatives.
- The employment of a "butterfly approach" articulated through an export strategy being developed, will prioritise the implementation of the AfCFTA and unlocking opportunities in the rest of Africa as the foundation of our global engagements ….
- ….. while targeted work programmes in the rest of the world will focus on leading and established markets as well as new and emerging market opportunities.
- Outside of Africa, export initiatives will target key markets such as the United States, Europe, Middle East and select BRICS partners in order to expand and diversify South African exports towards changing the structure of trade.

AfCFTA Implementation

1. **Established the AfCFTA DTIC Implementation Committee** to facilitate the formation of the National Implementation Committee, ensuring streamlined coordination and efficient progress toward AfCFTA objectives.
2. **Successfully advocated for the inclusion of Morocco, Burundi, Uganda, and The Gambia** in the list of countries under the Customs & Excise Act, enabling these countries to trade under the AfCFTA and expanding trade opportunities.
3. **Secured approval for the Protocol on Women and Youth in Trade** by the ICTS Cluster and advanced it for Executive Authority and Cabinet consideration, paving the way for its eventual ratification by Parliament, and promoting inclusive economic participation.
4. **Submitted the Protocol on Competition Policy** to the Executive Authority and Cabinet for consideration and ratification by Parliament, contributing to a more transparent and fair trading environment across African markets.
5. **Gained approval for South Africa's revised offer on five priority services sectors** from the ICTS Cluster and submitted it to the Executive Authority and Cabinet for final approval, positioning South Africa as a leader in priority service sectors within AfCFTA.
6. **Finalized and obtained approval for the Annexes to the Protocol on Digital Trade** by the AfCFTA Council of Ministers, advancing the digital trade agenda and creating a solid framework for South Africa to expand exports in digital products across the African continent.
7. **Led 54 private sector engagements** to raise awareness about AfCFTA opportunities and provide targeted support to exporters, enhancing the private sector's participation and ability to capitalize on regional trade advantages.

AU Specialised Technical Committee of Ministers **on Programme Trade, Tourism, Industry and Minerals (STC-TTIM)**

- SA inputs on the Draft AU Green Minerals Strategy were accepted by the 1st Extra-ordinary Meeting STC-TTIM on 13 December 2024 in Addis Ababa, Ethiopia. The Strategy that will be submitted by the AU Summit of Heads of State and Government in February 2025.
- The Strategy aims to advance mineral development in Africa and the creation of key value chains. A targeted implementation plan will be developed and supported by the establishment of a Green Mineral Value Chain (MVC) Investment Fund.

International Trade : Engagements & Cooperation (Rest of the World)

Bilateral Engagements (Rest of World) - Key Outcomes

UAE - Second round of negotiations on the Investment Cooperation, Promotion and Facilitation Agreement held between SA & UAE to unlock $10bn.

Saudi Arabia - Commitment by Saudi ACWA Power to invest $6bn by 2030

UK - SA-UK Bilateral Forum, held in Cape Town, South Africa - Key outcomes include (1) Potential UK investment on energy storage solutions, (2) Support for the establishment of the residue monitoring programme, (3) Announcement of trade partnership programme for exports.

Ireland- Commitment for the establishment of call center in SA for Google.

USA - the dtic Leadership held various engagements with the US lawmakers, Administration and private sector to renew SA's message and commitment to a mutually beneficial relations with the USA.

Germany - Agreement to cooperate on Just Energy Transition (through continued participation by German companies in projects and financing), hydrogen power, battery manufacturing SA also raised concern regarding the matter on sustainable aviation fuel affecting Sasol in the EU.

China - The outcomes from the September 2024 State visit are being implemented according to the China country strategy that has been developed, and there has been notable progress in some areas with BYD (electric vehicles) visiting South Africa soon after the State Visit; the list of 100 products being finalized; notable progress in the establishment of the South Africa Chamber of Commerce in China and in the implementation of the Green Economic and Industrial Development MoU.

- The **South Africa - China Business Forum** was held on the margins of the **Forum of China Africa Cooperation (FOCAC)** on 4 September 2024.
- The following events were undertaken on the margins of the **United Nations General Assembly (UNGA)**:
    - The Business Council for International Understanding (BCIU) Critical Minerals Round Table on 23 September 2024.
    - The New York Stock Exchange (NYSE) Business Roundtable on 23 September 2024.
    - The Roundtable with the Corporate Council on Africa on 25 September 2024.
    - A site visit to Sasol in Louisiana undertaken on 27 September 2024.
- The department signed a Cooperation Agreement on 30 July 2024 with the Swiss development organisation, Swisscontact and the Swiss Import Promotion Programme (SIPPO) to strengthen trade and outward investment promotion capacity.

the dtic supported the South African Chapter of the BRICS Business Council to participate in the BBC Annual Meeting and Business Forum from 17 to 19 October 2024 in Moscow Russia:

Fifty one (51) South African high-level delegates participated in the different BRICS Platforms under Russia's Presidency. Working Group Meetings held and BBC Report published which was then presented to the Heads of State.

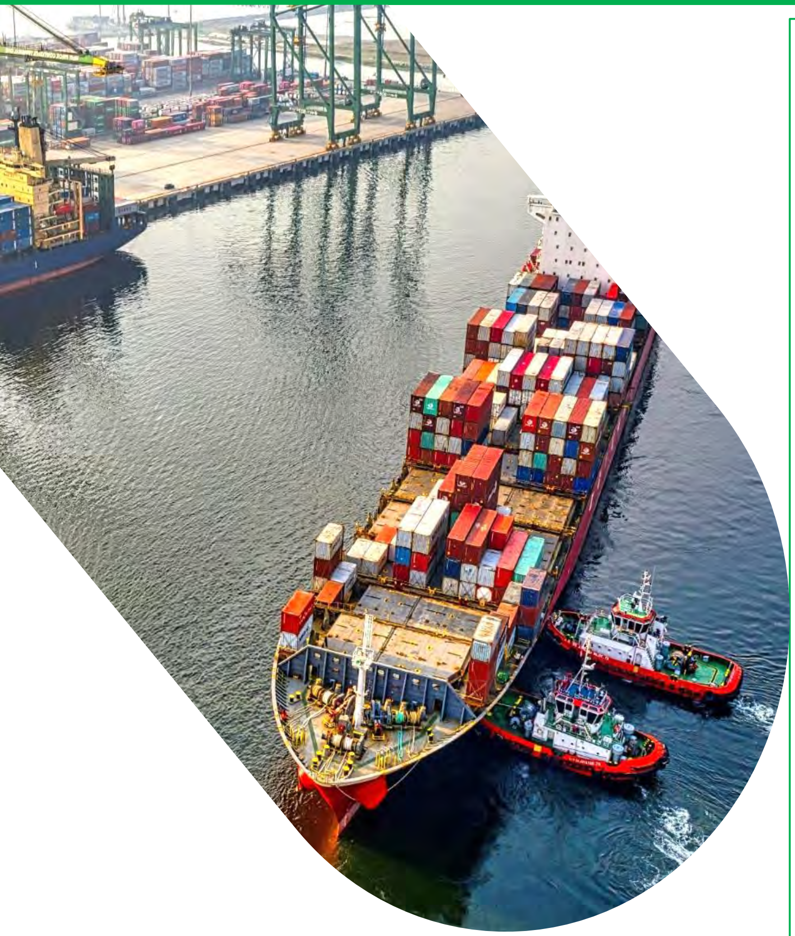
International Trade : Engagements & Cooperation (Africa)

Bilateral Engagements (Africa) and Business Forums – Key Outcomes

1. **South Africa – Botswana Ministerial Bilateral Meeting – 04 October 2024** Ministers from both countries agreed to prioritize and fast-track solutions to key economic challenges, including sugar trade and the removal of import restrictions on vegetables and fruits.
2. **South Africa – Egypt Business Forum – 14 November 2024** Both countries agreed to leverage their comparative and competitive advantages in high-impact sectors such as automotive manufacturing, agriculture, agro-processing, mining, information and communication technology, financial services, oil and gas, and pharmaceuticals to position themselves as leaders in developing regional value chains. This initiative aims to enhance industrial capacity, reduce reliance on external markets, and drive job creation across Africa. A key example of these transformative collaborations is the partnership between South Africa's Thelo and Egypt's EGAAD. This consortium is poised to secure a landmark $12 billion contract to develop a 972-kilometer railway connecting the Bélinga mining site to the planned deep-water port of Mayumba.

1. **South Africa – Nigeria Bi-National Commission and Business RoundTable – 29 November to 03 December 2024** Both countries committed to strengthen collaboration in the digital economy through a structured framework for cooperation. MTN and Infragroa will play a key role in advancing these efforts, particularly in the development and operationalisation of a Data Centre by Seacom to enhance regional digital infrastructure and connectivity. The US$5.2 billion Beef Production and Processing Plant, which is at an advanced stage was highlighted as a strategic trade and investment project. This initiative aims to serve both markets and support broader African food security and agricultural value chains.
2. **South Africa – Algeria Bi-National Commission and Business Forum – 04 to 06 December 2024** Both countries have agreed to initiate immediate collaboration to address challenges in the automotive sector, including establishing partnerships with NAACAM and NAAMSA. This issue has been prioritized due to its impact on market access, particularly affecting the export of Nissan SA CBUs to Algeria. Additionally, both countries agreed to initiate immediate collaboration across key sectors, including critical minerals, defence, oil and gas (addressing the urgency of the gas cliff), ICT (including tech start-ups), agriculture, infrastructure, automotive and components, aerospace, pharmaceuticals, and vaccine development.
3. **Angola State Visit to South Africa and South Africa–Angola Business Forum – 12 December 2024** Both countries underscored the importance of businesses fostering, strengthening, and expanding strategic partnerships and investments to drive sustainable growth and development across their respective sectors. During the business forum, the Development Bank of Southern Africa (DBSA) highlighted progress on the Lobito Corridor Railway Project in Angola and announced, in collaboration with the U.S. International Development Finance Corporation (DFC), the approval of up to $200 million in funding. This $786.4 million initiative aims to enhance regional trade and transportation by establishing a reliable railway link from Lobito Port on Angola's Atlantic coast to the border of the Democratic Republic of Congo. Westfalia Fruit, South Africa's leading avocado producer, has signed an agreement with the Angola Agricultural Producers Association (AAPA), the Angola Cargo Certification and Logistics Agency (ARCCLA), and Flying Swans to enhance agricultural production along the Lobito Corridor.
4. **South Africa – Mozambique Inter-Ministerial Consultative Meeting – 18 December 2024** The meeting reaffirmed both countries' commitment to securing vital infrastructure

Trade impacts assessments



IMPACT ASSESSMENTS

- **Frozen Vegetable-** An impact assessment of an increase in the rate of customs duty on frozen mixed vegetables from 10% ad valorem to 37% ad valorem across different income deciles, with a focus on low-income households. The findings revealed that a tariff increase would place an additional financial burden on all households, with high-income households expected to experience a more considerable increase in total expenditure on frozen mixed vegetables.
- **Cut Make and Trim (CMT) Policy Brief** – An evaluation was conducted to identify challenges faced by the Clothing, Footwear, Textiles, and Leather (CFTL) industry and to provide policy recommendations supporting CMTs and the apparel manufacturing and design sector. Key areas for policy intervention were identified, including market entry mechanisms, localisation and transformation, funding opportunities, and other strategic measures.
- **Conical Steel Drums** – An impact assessment conducted for the increase in the rate of customs duty on conical steel drums from the current free of duty to 15% ad valorem. The findings indicated that this tariff increase is expected to provide balanced protection for the domestic steel drum industry by reducing import competition and promoting local production.
- **Active Yeast** - An impact assessment conducted to evaluate the potential effects of the proposed Anti-Dumping (AD) duties on active yeasts, particularly their impact on the price of bread, a key staple food. The analysis also examined how these price changes might vary across different household income deciles. The findings indicated that while the Anti-Dumping measures could effectively curb allegedly dumped imports, they may also reduce competition in the yeast market, potentially leading to higher prices for both domestic producers and bread consumers in the long run.

Green Trade Barriers & Remedies

Response to green trade barriers

- Interventions undertaken to respond to green trade barriers (**including** EU and UK CBAM)

- South Africa has been appointed as the lead negotiator for the G77 and China on the Response Measures Working Group (WG) at COP29.

  This marks a significant development, as for the first time, there is an acknowledgment of the need to review the nexus between trade and climate change. Starting in 2026, the UNFCCC will be required to **evaluate climate policies that have a negative impact on trade and economic development, particularly in developing countries.** The findings of this evaluation will be reported to both the UNFCCC and COP.

Facilitation of investments and exports under various trade instruments:

- R408m investment from ITAC reciprocal commitments
- R17.5bn additional local output as a result of utilisation of ITAC rebates
- R181.7bn of manufacturing exports facilitated under rebates, drawbacks, non-proliferation export permits and APDP
- R20.5bn of manufacturing exports to Africa facilitated under rebates, drawbacks, export permits and APDP

3 High impact trade interventions from ITAC tariff amendments

i. Increase the rate of customs duty on lead acid batteries from 15% to 30%.
ii. Increase **the** general rate of customs duty on articulated dump trucks with a gross vehicle mass exceeding 50 tonnes from free of duty to 10%
iii. Increase the general rate of customs duty on front windscreens (windshields) from 20% to 30%

Industrial Interventions

The Development and Implementation of the Revised Industrial Strategy

The South African government is working on the Industrial Strategy, which is informed by the policy priorities of the Government of National Unity, centred on bringing about inclusive growth and job creation; reducing poverty; and building a capable, ethical and developmental state.

There are new industries such as the critical minerals, green industries, digital economy as well the cannabis sectors provide an opportunity to assess global demand for specific export products and services.

The strategy also addresses binding constraints, especially in network industries, which are critical for lowering the cost of production, increasing economy growth and industrial development in South Africa.

Hemp and cannabis: development and implementation of the cannabis commercialisation strategy

The hemp and cannabis sector has been identified as one of the priority sectors holding significant potential to propel economic growth, attract investments, create jobs and support sustainable rural livelihoods.

The government is developing a comprehensive regulatory framework on the commercialisation of hemp and cannabis to enhance the contribution of the sector to economic growth.

Spaza Shop: Funding set aside to help support to spaza shops, township and rural business

In response to the foodborne outbreak the, government through the Departments of Trade, Industry and Competition **(the dtic)** and Small Business Development (DSBD) has set aside R500 million joint fund to support township and rural businesses, including spaza shops. The funding is for the refurbishment of businesses and non-financial support in terms of technical skills, regulatory compliance and capacity building.

Development and Critical Minerals Strategy

The South African government has identified and prioritised critical minerals as being important for the industrialisation of the South African economy. It is important that that critical minerals are developed for stationary and mobile applications. The policy frameworks such as the Electric Vehicle White Paper and the Green Hydrogen Commercialisation Strategy are aimed at providing markets for these minerals, when beneficiated locally, creating employment opportunities for the country, and contributing positively to the country's economic growth.

- **The development of the Critical Minerals Strategy (CMS) is nearing completion**, with the final presentation to Cabinet scheduled for February 2025. This marks a significant step toward enhancing South Africa's position in the global minerals sector.
- **On track to meet the target of completing the Critical Minerals Strategy by the end of the 2024/2025 financial year**, the strategy will directly inform South Africa's long-term economic growth, focusing on minerals that are pivotal to the country's development priorities.
- **The CMS identifies 15 priority minerals** essential to South Africa's economic development, laying the foundation for targeted beneficiation and value addition initiatives. These projects will stimulate key industries, create jobs, and drive sustainable economic growth.
- **The Strategy emphasizes regional integration**, advocating for the creation of regional value chains that align with the African Union's Africa Green Minerals Strategy (AGMS). This will strengthen intra-Africa trade, foster cooperation, and support the continent's broader economic and environmental goals.
- **An implementation, monitoring, and evaluation plan** accompanies the strategy, outlining actionable interventions needed to meet South Africa's economic and sustainability objectives. This robust framework ensures clear accountability and guides progress toward achieving long-term benefits for the country's mineral sector.

Green Hydrogen Commercialisation and EVs

Green Hydrogen Commercialisation Framework

- **Green Hydrogen Measurement Standard (SATS 19870:2024)** issued on August 23, 2024, establishes a clear methodology for assessing greenhouse gas emissions in hydrogen production, conditioning, and transport, ensuring transparency and sustainability in South Africa’s hydrogen industry.
- **Germany’s 700 million Euro pledge** at COP 26 supports the development of South Africa's hydrogen and synthetic product markets. The **DTIC, in partnership with GIZ**, is driving a 3.1 million EUR project, positioning South Africa as a leader in the global green hydrogen economy.
- **Completed technical outputs** include:
  - **Carbon Sources for PtX**: Identified key carbon sources for Power-to-X and synthetic fuel production, enabling a sustainable approach to synthetic fuel development.
  - **Allocation Scenarios for PtX**: Developed a model to optimize energy transition scenarios and green molecule distribution, driving efficiency in South Africa’s energy shift.
  - **PtX in Hard-to-Abate Sectors**: Developed a concept for integrating PtX in the shipping industry, targeting emissions reduction in challenging sectors.
- **Ongoing efforts**: Assessing **Infrastructure Requirements for PtX** and **strategic cooperation with coal-to-liquid and gas-to-liquid industries**, ensuring a robust foundation for scaling green hydrogen and PtX production.

Transition to EV

Work to develop support for a transition from Internal Combustion Engines (ICE) vehicles towards e-mobility gains momentum:

- APDP Amendments (ITAC): Comments submitted by NAAMSA (Nov 2024); SARS to re-publish for feedback (due 15 Jan 2025).
- AIS Guidelines: Development on hold pending APDP finalisation and EV legislative approval.
- Tax Incentives (National Treasury):150% capital allowance for EV/hydrogen production (2026–2036) approved in Dec 2024 Tax Laws Amendment Act.
- Battery Value Chain Development: Collaboration with DMRE, DTIC, and World Bank on a Critical Minerals Strategy and Battery Master Plan. Final strategy workshop scheduled for Feb 2025.

Industrial Interventions (1): Master Plan Jobs

Annual target
600 000 jobs covered by Master Plans (Tracks and monitors the number of jobs maintained)

Q2 Achievement
617516 jobs supported through covered by master plans

Master Plan	# Jobs
SUGAR	65000
POULTRY	52930
AUTOMOTIVE	116069
STEEL	265288
FURNITURE	30927
MEDICAL DEVICES	11444
CTLF	75858

Source data from: QES & Industry Associations

Industrial Interventions (2) : Automotives

Volkswagen's Plant in Kariega - production record

The **Volkswagen** plant in Kariega concluded the year on a high note by celebrating a production record of 167 084 vehicles built in 2024. This is the highest number of Vehicles produced at the Kariega plant since the first Beetle rolled off the production line 73 years ago. This new production surpasses the previous production record of 161,954 vehicles achieved in 2019. This plant is now the sole manufacturer of the Polo for the EU and Asia Pacific Markets. This achievement was made possible by the long-term policy of certainty provided by the SAAM 2035 and the APDP2.

Investments

The construction of Toyota Tsusho Africa and Ogihara Thailand Corporation's **R1.1 billion component manufacturing plant** at Dube Trade Port north of Durban.

Transformation

Under the Automotive Industry Transformation Fund (AITF) **66 approved beneficiaries** were supported to date. R578 million funding was approved of which R415 million was disbursed.

Skills development

As part of the implementation of the roadmaps to address the skills gaps, MerSETA, the Department of Higher Education, and the automotive industry are developing **EV curricula and certificates** with various Tertiary Academic Institutions.

Industrial Interventions (3): Steel

Steel

- The National Transmission Company South Africa (NTCSA) signed long-term agreements with 19 local companies in the various categories of overhead line construction panels i.e., Engineering, Procurement and Construction (EPC), Procurement and Construction (PC) and Construction.
- The contracts are expected to be worth in the region of R32 billion over eight years. The process to be appointed to the EPC panel will be opened to the market annually around July each year, to enable other companies to participate.
- Approvals by the IDC year-to date is R298m, with total investment facilitated of R361m and 140 jobs created.
- SCAW Metals commissioned its flat steel product mill during Q3, with the ever first trail-run hot-rolled coil (HRC) being produced, heralding the introduction of competition into South Africa's flat steel market. The R5-billion steel investment is also the first new flat-steel mill to be built domestically since Saldanha Steel in the 1990's.
- Skills development: Production Technologies Association of SA (PtSA) and the dtic opened a multi million rand Centre of Excellence training facility in KwaZulu-Natal. To date, government invested more than R700 million into the INTSIMBI FPTI to build the necessary capacity to deliver international and locally recognised trade and part-qualifications in toolmaking in line with industry needs.

Industrial Interventions (4): Clothing, Textiles, Leather and Footwear & Medical Devices

Clothing, Textiles, Leather and Footwear

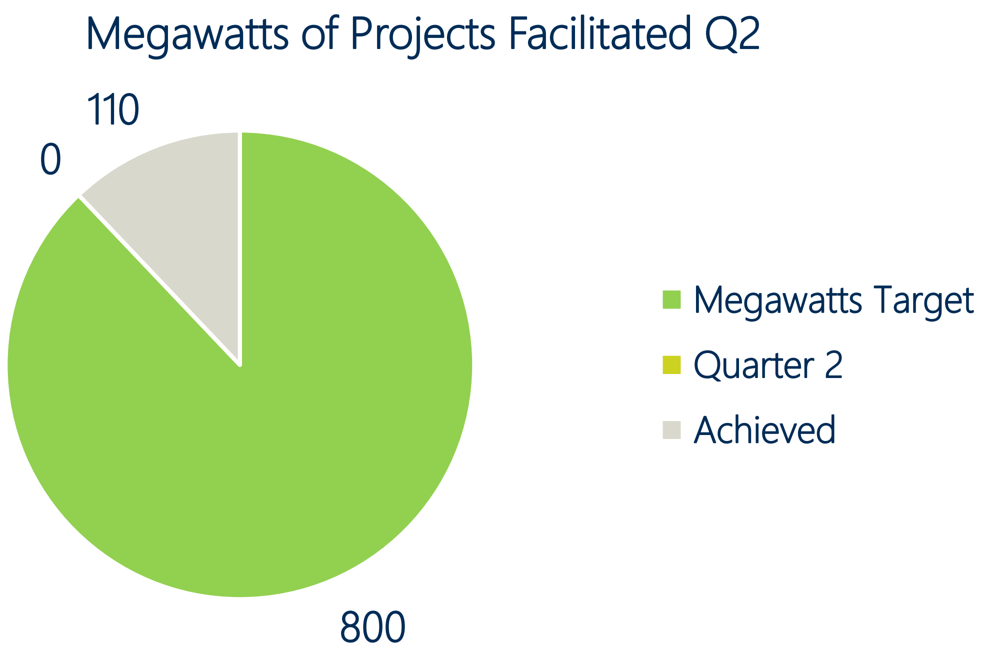
- SARS is implementing changes to e-commerce import regulations to address concerns in the clothing sector particularly imported clothing sold through e-commerce platforms. From September 2024, VAT will be introduced on sub-R500 imports, which are currently exempted from custom duties through e-commerce platforms.
- **Customs fraud**: SARS through the CTFL Special Focus team, frontline Ports of Entry and inland whole of government joint interventions completed 303 seizures of CTFL goods with an estimated value of R120 million mainly for gross false declarations, non-declaration of goods and Intellectual Property Rights (IPR) infringements were finalised.
- Since inception of the CTFL Growth Programme, 245 applications approved were worth R1,9 billion. The Programme has sustained 24,107 jobs and created 4,534 jobs. **the dtic** CTFLGP incentive is supporting the transformation objectives specifically through the CTFLGP: Programme- 65 black-owned firms (R643m); 31 women owned (R273m) firms and 5 youth owned (R65m) firms approved to date.

Medical Devices

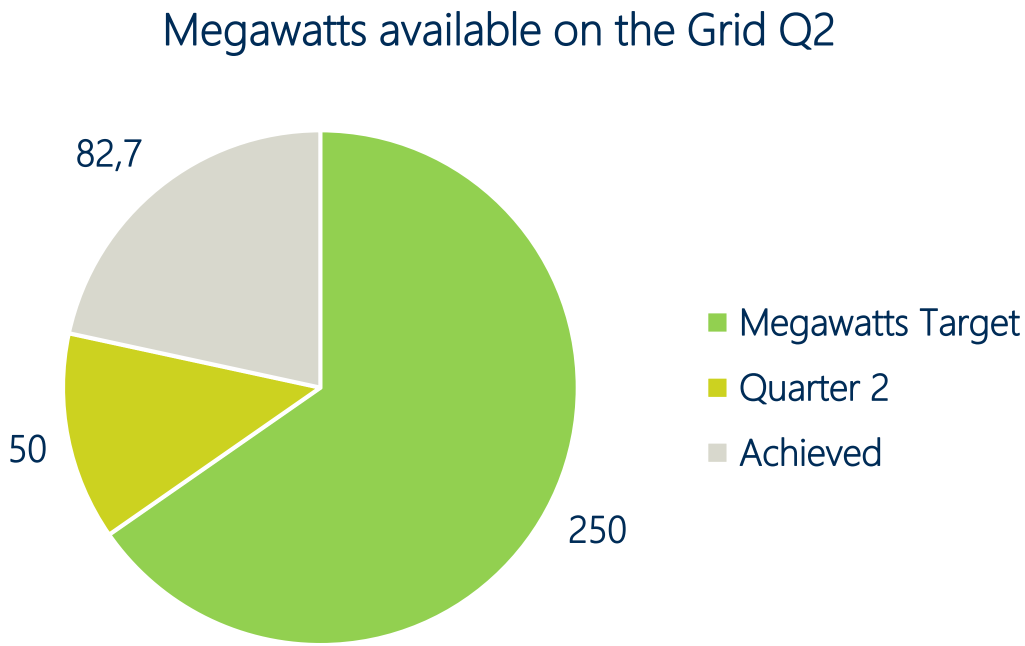
- The South African Health Products Regulatory Authority (SAHPRA) is to embark on a **feasibility for the registration of Medical Devices**. The feasibility is a pilot study on the phasing in of registration of medical devices in South Africa in order to prepare and map out the process for registration of medicals devices.
- IDC and **the dtic** have drafted **a concept note for a financing framework** for the implementation of the Medical Devices Master Plan.

Energy from projects facilitated & energy available for the grid

- **110 Megawatts (MW)** of energy projects facilitated in Q2
- **82,7 Megawatts (MW)** of energy available for the grid in Q2 against the 50 MW target



Megawatts per Project
- Dot Energy – 25 MW
- SAPPI – 20MW
- Hulamin – 65MW



Megawatts per Project
- Sediba Solar at 80MW (30 Sept 2024)
- Burger King – 2.7 MW

Companies Amendment Act & Companies Second Amendment Act

- The two Companies Amendment Acts came into force on 27 December 2024.
- The presidential proclamations were gazetted on the Companies Second Amendment Act, 2024, along with several sections of the 2024 Companies Amendment Act.

Merchandise Marks Act

- The final Notices for the applications for the use of the SA national flag and the logos or marks in terms of section 15 of the Merchandise Marks Act of 1941 were published for the Private Securities Regulatory Authority (PSIRA), Robben Island Museum, Public Service Commission, Stellenbosch university, Business Unity South Africa and Astral Operations (Pty) Ltd.

- The final Notices for the Housing Exemption Schemes for the Bridgewater Manor (Pty) Ltd and Helderberg Society for the aged were approved by Minister and one for Helderberg was published in the gazette.

PSIRA
Private Security Industry Regulatory Authority

Robben Island
MUSEUM

PUBLIC SERVICE COMMISSION
PSC

GREAT SOUTH AFRICAN CHICKEN EVERY DAY

B S A
Business for SA

Consumer Protection Regulation

- The draft regulations to block unwanted direct marketing were gazetted.
- **the dtic** called on all stakeholders and interested parties to submit comments on the draft amended Regulations of the Consumer Protection Act (CPA 68 of 2008). Regulations provides mechanisms to block unwanted direct marketing communication.
- The Minister, published the amended Regulations in the Government Gazette on 28 October 2024, giving interested parties forty-five (45) days to submit their comments.
- This is a significant milestone because the South African consumers are constantly exposed to intrusive marketing, and this has significantly increased over the years. With the Opt-Out Registry, direct marketers must be registered and should ensure that when contacting any consumer for direct marketing that they do not contact any consumer that has registered a pre-emptive block on the Opt-Out Registry.
- The National Consumer Commission will implement and enforce the regulations.

Overview of Financial Performance – 30 September 2024

1 April 2024 → 30 September 2024

R 9.6 billion	**Original Budget**
R 4.7 billion	**Spent as at 30 September 2024**

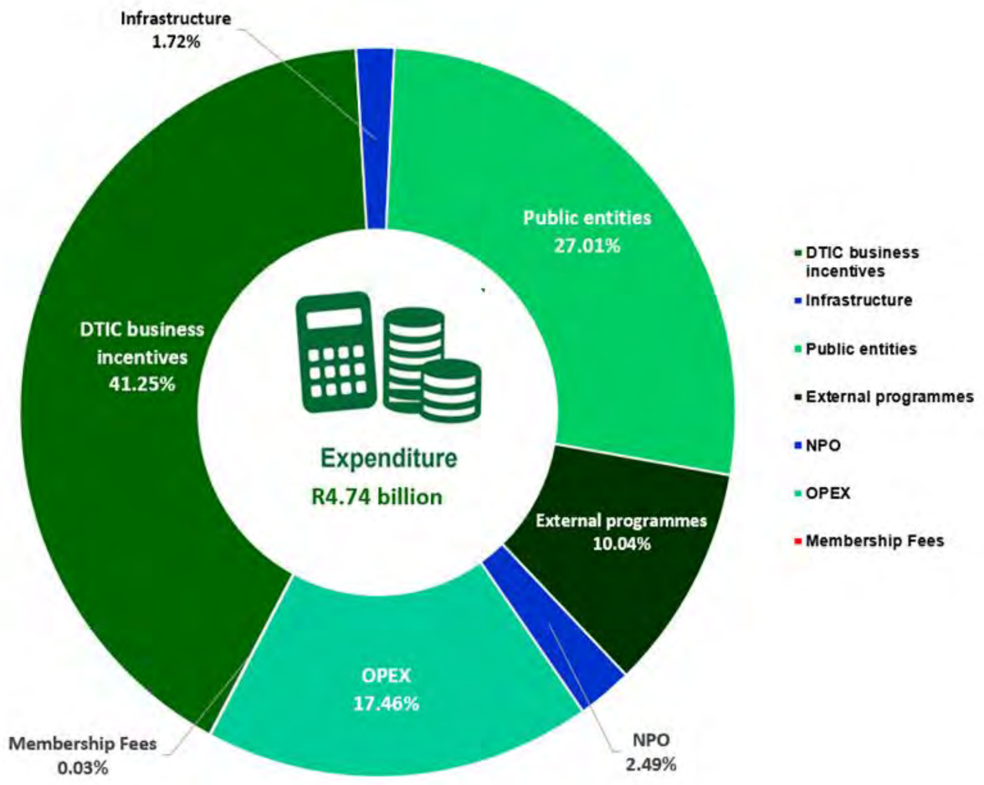
Spent as % of budget = 49.4%

Six months into the 2024/25 financial year, the department recorded spending of R4.7 billion or 49.4% of its allocated budget of R9.6 billion.

As depicted in **figure 1**, the R4.7 billion spent comprises of:

- **R2 billion or 43%** - disbursed to the beneficiaries across the various incentive programmes (i.e. business incentives and infrastructure)
- **R1.3 billion or 27%** - transferred to the public entities
- **R476.4 million or 10.04%** - disbursed to the various external programmes at the IDC and CSIR
- **R119.3 million or 2.5%** - disbursed to non-profit organisations as well as international organisations, which South Africa is a member.
- Spending on operational costs of **R828.8 million or 17.46%.**

Figure 1: Spending categories as % of total expenditure



2024/25 - Financial Performance Per Programme & Economic Classification

Description	Original Budget 2024/25 R'000	Expenditure as % of budget	Available budget R'000	% Budget available	Year-to-date (YTD) 1 April to 30 September 2024: Projected expenditure R'000	Actual expenditure 30 September 2024 R'000	Variance from projected expenditure R'000	% variance from projected expenditure
Programme 1: Administration	880 966	46,3%	473 176	53,7%	424 201	407 790	16 411	3,9%
Programme 2: Trade	241 644	58,4%	100 545	41,6%	134 639	141 099	(6 460)	-4,8%
Programme 3:Investment and Spatial Industrial Development	167 077	32,9%	112 060	67,1%	109 610	55 017	54 593	49,8%
Programme 4: Sectors	1 431 536	58,0%	601 834	42,0%	827 686	829 702	(2 016)	-0,2%
Programme 5: Regulation	346 122	56,1%	151 884	43,9%	190 824	194 238	(3 414)	-1,8%
Programme 6: Incentives	4 034 466	52,5%	1 914 877	47,5%	2 383 704	2 119 589	264 115	11,1%
Programme 7: Export	387 960	64,6%	137 263	35,4%	275 358	250 697	24 661	9,0%
Programme 8: Transformation and Competition	2 047 132	35,6%	1 318 338	64,4%	696 008	728 794	(32 786)	-4,7%
Programme 9: Research	63 326	29,3%	44 799	70,7%	27 056	18 527	8 529	31,5%
Total	**9 600 229**	**49,4%**	**4 854 777**	**50,6%**	**5 069 086**	**4 745 452**	**323 634**	**6,4%**
Economic classification								
Current payments	**1 790 425**	**45,8%**	**969 538**	**54,2%**	**851 774**	**820 887**	**30 887**	**3,6%**
Compensation of employees	1 081 180	46,7%	576 141	53,3%	520 328	505 039	15 289	2,9%
Goods and services	709 245	44,5%	393 402	55,5%	331 446	315 843	15 602	4,7%
Interest	-	0,0%	(4)	0,0%	-	4	(4)	0,0%
Transfers and subsidies	**7 791 864**	**50,3%**	**3 871 268**	**49,7%**	**4 210 894**	**3 920 596**	**290 298**	**6,9%**
Incentive payments	3 872 060	52,7%	1 832 964	47,3%	2 302 981	2 039 096	263 885	11,5%
Department entities	1 987 162	64,5%	705 285	35,5%	1 281 877	1 281 877	-	0,0%
External Programmes	1 732 470	27,5%	1 256 084	72,5%	504 327	476 386	27 941	5,5%
Non profit organisations (Partnerships with business associations, NEDLAC)	153 321	77,1%	35 186	22,9%	118 935	118 135	800	0,7%
Membership fees (International organisations)	45 799	2,6%	44 606	97,4%	2 342	1 193	1 149	49,0%
Households	1 052	371,6%	(2 857)	-271,6%	432	3 909	(3 477)	-804,9%
Payments for capital assets	**17 940**	**22,1%**	**13 977**	**77,9%**	**6 418**	**3 963**	**2 455**	**38,3%**
Payments for financial assets	**-**	**0,0%**	**(6)**	**0,0%**	**-**	**6**	**(6)**	**0,0%**
Total	**9 600 229**	**49,4%**	**4 854 777**	**50,6%**	**5 069 086**	**4 745 452**	**323 634**	**6,4%**

Overview Of The Financial Performance – 31 December 2024

1 April 2024 → 31 December 2024

R 9.67 billion **Adjusted Budget**

(R9.6 billion Original Budget)

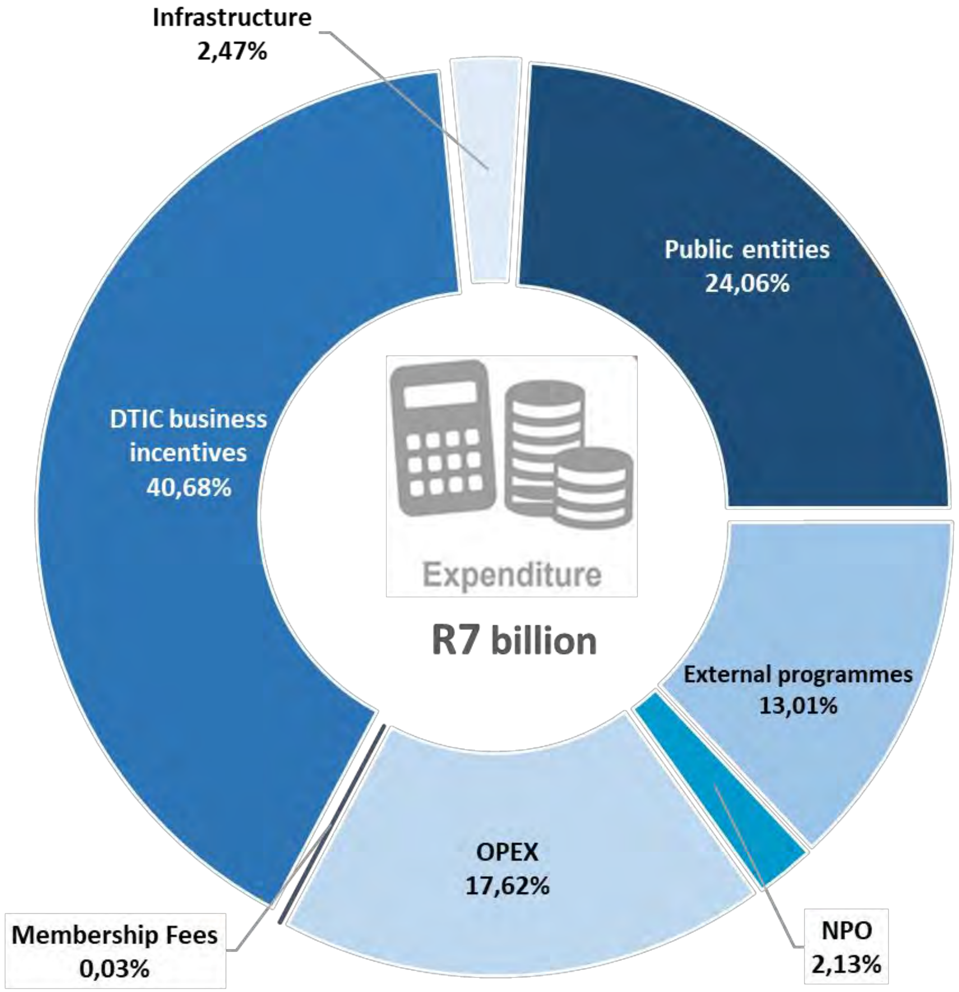
R 7 billion **Spent as at 31 December 2024**

Spent as % of budget = 72.8%

The R7 billion spent was disbursed as follows:

- **R3 billion** or **43.15%** - Beneficiaries across various incentive programmes (i.e. business incentives and infrastructure)
- **R1.7 billion** or **24,06%** - Public entities
- **R915 million** or **13.01%** - External programmes at the IDC and CSIR
- **R152 million** or **2.16%** - Non profit and international organisations of which South Africa is a member.
- **R1.2 billion** or **17,62%** - Operational costs

Spending categories as % of total expenditure



2024/25 - Financial Performance Per Programme And Economic Classification

Description	Adjusted Budget 2024/25 R'000	Expenditure as % of budget	Available budget R'000	% Budget available	Year-to-date (YTD) 1 April to 31 December 2024: Projected expenditure R'000	Actual expenditure R'000	Variance from projected expenditure R'000	% variance from projected expenditure
Programme 1: Administration	952 657	64,9%	333 927	35,1%	639 075	618 730	20 345	3,2%
Programme 2: Trade	240 820	78,7%	51 273	21,3%	185 222	189 547	(4 325)	-2,3%
Programme 3:Investment and Spatial Industrial Development	140 281	62,2%	53 088	37,8%	143 810	87 193	56 617	39,4%
Programme 4: Sectors	1 328 954	80,5%	259 759	19,5%	1 055 529	1 069 195	(13 666)	-1,3%
Programme 5: Regulation	346 233	91,4%	29 857	8,6%	316 957	316 376	581	0,2%
Programme 6: Incentives	4 200 678	75,2%	1 042 710	24,8%	3 344 669	3 157 968	186 701	5,6%
Programme 7: Export	358 360	79,9%	71 986	20,1%	328 829	286 374	42 455	12,9%
Programme 8: Transformation and Competition	2 041 864	62,8%	760 360	37,2%	1 261 441	1 281 504	(20 063)	-1,6%
Programme 9: Research	57 797	49,1%	29 394	50,9%	40 916	28 403	12 513	30,6%
Total	**9 667 644**	**72,8%**	**2 632 354**	**27,2%**	**7 316 448**	**7 035 290**	**281 158**	**3,8%**
Economic classification								
Current payments	**1 812 939**	**67,5%**	**589 735**	**32,5%**	**1 293 710**	**1 223 204**	**70 506**	**5,4%**
Compensation of employees	1 041 180	72,1%	290 982	27,9%	795 435	750 198	45 237	5,7%
Goods and services	771 755	61,3%	299 031	38,7%	498 275	472 724	25 551	5,1%
Interest and rent on land	4	0,0%	(277)	0,0%	-	281	(281)	0,0%
Transfers and subsidies	**7 836 250**	**74,0%**	**2 035 286**	**26,0%**	**6 012 941**	**5 800 964**	**211 977**	**3,5%**
Incentive payments	4 038 272	75,2%	1 002 372	24,8%	3 222 753	3 035 900	186 853	5,8%
Department entities	1 987 162	85,2%	294 613	14,8%	1 663 622	1 692 549	(28 927)	-1,7%
External Programmes	1 601 258	57,2%	686 108	42,8%	959 219	915 150	44 069	4,6%
Non profit organisations (Partnerships with business associations, NEDLAC)	158 321	94,7%	8 354	5,3%	151 067	149 967	1 100	0,7%
Membership fees (International organisations)	46 599	5,0%	44 263	95,0%	15 598	2 336	13 262	85,0%
Households	4 638	109,2%	(424)	-9,2%	682	5 062	(4 380)	-642,3%
Payments for capital assets	**18 440**	**60,3%**	**7 324**	**39,7%**	**9 797**	**11 116**	**(1 319)**	**-13,5%**
Payments for financial assets	**15**	**0,0%**	**9**	**0,0%**	**-**	**6**	**(6)**	**0,0%**
Total	**9 667 644**	**72,8%**	**2 632 354**	**27,2%**	**7 316 448**	**7 035 290**	**281 158**	**3,8%**

THANK YOU