Annual Report 2023/2024



economic development & tourism

MPUMALANGA PROVINCE REPUBLIC OF SOUTH AFRICA



DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

ANNUAL REPORT 2023-2024 Financial Year

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Part A General Information



1. DEPARTMENT GENERAL INFORMATION

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AFS	Annual Financial Statement
AGSA	Auditor General South Africa
AMTS	Advanced Manufacturing Strategy
AO	Accounting Officer
АРР	Annual Performance Plan
ASGISA	Accelerated and Shared Growth Initiative for South Africa
ASIDI	Accelerated School Infrastructure Delivery Initiative
BBBEE	Broad-Based Black Economic Empowerment
ВСР	Business Continuity Plan
BEE	Black Economic Empowerment
BER	Bureau of Economic Research
BRICS	Brazil, Russia, India, China and South Africa
САРЕХ	Capital Expenditure
CC's	Close Corporations
ССТV	Closed Circuit Television
CBOs	Community Based Organisations
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
СРА	Consumer Protection Act
СРІ	Consumer Price Inflation
CSI	Corporate Social Investment
DBSA	Development Bank of Southern Africa
DEDT	Department of Economic Development and Tourism
DESD	Decade of Education for Sustainable Development
DoEL	Department of Employment and Labour
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration

DRDLR	Department of Rural Development and Land Reform
DTIC	Department of Trade, Industry and Competition
EDMS	Employee Development and Management System
EEP	Economic Equity Plan
EEC	Economic and Employment Cluster
EHWP	Employee Health and Wellness Programme
EIA	Environmental Impact Assessment
EIC	Enterprise Information Centre
EMC	Executive Management Committee
EU	European Union
ENE	Estimates of National Expenditure
FTC	Food Technology Centre
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GIS	Geographical Information System
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR Plan	Human Resource Plan
HRPIPR	Human Resource Plan Implementation Progress Report
ICC	International Convention Centre
IA	Internal Audit
ІСТ	Information Communication Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IWMP	Integrated Waste Management Plan
IPAP	Industrial Policy Action Plan
КМІА	Kruger Mpumalanga International Airport

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LED	Local Economic Development
LRF	Local Regulatory Framework
LTO	Local Tourism Organisations
ΜΟΑ	Memorandum of Agreement
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MEC	Member of the Executive Council
MEDGP	Mpumalanga Economic Growth and Development Plan
MEGA	Mpumalanga Economic Growth Agency
MER	Mpumalanga Economic Regulator
MIFPM	Mpumalanga International Fresh Produce Market
MinMEC	Minister and Members of the Executive Council
MinTECH	Minister's and Technical Team
MISS	Minimum Information Security Standards
MLA	Mpumalanga Liquor Authority
MTEF	Medium Term Expenditure Framework
MTGS	Mpumalanga Tourism Growth Strategy
МТРА	Mpumalanga Tourism and Parks Agency
MUNMEC	Municipalities and Member of Executive Council
NCC	National Consumer Commission
NDA	National Development Agency
NDP	National Development Plan
NIPF	National Industry Policy Framework
NEDLAC	National Economic Development and Labour Council
NEPAD	New Partnership for Africa's Development
NGOs	Non-Governmental Organisations
NGP	New Growth Path

NPOs	Non-Profit Organisations	
NSDP	National Spatial Development Perspective	
NT	National Treasury	
NTSS	National Tourism Sector Strategy	
NYS	National Youth Service	
ОТР	Office of the Premier	
PERSAL	Personnel and Salary Administration	
PFMA	Public Management Finance Act, 1999 (Act No. 1 of 1999) as amended	
PMDS	Performance Management and Development System	
PGDS	Provincial Growth and Development Strategy	
ΡΟΑ	Programme of Action	
PPPFA	Preferential Procurement Policy Framework Act	
PRIME	Programme for Industrial Manufacturing Excellence	
PSC	Public Service Commission	
RTO	Regional Tourism Organisations	
RTP	Responsible Tourism Planning	
SABS	South African Bureau of Standards	
SADC	Southern African Development Community	
SAHC/OOK	South African Handmade Collection / One of a kind exhibition	
SALGA	South African Local Government Association	
SARB	South African Reserve Bank	
SARS	South African Revenue Service	
SASSA	South African Social Security Agency	
SCM	Supply Chain Management	
SDF	Spatial Development Framework	
SDMF	Service Delivery Model Framework	
SDIP	Service Delivery Improvement Programme	

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SDS	Service Delivery Standards	
SEDA	Small Enterprise Development Agency	
SERO	Socio-Economic Review and Outlook	
SEZ	Special Economic Zone	
SITA	State Information Technology Agency	
SLA	Service Level Agreement	
SMME	Small, Medium and Micro Enterprises	
SMS	Senior Management Service	
SOE's	State Owned Entities	
SONA	State of the Nation Address	
SOPA	State of the Province Address	
SP	Strategic Plan	
TOR	Terms of Reference	
TR	Treasury Regulations	
UIF	Unemployment Insurance Fund	
WSP	Workplace Skills Plan	





Ms MC Masilela (MPL) MEC for Economic Development and Tourism

3. FOREWORD BY THE MEC

I am pleased to submit this Annual Report, which details the work we have done, during the financial year ended March 2024. The Report outlines the interventions we have made in response to the directives from the governing party, the African National Congress, which has been mandated by our people to continue to change their lives.

Achievements in relation to policy directives, 2019–24 Medium Term Strategic Framework and Department's outcomes:

The programmes of the Department for the year under review were anchored on the National Development Plan: Vision 2030 and relevant strategic priorities as outlined in the 2023/24 State of the Province Address.

Working together with the private sector, labour and civil society, we undertook programmes aimed at placing the provincial economy on a growth trajectory, as this is the only leverage we have as the people, to make a meaningful impact in the lives of the people of Mpumalanga.

We can look back with some level of comfort that the Department has made significant strides in its quest to create an enabling business environment for SMMEs and Cooperatives to grow and develop through the provision of financial and non-financial services in all the districts. To this end, women and youth owned businesses were at the apex of our priority targets. We have since provided tools of trade to SMMEs and Cooperatives operating in the green economy, manufacturing, agro-processing, mining, and the tourism sector, as well as rural and township economy, such as spaza shops, hair salons, car washes and black-owned tyre outlets.

In pursuit of our plan to boost the provincial economy and thereby creating the much-needed jobs, the roll-out of critical infrastructure build programmes has progressed at varying levels, with the construction of the Mpumalanga International Fresh Produce Market currently at 99.9%.

In relation to the Nkomazi SEZ, the processes have advanced towards capacitation of the Entity as well as Township establishment. The financial support given to the incubation programme saw 10 leaners receiving training in the Mpumalanga Stainless Steel Initiative, whereas, 14 others were trained through the Furniture Technology Centre.

Through our uncompromising posture on consumer rights, during the period under review, we have recouped an amount of R3 784 114, 03 from unscrupulous businesses and put it back into consumer's pocket.

As part of supporting the growth of the informal sector, the processes for the development of a Provincial Informal Sector Policy have advanced, and now awaiting consolidation of the insights derived from stakeholder engagements. The completion of the Provincial Informal Sector will ensure seamless support of the informal sector and provide the necessary interventions for growing the sector.

In order to boost domestic and international tourism in the Province, programmes for stakeholder engagements in the tourism space were undertaken, in addition to implementing key regional tourism integration programmes like the TRILAND initiative.

Challenges for the financial year under review

The complexities in the economy were characterised by amongst other factors, load shedding, logistics sector challenges, high fuel and food prices, and weaker global growth and skills challenges. These challenges combined, affected service delivery and the implementation of some of our plans during the period under review.

The strategic focus over the medium to long-term period

As a Department, we are mindful of the governance expectations emanating from the transition into the 7th Administration and beyond. Therefore, we will continue to pursue the strategic initiatives such as the Nkomazi SEZ, Green Economy and operationalise the MIFPM with the aim of industrialising the Province, whilst creating the muchneeded jobs for our people.

Acknowledgements /Appreciation

My gratitude goes to the African National Congress and the Premier, Mr. Mandla Ndlovu, for entrusting me with the responsibility to lead the Department which is enjoined to steer economic development and growth activities in the Province.

I further express my appreciation to the then acting Head of Department, Mr Cain Chunda, the current acting Head Mr Lemmy Mdluli, supported by the Chairpersons of the Boards and CEOs of our Entities and their respective teams, for the sterling job they continue to do in carrying out the mandate of the Department.

Conclusion

Working together we can do more to speed up economic growth and transform the economy to create decent work and sustainable livelihoods for the people of Mpumalanga.

Leave No One Behind as We Grow Mpumalanga Together!



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MEC of the Department of Economic Development and Tourism 31 July 2024





Mr LM Mdluli Acting Head of Department

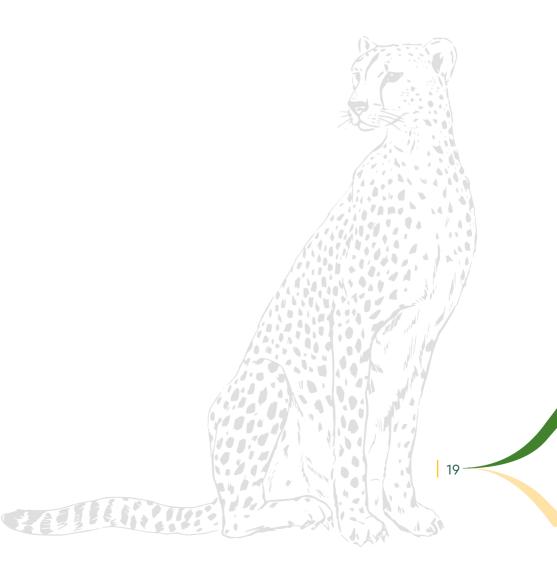
4. REPORT OF THE ACCOUNTING OFFICER

The Department during the year under review has experienced loadshedding that affected the performance of the economy in general. As a result, the Department continued to implement the adopted catalytic projects which aimed at stimulating the economy. These Catalytic Projects which are captured in the Mpumalanga Provincial Five Years Plan (2019 – 2024), are aligned to the MTSF Priority 2: Economic Transformation and Job Creation, were part of the 2023/24 annual performance plan and can be reported as follows:

- Development of the Nkomazi Special Economic Zone (SEZ). The SEZ continued to operate with the seconded personnel and were able to develop the Terms of Reference for the appointment of the service provider to develop the detail engineering designs within the precinct. Unfortunately, the qualified service provider could not be found, and the Department will go back to the market. Of critical importance is that the Nkomazi SEZ will become the subsidiary of MEGA once all due processes have been followed.
- To ensure food security and the transformation of the agricultural sector in the Province, over R420 million has been spent on the Mpumalanga International Fresh Produce Market infrastructure build programme. This has cushioned the impact of loadshedding as people continued to be employed in this programme.

The Department continued the support for the development of SMMEs and Cooperatives through all government initiatives such as the Social Enterprise Development Programme (SEDP) that was done in a phased-in approach to build productive capacity to supply and manufacture construction materials for built environmental projects. This programme aims at empowering and uplifting SMMEs in the construction and building industry to become successful, independent and sustainable through Built Environment initiatives.

The Department continued to operate with the high vacancy rate that affected the morale of the staff because a lot of key positions were in acting capacity including that of an HOD, and that created uncertainty.



Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2022/2023			2023/2024		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	169 385	577 883	(408 498)	637 075	850 420	(213 345)
Casino taxes	55 449	83 138	(27 689)	83 151	79 904	3 247
Horse racing taxes	104 536	483 838	(379 302)	541 849	759 631	(217 782)
Liquor licences	9 400	10 907	(1 507)	12 075	10 885	1 190
Motor vehicle licences						
Sale of goods and services other than capital assets	197	87	110	206	105	101
Transfers received						
Fines, penalties and forfeits					272	(272)
Interest, dividends and rent on land	1 315	4 399	(3 084)	1 378	7 985	(6 607)
Sale of capital assets	234	36	198	245	164	81
Financial transactions in assets and liabilities	642	3 825	(3 183)	673	374	299
Total	171 773	586 230	(414 457)	639 577	859 320	(219 743)

The total revenue collected on behalf of the Department was R859, 320, 000 against a target of R639, 577, 000, representing an over-collection of 34%. During the reporting period, the main revenue collection sources for the Department were gambling levies, as well as liquor licence fees, collected through the Mpumalanga Economic Regulator (MER). The licence fees and taxes are established through legislation. The over-collection is attributed to online gambling activities which are regulated by the MER, and these may be negatively affected in future by the ongoing legal processes which are not within the Department's control. The capital assets sold during the year were motor vehicles which were used well beyond the prescribed maximum mileage or vehicles for which the life to date expenditure exceeded the original purchase price.

	2022/2023			2023/2024		
Programme Name	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	109,750	105,788	3,962	116,249	116,210	39
Integrated Economic Development	826,033	822,510	3,523	742,441	740,428	2,013
Trade and Sector Development	32,389	29,582	2,807	40,991	26,515	14,476
Business Regulation and Governance	131,110	130,915	195	130,114	127,006	3,108
Economic Planning	19,229	18,188	1,041	19,018	18,365	653
Tourism	465,336	464,758	578	538,066	537,585	481
Total	1,583,847	1,571,741	12,106	1,586,879	1,566,109	20,770

Programme Expenditure

Virements/roll overs

Post-adjustments were processed by the Department but these did not affect the budget allocation. The following virements (funds taken from underspending programmes) were processed to fund over-expenditure in other Programmes:

The analysis of the budget and expenditure outcomes, as at 31 March 2024, after the closure of the books of account for the year-end indicated overspending in goods and services of R3, 209, 000 in Programme 1 and R1, 317, 000 in Programme 2. Over-spending in transfers and subsidies (leave gratuity) of R115,000 was also incurred in Programme 1; savings of R1,709,000 under compensation of employees in Programme 1; R838,000 in Programme 2; R127,000 in Programme 5; savings of R1,143,000 under goods and services in Programme 3; R217,000 in Programme 4; R497,000 in Programme 5 and R81,000 in Programme 6, as well as savings on transfers and subsidies (Provinces and Municipalities) amounting to R19,000.

The Department submitted a request to roll-over unspent funds totalling R2,013,000 during the financial year (2023-2024) for Capital Assets (in respect of Building and Fixed Structure, MIFPM).

During the year under review, the Department did not incur any unauthorised expenditure. The balance on the fruitless and wasteful expenditure has been removed following disciplinary proceedings, and in response to a legal opinion obtained in connection with the matter.

The Department focused on the implementation of the Mpumalanga Industrial Development Plan which seeks to industrialise the Province whilst also intervening in the rural and township economy. As a result, the Department is focusing on establishing a Special Economic Zone to focus primarily on manufacturing, using the latest technology as part of the industrialisation programme.

Public Private Partnerships

During the period under review, the Department did not enter into any Public Private Partnership (PPP) agreements

Discontinued key activities or activities to be discontinued

No activities were discontinued during the year under review.

New or proposed key activities

None

Mpumalanga: Department of Economic Development and Tourism - Vote 6

Supply Chain Management

No unsolicited bid proposals were concluded during the year under review;

The Department follows SCM processes and systems to prevent irregular expenditure;

The challenges experienced during the process of acquiring goods and services related to non-responsive bids and protracted procurement processes.

The Department made use of transversal contracts and contracts entered into by other arms of state in order to increase the likelihood and speed up the process of concluding procurement processes.

Gifts and Donations received in kind from non-related parties

None

Exemptions and deviations received from the National Treasury

None

Events after the reporting date

On 16 July 2024, the MIFPM was official handed over to the DARDLEA as the construction process was finalised

Other

None

Acknowledgement/s or Appreciation

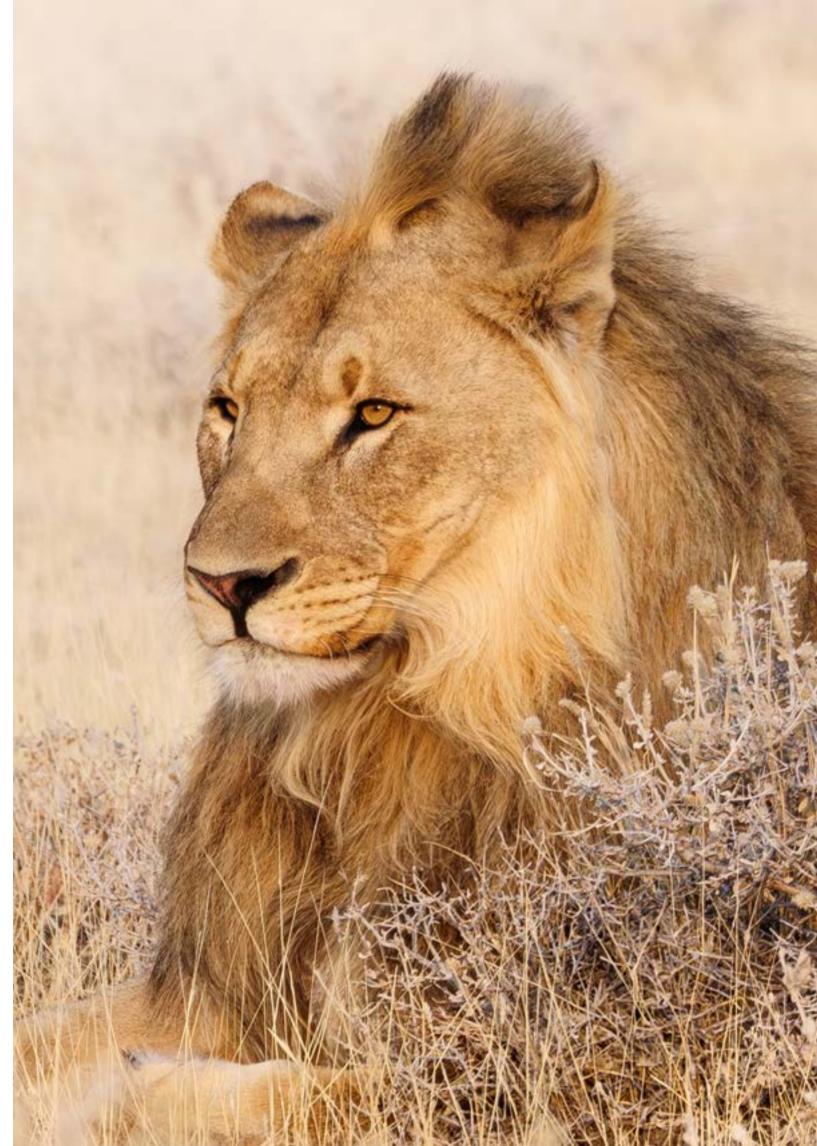
Allow me to extend my gratitude and appreciation to the Executive Authority of the Department, for the sterling leadership and guidance. My appreciation further goes to the Senior Management, CEOs of our Public Entity and the foot soldiers of the Department and Entities for their support and dedication to the economic development and transformation agenda of our Province.

Conclusion

It my conviction that the Annual Report fairly reflects the work of the Department for the financial year ended March 2024.

Approval and sign off

Mr LM Mdluli Accounting Officer Department of Economic Development and Tourism Date: 31 May 2024



5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent;

The annual Report is complete, accurate and is free from any omissions;

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury;

The Annual Financial Statements (Part F) were prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury;

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance, as to the integrity and reliability of the performance information, the human resources information and the annual financial statements;

The external auditors are engaged to express an independent opinion on the Annual Financial Statements;

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2024.

Yours faithfully

Accounting Officer Mr LM Mdluli 31 May 2024



6. STRATEGIC OVERVIEW

6.1 Vision

An Inclusive, Globally Competitive Economy

6.2 Mission

Drive economic growth that creates decent employment and promotes sustainable development

6.3 Values

VALUE	VALUE STATEMENT
Integrity	Officials must be dedicated to the adherence of a strict moral and ethical code of conduct in the execution of their duties and responsibilities.
Fairness	Officials must conform to the rules and standards set out by the Department. All decisions should be made free of bias and must always be considerate and just.
Accountability	Officials are, at all times, to be responsible for the performance and results of their agreed upon duties and responsibilities. This refers to the pyramid responsibility that begins with individuals and builds up to top management.
Transparency	Officials will recognise the right to access to information excluding information that is specifically protected by law.
Professionalism	Officials will behave and execute their duties in a manner that enhances the reputation of the Department while adhering to the highest ethical standards.

7. LEGISLATIVE AND OTHER MANDATES

The following Constitutional, legislative and related mandates regulate the environment within which the Department executes its operations:

7.1 Constitutional Mandate

The following table highlights the main mandate of the Department:

Constitutional Mandate	Purpose
The Department derives its	Schedule 4 and 5 of the Constitution make provisions for the following:
mandate from the Constitution of the Republic of South Africa, Act 108 of 1996	Trade and industry promotion
	Consumer protection
	Casino, racing, gambling, wagering and liquor licenses
	Provincial Public Enterprises
	Tourism promotion and
	Nature conservation

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7.2 Legislative and Policy Mandates

Departmental Mandate	Purpose
To stimulate economic growth and development towards creating sustainable and	Influence the development growth patterns in the Province in order to build and accelerate a sustainable, equitable and inclusive economic growth path where people live;
decent employment, economic transformation and alleviation of poverty	Ensure a participatory economy where the youth, women, workers, rural masses, and the people with disabilities benefit from the natural wealth of the Province;
	Enhance integrated regional growth and development which, among others, foster public private partnerships to increase trade and investment in the Province and within the region, and leverage on Spatial Development Initiatives such as the Maputo Development Corridor;
	Position infrastructure delivery programme in a manner that enhances the development of SMMEs; creates decent job opportunities and allows community participation through the promotion of co-operatives;
	Utilise the MOUs with both local and global strategic partners to consolidate existing markets; access new markets; and attract foreign direct investment into the Provincial economy

The Departmental mandate is provided in the table below:

The specific legislative and policy mandates that influence and affect operations of the Department are listed in the tables below:

Relevant legislation to the Department

Legislative Mandate	Purpose
Mpumalanga Economic Regulator Act, 2017 (Act 2 of	To regulate the gambling industry in the Province, in terms of the Mpumalanga Gambling Act;
2017)	To regulate the payment of gambling levies, in terms of the Mpumalanga Gambling Levies Act;
	To regulate the liquor industry in the Province, in terms of the Mpumalanga Liquor Licensing Act; and
	To monitor the performance of the MER, in terms of executing its mandate (by virtue of being the shareholder representative);
National Tourism Act, 2014 (Act 3 of 2014)	To provide for the development and promotion of sustainable tourism for the benefit of the Republic, its citizens and visitors.
Mpumalanga Liquor Licensing Act, 2007 (Act 5 of 2007)	To provide for the regulation of the liquor industry in the Province; and for matters connected within;

Legislative Mandate	Purpose
National Gambling Act, 2004 (Act 59 of 2003)	To provide for the coordination of concurrent national and provincial legislative competencies over matters relating to casinos, racing, gambling and wagering, and to provide for the continued regulation of these matters; and
	To ensure that the Mpumalanga Gambling Act is aligned to national norms and standards established in terms of the National Gambling Act
Mpumalanga Consumer Affairs	To promote a fair, accessible and sustainable marketplace for consumer products;
Act, 1998 (Act 6 of 1998)	To establish national norms and standards relating to consumer protection;
	To establish and manage the Office of Investigation of Unfair Business Practices, whose function is to receive, investigate and resolve complaints of unfair business practices; and
	To establish the Consumer Court which adjudicates on matters of alleged unfair business practices
Mpumalanga Business Act,	To consolidate and amend certain laws in force in the Province regarding the
1996 (Act 2 of 1996)	licensing and carrying on of business
National Small Business	To provide for small businesses to enter the economic frame;
Enabling Act, 1996 (Act 102 of 1996)	To create a conducive environment for the promotion, support and development of small businesses in the Province; and
	To ensure municipalities comply with prescripts of the Acts
Broad-Based Black Economic Empowerment Act, 2003 (Act	To provide for the empowerment of the black-owned companies to enter the mainstream economy;
53 of 2003)	To ensure black-owned companies have access to opportunities in the mainstream economy in an effort to transform the economy and reduce inequality; and
	To ensure that the necessary support is provided to black enterprises, including targeted groups (women, youth and people living with disabilities) to enable them to successfully compete for opportunities in the economy
National Credit Act, 2005 (Act 34 of 2005)	To promote a fair and non-discriminatory marketplace for access to consumer credit
Public Finance Management	To promote sound financial management in the public sector;
Act, 1999 (Act 1 of 1999)	To ensure every employee of the Department is enjoined that no fruitless/irregular expenditure occurs within the area of responsibility
Public Service Act, 1994 (ActTo regulate the public service in the country103 of 1994)	
Basic Conditions of Employment Act, 1997 (Act 75 of 1997)	To create a framework for employer-employee relations

Legislative Mandate	Purpose
Labour Relations Act, 1995 (Act	To protect the rights of the workers
66 of 1995)	

7.3 Institutional Policies and Strategies

Emanating from the Departmental strategic planning process, the following policies and strategies were identified as critical interventions that would assist the Department to realise the intended impact, in line with identified outcomes over the five-year period:

Outcomes	Identified Institutional Policies/Strategies/Priorities
Inclusive, diversified and	Facilitate and coordinate the following Policies, Strategies and Plans:
growing economy	Mpumalanga Industrial Development Plan;
	Provincial ICT Strategy;
	SMME Provincial Strategy;
	Mpumalanga Trade and Investment Promotion Strategy;
	Mpumalanga Green Economy Development Plan; and
	Mpumalanga Forestry Development Plan
Inclusive, competitive and	Provincial Tourism Growth Strategy; and
sustainable tourism industry	Mpumalanga Integrated Air Transportation Strategy
An ethical, well-coordinated,	PFMA;
enabling and capable centre of business excellence	Departmental Human Resource Strategy;
	Communication Plan; and
	Risk Management Strategy

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The table below indicates the Entities reporting to the MEC:

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Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Mpumalanga Economic Growth	To promote trade and investment in Mpumalanga;	Transfer payments in line with the shareholders compact	To promote and facilitate trade and investment in the Province;
Agency	To provide funding in respect of approved enterprise development focusing primarily on the previously disadvantaged individuals in Mpumalanga; To develop property, including the granting of housing loans in Mpumalanga;		To provide financial and non-financial support to SMMEs in the Province; To provide financial support to emerging farmers in the Province; To grant housing loans to the needy and the previously disadvantaged
	To deliver massive infrastructure in Mpumalanga		
Mpumalanga Tourism and Parks Agency	To provide for the sustainable development and improvement of the tourism	Transfer payments in line with the shareholders compact	To provide for effective management and conservation of biodiversity and ecosystems within the Province;
Mpumolanga	industry in Mpumalanga		To develop and ensure effective management of protected areas;
			To promote and create socio- economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for previously disadvantaged individuals and local communities in the Province



Mpumalanga	Legislative Mandate	Financial Relationship	Nature of Operations
iconomic Regulator	To continue to regulate the gambling industry as per the Act;	Transfer payments in line with the shareholders compact	To ensure that the gambling industry is regulated and functions within the parameters of the law
MPCMALANCA MARCANALANCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCA MARCANALANCANALANCAN MARCANALAN MARCANALANCAN MARCANALANCAN MARC	To promote responsible gambling within the Province;		To promote responsible gambling within the Province;
	To award the 4th casino license (within the next 5 years);		To improve organisational licensing, expand and standardise industry compliance and enforcement;
	To provide for the regulation of the micro-manufacturing and retail sale of liquor;		To provide an enabling environment in human capital, finance and ICT;
	To regulate own revenue generation (section 5,		To engender a high governance ethos;
	subsection 2); To reduce the socio-economic and other related cost of alcohol abuse;		To ensure effective and efficient administration and management of the Organisation
	To provide for public participation in the consideration of applicants for registration;		
	To promote the development of a responsible and sustainable retail and micro- manufacturing liquor industry in a manner that facilitates the entry of new participants into the industry; diversification of ownership in the industry and an ethos of social responsibility in the industry		

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Part B Performance Information

1. AUDITOR-GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against pre-determined objectives is included in the report to management, with material findings being reported under the Pre-determined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 194 of the Report of the Auditor-General, published as Part F: Financial Information.





2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The primary focus of the Department during the reporting cycle was the creation of a better life for all the residents of the Province. This is in keeping with the Department's mandate of stimulating economic growth and development towards creating sustainable and decent employment, economic transformation and alleviation of poverty.

The ability of the Provincial economy to generate growth and support employment creation was, however, negatively affected by a number of structural constraints during the reporting period. Key, amongst these, were the persistent high levels of unemployment, poverty and inequality mainly among the previously disadvantaged people. These were further compounded by persistent factors such as the declining consumer confidence, distressed SMMEs and cooperatives, inflationary pressure, rising interest rates, constrained labour markets and geopolitical tensions.

Despite these challenges, the Department provided the much-needed services through its Public Entities in the main, facilitation and coordination of government priority for economic transformation and job creation. The key services rendered included Integrated Economic Development; Trade and Sector Development; Business Regulation and Governance; Economic Policy; Tourism Planning and Transformation; as well as Administration. The details on the manner in which the approved Annual Performance Plan was executed are recorded in other parts of the Report.

A highlight of key successes includes the provision of economic policy direction and research on the Provincial economy in order to inform economic planning and execution in government and private institutions. A number of small, medium and micro enterprises (SMMEs), as well as co-operatives, have benefited from a variety of support provided, including market access, machinery and other tools of trade. In addition, the Department also conducted education and awareness campaigns which benefitted quite a number of consumers, including providing consumers with recourse measures on unfair business practices.



2.2 Service Delivery Improvement Plan

The Department has compiled a Service Delivery Improvement Plan. The tables below highlight achievements recorded, in this regard:

Main services and standards

		service	
	Advisory service provided and 980 consumer cases resolved 98%.	100% resolved consumers cases received and advisory services provided.	99% resolved consumers cases received and advisory services provided.
	555 consumer awareness and education programmes conducted.	520 consumer awareness and education programmes conducted.	531 consumer awareness and education programmes conducted.
isinesses in	6 youth and women- owned waste buy-back centres supported with	2 youth and women-owned waste buy-back centres supported with machinery.	2 youth and women-owned waste buy-back centres supported with machinery.
	machinery. 4 agro processors were assisted with production inputs. 8 SMMEs (3 bakeries, 4 brick making, and 1 sewing cooperative) supported with equipment. 10 spaza shops were supported with stock and branding in partnership with the	 2 agro processors assisted with production inputs. 6 township-based manufacturing SMMEs supported with production inputs. 12 spaza shops supported with tools of trade. 15 car washes supported with equipment and chemical products. 15 hair salons supported with equipment. 10 youth funded SMMEs 	 2 agro processors assisted with production inputs. 6 township-based manufacturing SMMEs supported with machinery. 12 spaza shops supported with tools of trade 15 car washes supported with equipment and chemical products. 15 hair salons supported with equipment. 10 youth funded SMMEs admitted into a learnership.
		 8 SMMEs (3 bakeries, 4 brick making, and 1 sewing cooperative) supported with equipment. 10 spaza shops were supported with stock and branding in partnership with the private sector. 	 4 brick making, and 1 sewing cooperative) supported with equipment. 10 spaza shops were supported with stock and branding in partnership with the private sector. 4 brick making, and 1 inputs. 12 spaza shops supported with tools of trade. 15 car washes supported with equipment and chemical products. 15 hair salons supported with equipment.

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Regular engagements were conducted in an endeavour to understand stakeholder needs and expectations from the following structures:	To conduct regular engagements in an endeavour to understand stakeholder needs and expectations from the following structures:	Regular engagements were conducted in an endeavour to understand stakeholder needs and expectations from the following structures:
Provincial Batho Pele Forum;	National Consumer Regulators;	National Consumer Regulators;
National Consumer Regulators;	National Consumer Protection Bodies;	National Consumer Protection Bodies;
National Consumer Protection Bodies; Provincial Civic Organisations and	Provincial Civic Organisations and NGOs;	Provincial Civic Organisations and NGOs;
NGOs;	Tribal Authorities;	Tribal Authorities;
Tribal Authorities;	Media Houses; and	Media Houses;
Media Houses; and	Members of the public.	Members of the public; and
Members of the public.		SMMEs and Cooperatives.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
555 consumer education and	Conduct 520 consumer education and	531 consumer education and awareness
awareness campaigns conducted.	awareness campaigns.	campaigns conducted

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
To acknowledge receipt of complaints in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	We will acknowledge receipt of complaints, in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	There were no complaints directed to the Department, except for the consumer cases handled.

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2.3 Organisational environment

During the period under review, the Department filled a senior management position in Programme 3 by appointing a female to the position. The position had been vacant for an extended period of time. This has contributed towards improving the EE profile of the Department at SMS level to 37%, albeit still below the required 50%. However, the post of the Head of Department remains vacant, and the Department continues to be led by an acting Head of Department since 01 December 2020. This is because Heads of Departments are appointed by the Office of the Premier, and recruitment has been halted in this regard. During the year under review, seven appointments were done in the form of five internal promotions and recruitment of two Interns, and this had a positive impact towards improving staff morale. The appointment of full-term boards and CEOs for MTPA and MEGA were also finalised, and this contributed to the stability of the Entities as the implementing agencies of the Department.

With regards to labour relations issues, two senior managers received precautionary suspensions, and this had an impact on the morale of the management team. However, the two SMS members were cleared of the charges and subsequently returned to work. It should be noted that female employees were empowered by being appointed to act in the affected SMS positions during the period of precautionary suspensions.

A lot of emphasis was given towards establishing governance structures to ensure that the Department works towards achieving a clean audit opinion in the next financial year. The following structures were put in place and have made significant progress: ICT Committee; Interim Financial Statements (IFS) and AFS (Annual Financial Statements) Review Panel; Loss Control Committee and Ethics Committee, amongst others.

Various Employee Health and Wellness interventions were implemented during the period under review, in an effort to create a healthy environment and a great workplace for employees.

The Department will continue to ensure compliance with applicable prescripts, as far as contract management is concerned, and legal advisory services will continue to be rendered in support of Departmental activities.

The Shareholder Compacts with Departmental Public Entities were strengthened to enhance oversight on the performance of the Entities.

The Department also fulfilled its mandate of dissemination information on the services it renders to the public through a range of communication platforms, such as media advisories, media statements, interviews, newsletters, posters, booklets, brochures, website, and social media, amongst others.

2.4 Key policy developments and legislative changes

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The Department does not have any major changes to relevant policies or legislation that affected its operations during the period under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Each department should state the Impacts and Outcomes as per the Strategic Plan and the progress made towards the achievement of the five-year targets in relation to the outcome indicators. The department must highlight significant achievements with regard to the contribution toward the 2019-24 Medium Term Strategic Framework and the Provincial Growth and Development Strategy (where applicable). Departments should comment on any amendments to the Strategic Plan, where applicable.

DEPARTMENTAL IMPACT AND OUTCOMES:

Impact:

Thriving, Inclusive Economy and Reduced Poverty and Inequality

Outcomes:

- Inclusive, diversified and growing economy
- Inclusive, competitive and sustainable tourism industry
- An ethical, well-coordinated, enabling and capable centre of business excellence

The 2019-2024 Strategic Plan commits the Department to the MFSF priority areas of Economic Transformation and Job Creation and A Capable, Ethical and Developmental State.

Our strategic focus and impact in the current MTSF cycle is, thus, to create a thriving inclusive economy and reduce poverty and inequality within the Province. This impact solely depends on the attainment of the three strategic outcomes; namely, An economically informed and responsive client; Inclusive, diversified and growing provincial economy; and Inclusive, competitive and sustainable tourism industry.

We acknowledge our duty to demonstrate to stakeholders how we are achieving the strategy and creating value over the short, medium and longer term. This Report, therefore, provides highlights on how well the Department fared, amidst varying challenges, in stimulating economic growth and development as we create sustainable and decent employment, economic transformation and alleviation of poverty.

The National Development Plan: Vision 2030 will continue to serve as a guiding bible for implementation by the country and the province. The sixth administration has on a continuous basis implemented the NDP in relation to chapter 3 which is about the economy and employment and other chapters such chapter 4 that is on economy infrastructure and 6 that is about an integrated and inclusive rural economy.

Our commitments and work during the reporting period were in keeping with the key priorities of government, mainly to tackle the triple challenges of poverty, inequality and unemployment. Our role and responsibility, in the current 2019-2024 MTSF period was to champion the priority 2: economic transformation and job creation as well as priority:1 building a capable, ethical and developmental state that it the implementation plan of the National Development Plan.

The three strategic outcomes of the Department are: first an inclusive, diversified and growing provincial economy. Second, an inclusive, competitive and sustainable tourism industry; and, last an ethical, well-coordinated, enabling and capable center of business excellence.

Amongst the priority areas was the creation of an enabling business environment for small businesses and cooperatives to grow and develop. The Department continued to promote and support an enabling business environment and ecosystem that enables small business to grow and develop; facilitate the process of empowerment, as well as promote economic growth and development of regional and local economies which is critical for economic growth and job creation. Overall, the department, assisted in providing access to markets, capacity building, inculcating a culture of entrepreneurship with the associated pipeline of potential entrants drawn from various initiatives, business development support and sustainable procurement. These initiatives contributed towards job creation and the expansion of businesses by enabling them to inter alia, move up in the value chains within sectors such as green economy, manufacturing, mining and the township economy.

The department was also successful in supporting cooperatives in the waste management sector of the Green Economy, hair salons and spaza shops with safety wear equipment and basic business skills management. The supported cooperatives included woman, and youth owned businesses. We also supported local businesses with the purpose of revitalizing the Township Economy by providing support to black owned tyre businesses. The black owned tyre outlets were provided support through training (business management and technical training), access to trye stock, as well as branding in partnership with MerSeta and Sumitomo Rubber SA. Support was also provided to manufacturing companies with the potential to participate in the Black Industrialist Programme.

The department successfully established the Provincial Broad Based Black Economic Empowerment Advisory Council which comprise of stakeholders from industry, organised business, organised labour and members of the civil society to support government in the implementation of Economic Transformation. Further to that we facilitated the provision of business infrastructure and reduction of the cost of doing business for SMME's by achieving all these targets has contributed towards the Department strategic outcome orientated goals, which will invariably impact on the strategic priorities of government.

The department is mandated to support the development of industries within the key economic sectors of the Province, and to create a conducive environment for trade and investment, the following have been achieved:

We managed to enhance access to markets for Furntech and MSI SMMEs, with six (6) SMMEs participating in the Manufacturing Indaba 2023, and an additional twenty (20) SMMEs participated in the Global Exporter Passport Programme (GEPP) training. The department also conducted two (2) Export awareness seminar programmes in the Govan Mbeki and Thembisile Hani Local Municipalities with 85 and 142 SMMEs in attendance, respectively. In order to bolster its support for trade and export promotion initiatives, a functional Provincial Trade and Investment Forum was established. During the period under review, eleven (11) market intelligence reports were produced to inform business of new market opportunities in Angola, Dubai (UAE), Brazil, Congo, Uganda, Kenya, Tanzania, Mozambique, Thailand, South Korea and Austria.

Regarding the process of implementing the Nkomazi SEZ Interim Phase, the interim Board is in place to drive the implementation of the SEZ Interim Phase. Furthermore, the Entity has been registered as – Mpumalanga Nkomazi SEZ SOC LTB, however, it is proposed that this Entity becomes a wholly owned subsidiary of MEGA for efficiency and competitiveness. The SEZ Layout plan and General Plan is approved to in line with the needs of the confirmed investors, and currently in the process of addressing the issue of the detailed engineering designs.

In relation to the Petro-Chemical Technology Industrial Technology Park in Govan Mbeki, the General Plan was approved by the Surveyor General. The Department is now busy with the process of the opening of the township register, which requires Section 53 approval from the Department of Mineral Resources, thereafter, the project would be completed.

The four sectors (Forestry, Mining, Manufacturing/ Agro-processing and Green Economy) that the department is pursuing are aimed at growing the provincial economy that creates more job opportunities for the people of the province. Guided by the Industrial Development Plan, Mpumalanga Green Economy Development Plan and Mpumalanga Economic Recovery and Reconstruction Plan (MERRP), the programme in partnership with stakeholders from the four sectors have embarked on initiatives geared towards stimulating economic growth and job creation which are contributing meaningfully towards Outcome 2: Economic Transformation and Job Creation. Through the Incubation Programme which forms part of the Industrialisation Programme we are developing small enterprises as a mechanism to drive inclusive growth and development. In addition to this we are also pursuing the new economies focusing on Green Economy to promote sustainable clean energy, including a healthy living environment.

The department worked with the Mpumalanga Green Economy Cluster Agency to promote and coordinate the rollout of the Green Economy Development Plan. The Green Economy Cluster Agency is critical for the implementation of projects that would support initiatives in the "Just Transition Programme" enabling moving to a cleaner energy producing environment within Mpumalanga. The Green Economy Cluster Agency would thus ensure that deserving projects in the green economy space are to be executed in partnership with industry in order to promote the participation of local SMMEs in the green economy.

In terms of the Memorandum of Agreement with Eskom work is progressing very well in the following areas;

- Skills Development
- Energy SEZ within REDZ
- Copper recycling
- Agri-Voltaic

The Komati Agri Voltics project construction has been finalized and handed over to Eskom and the required trails with the agricultural crops has commenced. The refurbishment of the Komati training facility has been completed and will operate as a welding training centre at Komati. The SARETEC training on PV installation and Wind turbine maintenance has also commenced and is currently underway.

Addressing youth development, the department is driving the Incubation Programme that focuses on the following:

- Mpumalanga Stainless Initiative (MSI) was established to promote youth and other SMME's to participate in steel fabrication. Various young people were trained and supported on stainless steel in order to obtain contracts from industry to take advantage of opportunities presented by the stainless steel industry.
- Furniture Technology Incubator (Furntech):

Young people were trained in small scale furniture manufacturing and upholstery at Thaba Chweu Local Municipality to increase the skills in this sector to support the planned Forestry Industrial Technology Park.

The Department also managed to establish the Mining Skills Forum which is progressing well and serves as a platform where skills development in the sector can be enhanced.

Consumer Protection: The mandate of the department is to perform consumer protection functions is derived from the Constitution of the Republic of South Africa. Schedule 4, Part A of the Constitution prescribes that the area of consumer protection is a functional area of concurrent national and provincial legislative competence. This entails that at provincial level, provincial governments have the authority to legislate on the arena of consumer protection and also provide associated services within this arena. In this regard, we have in place the National Consumer Protection Act of 2008 and Mpumalanga Consumer Protection Act of 1988. Currently we have a draft bill that seeks to harmonise the two legislations to promote consistency in the application of consumer law to protect consumers. During the period under review, the Consumer Protection office resolved 99.6% of received cases within the stipulated resolution time frame of 90 days. An amount of R3 784 114.03 was recovered on behalf of consumers.

received an increased number of consumer complaints ranging from second hand motor vehicles, installation of tombstone challenges, instalment agreement challenges, financial services and complaints on quality of goods and services in the informal sector. Moreover, two Consumer Courts are in the process of being established in the province and this initiative will contribute positively to the speedy resolution of consumer cases thus ensuring timeous redress on behalf of consumers.

Consumer Education: The preceding financial years have seen the Consumer Protection Office undertake specific projects with identified audiences including youth, elderly persons, women, and persons with disabilities in the province. These programmes have been conducted through national and local radio stations, workshops, roadshows and exhibitions. A total of 531 awareness programs were conducted during the period under review. Market surveillance inspections were conducted in Gert Sibande, Nkangala and Ehlanzeni District Municipalities, and non-compliant goods confiscated in collaboration with national regulators such as National Consumer Commission (NCC), National Regulator for Compulsory Specifications (NRCS) inspectors, SAPS, Motor Industry Ombud of South Africa (MIOSA) and Environmental Health Inspectors from respective Districts.

Furthermore, recent and emerging technological changes, trading methods, patterns and agreements have brought, and will continue to bring, new benefits, opportunities and challenges to the market for consumer goods and services within the country. In response to the challenges highlighted above, the Department continues to ensure that consumer protection legislation provides the framework to promoting fair trade and strengthening consumer rights and responsibilities.

Business Regulation: To ensure fair and ethical business practices that contribute towards growth and upliftment of citizens and grow the second economy, two (2) sets of legislation (Mpumalanga Gambling Act (No. 5 of 1995), and the Mpumalanga Liquor Licensing Act (No. 5 of 2006) were reviewed in collaboration with the Mpumalanga Economic Regulator (MER) during the period under review. The Department also assessed 17 local Municipalities to establish their status of the street trading bylaws in-line with the Mpumalanga Businesses Act (No. 2 of 1996) which is currently under review but subject to finalisation of the review of the National Business Act. The program provides continuous capacity building and oversight support to Municipalities on the implementation of street trading bylaws.

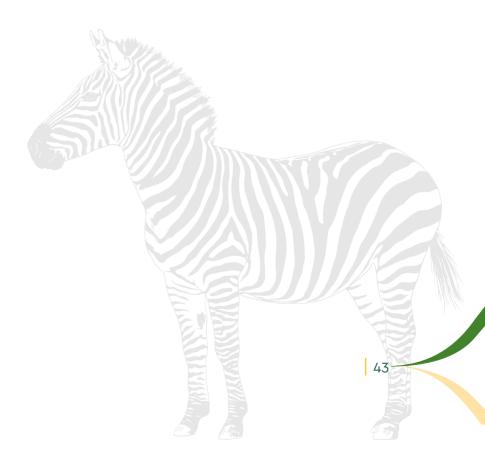
Informal Policy Development: The informal economy is not a marginal add on, but continues to be a priority issue for the Department. Extensive consultative processes with relevant stakeholders using the District Development model have been finalised. This is also subsequent to a number of extended workshops also held with the informal sector forums across the District. The development of the Provincial Informal Sector Policy is now awaiting consolidation and validation, a process, which will be followed by final approval, and launching of the Informal Sector Policy for the Province.

We further contributed to the Department's outcome in terms of an Inclusive, Diversified and Growing the Economy, as well as the strategic priorities of Government, especially Priority 2: Economic Transformation and Job Creation. The following achievements can be highlighted:

- Provision of credible, accurate and quality research reports for evidence-based economic planning and decision
 making in the Province. Reports such as the PERO (Provincial Economic Review and Outlook) document, the
 SERO (Socio-Economic Review and Outlook), and relevant economic research reports on key economic sectors/
 industries, mining and tourism for example, e-based business survey report and Socio-Economic Profiles (SEPs)
 of all 20 Municipalities were produced.
- Central point in the Province of credible, accurate and quality socio-economic data/information for planning, policy and even budget purposes.
- The important work of the Mpumalanga Green Energy Cluster Agency representing academia, industry, and government (a special purpose vehicle to drive the implementation of the green economy development plan.

- Generated market intelligence reports that identify and quantify green job and investment opportunities in the renewable energy, water, and sustainable agriculture value chains (through the Mpumalanga Green Cluster Agency).
- Produced evaluation report for Mdala Nature Reserve and the Mkhombo Dam Nature Reserve as well as EPWP monitoring reports in terms of job creation which included designated groups like women and young people.
- Reviewed and updated geo-database of the MEGDP (Mpumalanga Economic Growth and Development Path), as well as collecting new data.
- The active participation and role in provincial department committees led by the OTP such as the development of a provincial job creation strategy, development of a provincial economic diversification strategy. In the process there's also close collaboration with important institutions such as the World Bank and the PCC.
- Member of the provincial committee working closely with the OTP on the establishment of the Mpumalanga Research Institute (MRI) to address the research gaps in Provincial Government due to capacity, skills and budget constraints.

To ensure tourism sector policy development, regulation and compliance and promotion of sector transformation in the Province, the department significantly achieved the tourism awareness campaigns, capacity building programmes, and facilitation of strategic stakeholder engagements programmes as well as ensuring the implementation of the regional tourism integration programme like TRILAND initiative. We facilitated the historic signing of a partnership arrangement with SATOVITO to empower the rural and township SMMEs in the tourism sector.



4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of the Programme: To provide administrative support for the implementation of the mandate of the Department.

The Programme consists of the following sub-Programmes:

- Office of the MEC
- Office of the Head of Department
- Internal Audit
- Financial Management
- Risk Management
- Strategic Planning Services
- Corporate Services (with the following sub-programmes:)
 -Human Resource Management
 -Legal Services
 - -Communication

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- -Security Services
- -Transversal Services

The Programme contributes towards the following institutional outcome, as per the Annual Performance Plan: An ethical, well-coordinated, enabling and capable centre of business excellence.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Programme has facilitated the implementation of the Workplace Skills Plan, PMDS, Labour Relations and financial disclosures, during the period under review managed. It must be noted that since the implementation of these targets has dependencies, it was a challenge to achieve 100% implementation, mainly due to non-compliance by employees. In cases of non-compliance, the necessary disciplinary measures were instituted to prevent future recurrence.

OutcomeOutputOutputAuditedAuditedPlanned**ActualDeviationIndicatorActualActualAnnual TargetAchievementfrom plannedIndicatorPerformancePerformance2023/2024AchievementActualPerformancePerformance2021/20222022/20232023/2024AchievementAn ethical, well-ImprovedPercentage84%71%Into%T7%TheAn ethical, well-Departmentalof achieved84%71%Into%TheDepartmenthascoordinated,Departmentalof achievedorganisational100 %T7%TheDepartmenthascapable centreorganisationalPerformanceorganisationalPerformance23%23%of businessof businessPerformancePerformance23%23%	Sub-Programm	Sub-Programme: Office of the HOD	НОБ	Purposes: To dr	rive and regulate	Purposes: To drive and regulate Economic Development and Planning	elopment and Pl	anning	
ell- Improved Percentage 84% 71% 100% 77% 77% Departmental of achieved organisational e planned planned performance performanc	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
excellence targets	An ethical, well- coordinated, enabling and capable centre of business excellence	Improved Departmental performance	Percentage of achieved organisational planned performance targets	84%	71%	100 %	77%	TheThe 23% undeDepartment hasachievementunder achievedis recorded inits targets byProgrammes 123%2, 3, 4 and 6	The 23% under achievement is recorded in Programmes 1, 2, 3, 4 and 6

Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

Linking performance with budgets

The office of the HOD was allocated R7,801 million and spent R7,801 million of the budget to enabled the sub-programme to achieve its planned targets of achieving the departmental outputs.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Office of the HOD	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	6,796	6,182	614	7,801	7,801	

Strategy to overcome areas of under performance

The Department will fast-track the implementation of outstanding targets during the 2024-25 financial year.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None; all targets reported

Certain sectors with concurrent functions have approved standardised outputs and output indicators that must be reflected in the Annual Performance Plan and reported on in the annual report. In addition to the standardised outputs and output indicators the department may have non-standardised outputs and output indicators which must be included in the Annual Performance Plan and reported on in the Annual Report.

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Sub-Programm	Sub-Programme: Corporate Services	ervices		Purposes: To re	Purposes: To render Corporate Services	Services		
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
An ethical, well- coordinated, enabling and capable center of business excellence	Human Resource Planning and Information Systems	100% compliance on HR utilisation and labour relations prescripts.	New Indicator	100% compliance on HR utilisation and labour relations prescripts	100% compliance	on HR utilisation	100% compliance on HR utilisation and labour relations prescripts:	s prescripts:
				achieved. 146 training intervention were implemented.	WSP implemented	WSP developed and submitted: 71% of the WSP was	4 % compliance on WSP implementation was not achieved	Officials did not apply for individual courses that were part of
				which benefited 70 employees.				the WSP.
				80% of grievances	100% grievances	10% (1) grievance	90% of grievance were	Unavailability of the parties
				finalised outside the stipulated	resolved within the stipulated timeframes	resolved within the stipulated timeframe.	not resolved within the stipulated	 Presiding Officer and the respondent
				timeframe			timeframe (However, 80% were resolved	parties
							stipulated timeframe (4 out of 5 and 10% not	
							Thailsed)	

sub-Programm	SUD-Programme: Corporate Services	ervices						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
An ethical, well- coordinated, enabling and capable center of business excellence				100 % misconduct cases finalised outside the stipulated timeframe. One (1) case was appealed	100% misconduct managed within the stipulated timeframes	0% of 05 cases of misconduct reported finalised within the stipulated timeframes.	100% finalised outside stipulated timeframe	Unavailability of the parties - Presiding Officer and the respondent parties
	Improved staff performance levels	Percentage of compliance to the PMDS framework	92%	б %	100% compliance on Performance management Development System Framework	95% compliance on Performance management and Development System Framework 99% performance agreements compliance (213 of 216) 93 % Mid- term Reviews compliance (201 of 216) 93% Annual Assessments compliance (201 of 216) 93% Annual Assessments compliance (201 of 216)	5% non- compliance Performance management and Development System Framework	Non- compliance with PMDS Policy Framework



Sub-Programm	Sub-Programme: Corporate Services	rvices		Purposes: To re	Purposes: To render Corporate Services	Services		
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
An ethical, well- coordinated, enabling and capable center of business excellence		Number of jobs created	New Indicator	Coordinated the submission of disclosure of financial interests by SMS and other designated employees: ASD (SL9-10) and verification done. New Indicator	Coordinate and verify submission of disclosure of financial interests by SMS and MMS 12. 12. 10 Interns appointed.	Coordinated and verified all submitted financial disclosures for SMS, MMS and employees in SCM/Finance Unit. 100% Not achieved Not achieved	2% of MMS did not disclose 10 Interns were not appointed. However, the Department revised its plan to implement and monitor the learnership programme	Failure to comply with Financial Disclosure Directive by some designated employees. Due to the cost curtailment measures, the process of appointing interns was halted.
							Ten (10) leaners attended classes	
**Actual achiev	** Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.	in relation to the	e performance ir	nformation refle	cted in the re-ta	bled Annual Per	formance Plan.	

Linking performance with budgets

The sub-programme was allocated R40 748 million and spent R40 747 million of the budget and spent R 40 747 of its budget to facilitate the implementation of the Workplace Skills Plan, PMDS, Labour Relations and the financial disclosures. It must be noted that since the implementation of these targets has dependencies there was no 100% implementation which was mainly due to non-compliance by employees. In cases of noncompliance the necessary disciplinary measures were effected in order to avoid future non-compliance.

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Sub- Programme	2022/2023			2023/2024		
Corporate	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Services	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	39 417	37 411	2 006	40 748	40 747	1

Strategy to overcome areas of under performance

- Employees will be encouraged to submit their training needs during the needs identification process so they can be included in the WSP;
- Employees will be informed of the training application process when the WSP for 2024-2025 is finalised and shared with all staff;
- The grievance matter will be finalised once the employee returns to work;
- Parties will continuously be engaged to emphasise the importance to adhere to the timelines as per the prescripts on misconduct matters;
- Letters were written to all employees who did not comply with the PMDS policy to provide reasons for non-compliance, and were also disqualified from receiving pay progression;
 - All designated employees who did not comply with financial disclosure interests will be investigated and corrective measures will be implemented.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None; all targets reported

Sub-Programme	Sub-Programme: Financial Management	agement	Purposes: To ma	anage financial I	Purposes: To manage financial matters of the Department	epartment		
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
An ethical, well- coordinated, enabling and capable centre of business excellence	Implement effective and efficient financial management systems to achieve clean audit	Auditor General audit outcome	Unqualified (no matters)	Unqualified opinion with one emphasis of matters.	Unqualified (no matters)	Not achieved	The Department received unqualified audit opinion with two matters of emphasis	Material adjustment of AFS (Irregular expenditure not identified by management and contingent liabilities) and adjustment to performance information.
		% decline in irregular expenditure	28%	%0	75%	%69	Not achieved by 6%	Feedback on condonation submission not yet received as at reporting date.
		% of creditor payments within 30 days of receipt of compliant invoice	100%	100%	100%	%66	Not achieved by 1%	Late response from suppliers in correcting invoices.

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AuditedAuditedAuditedPlanned**ActualDeviationActualActualActualActualActualInnedActualPerformancePerformancePerformance2023/2024Erget to2021/20222022/20232023/2024ActualActualUe88%90%85%85%NoneDe88%90%85%85%NoneDe88%80%80%None	Sub-Programm	Sub-Programme: Financial Management	agement	Purposes: To m	anage financial I	Purposes: To manage financial matters of the Department	epartment		
e 88% 90% 85% Mone e 58% 80% None e 58% 80% 80% None	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
e 58% 68% 80% None			% of the value of goods and services to be procured from designated groups as per PPP.	88%	%06	85%	85%	None	None
		Improved ICT efficiencies and framework compliance	% compliance with the ICT Governance System and Framework	58%	68%	80%	80%	None	None

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Linking performance with budgets

R37,000. The spent amount enabled the sub-programme to achieve its planned targets of procuring goods and services from designated groups, assets The sub-programme was allocated R53, 595,000 and spent R53, 558,000 of the budget. The sub-programme underspent the allocated budget by management and any other financial management related issues. Overall, it also contributed to the achievement of the mandate of the Department.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Name:	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Financial	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
Management	R'000	R'000	R'000	R'000	R'000	R'000
Total	45 532	45 511	21	53 595	53 558	36

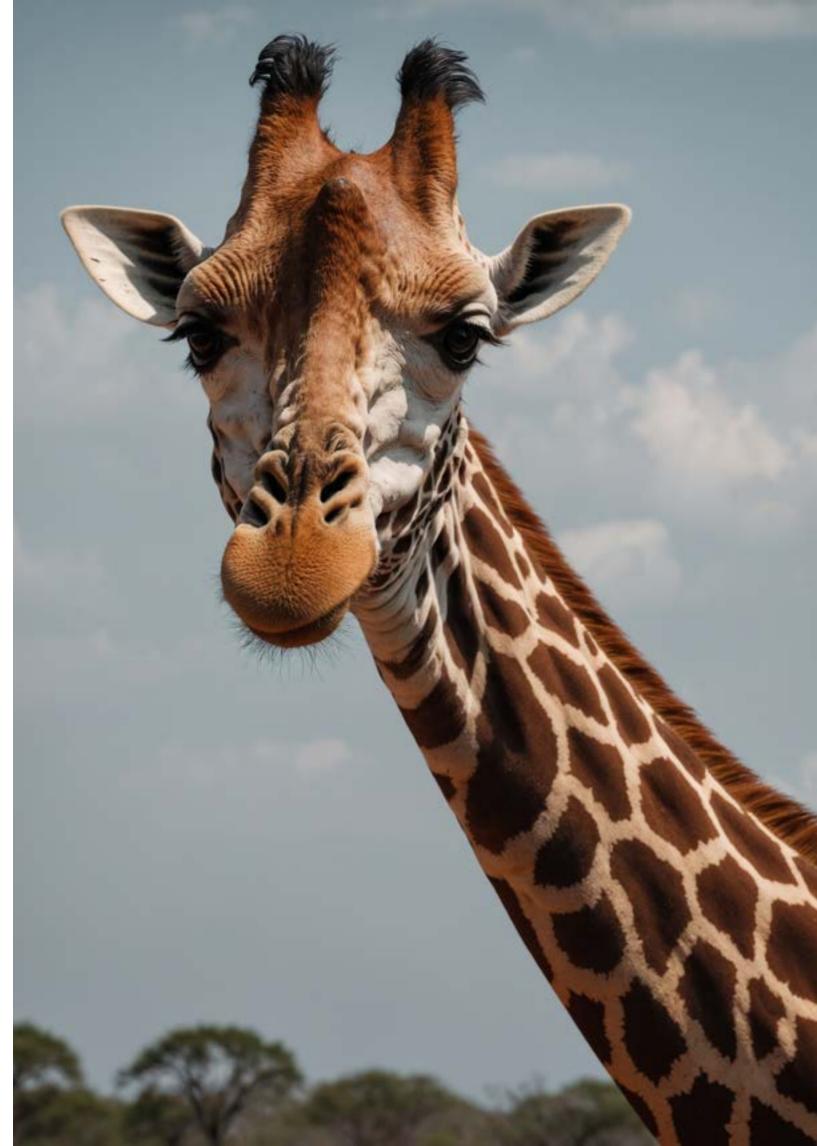
Strategy to overcome areas of under-performance:

- SOP for preparation of Annual Financial Statements, formal appointment of compilers and reviewers;
- Prepare supporting documents on time to enable the Department to submit the applications to the Provincial Treasury on time;
- Do follow-ups and send reminders for all outstanding invoices to be submitted;
- Material adjustment on financial statement

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

None; all targets reported





4.2 Programme 2: Integrated Economic Development Services

Purpose of the Programme: To stimulate economic growth through the promotion of HDIs and stimulate economic growth in the Province.

The Programme consists of the following sub-Programmes:

- Enterprise Development
- Economic Empowerment

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• Local Economic Development

The Programme contributes towards the 'Inclusive, diversified and growing economy' institutional outcome, as per the Annual Performance Plan.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Department continued to promote and support an enabling business environment and ecosystem that enables small business to grow and develop; facilitate the process of empowerment, as well as promote economic growth and development of regional and local economies which is critical for economic growth and job creation. Overall, the Programme which comprises the sub-programmes, Enterprise Development, Economic Empowerment and Regional and Local Economic Development, assisted in providing access to markets, capacity building, inculcating a culture of entrepreneurship with the associated pipeline of potential entrants drawn from various initiatives, business development support and sustainable procurement. These initiatives contributed towards job creation and the expansion of businesses by enabling them to inter alia, move up in the value chains within sectors such as green economy, manufacturing, mining and the township economy. The Programme was also successful in supporting cooperatives in the waste management sector of the Green Economy, hair salons and spaza shops with safety wear equipment and basic business skills management. The supported cooperatives included woman, and youth owned businesses. The Programme supported local businesses with the purpose of revitalizing the Township Economy by providing support to black owned tyre businesses. The black owned tyre outlets were provided support through training (business management and technical training), access to trye stock, as well as branding in partnership with MerSeta and Sumitomo Rubber SA. Support was also provided to manufacturing companies with the potential to participate in the Black Industrialist Programme. The Programme successfully established the Provincial Broad Based Black Economic Empowerment Advisory Council which comprise of stakeholders from industry, organised business, organised labour and members of the civil society to support government in the implementation of Economic Transformation. The Programme also facilitated the provision of business infrastructure and reduction of the cost of doing business for SMME's by achieving all these targets has contributed towards the Department strategic outcome orientated goals, which will invariably impact on the strategic priorities of government.

Sub-Progran	Sub-Programme: Enterprise Development	evelopment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy	Green Economy SMMEs supported	Number of youth and Women owned Waste Buy- back Centers supported with Machinery to enable supplies to large waste converters	6 Cooperatives and 6 SMME's supported to participate in the Waste management Programme. The programme also assisted them with PPEs.	6 youth and women-owned Waste Buy-back Centres supported with machinery to capacitate supplies to large waste converters	2 youth and Women owned Waste Buy- back Centers supported with Machinery to capacitate supplies to large waste converters	2 youth and Women owned Waste Buy- back Centers supported with Machinery to capacitate supplies to large waste converters	e no N	None
	Township based Agro processors facilitated for market readiness	Number of SMME Agro- processing plants supported by facilitating access to markets and production inputs by linking them to incentives	New Indicator	4 agro processors were assisted with production inputs	Support 2 Agro-processing SMMEs with production inputs	2 SMME in Agro-processing plant supported with production inputs	None	None

The Programme contributes towards the following institutional outcome as per the Annual Performance Plan:

Sub-Progran	Sub-Programme: Enterprise Development	evelopment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Manufacturing Initiatives by SMMEs in the Township supported for sustainability	Number of township based manufacturing initiatives by SMMEs by SMMEs by SMMEs by SMMEs initiatives supported in the 3 districts focussing on brick making textile and bakeries	New Indicator	8 SMMEs supported with equipment in partnership with SEFA, MEGA and MYDF	Support 6 township based manufacturing initiatives with production inputs	6 township based manufacturing SMMEs supported with machinery	None	None
	Township Economy SMMEs supported for revitalization, sustainability and growth	Number of Spaza shops revitalized and supported with Stocks, branding and revitalized to promote township and rural economy in partnership with AB-INBEV	New Indicator	10 Spaza shops were supported with stock and branding in partnership with private sector (including AB- INBEV)	12 Spaza shops supported tools of trade	12 Spaza shops supported with tools of trade	None	None
		Number of car washes supported with Equipment and chemical products	New Indicator	20 car washes supported with equipment and chemical products in partnership with SEFA and SEDA	15 Car washes supported with Equipment and chemical products	15 car washes supported with Equipment and chemical products	None	None

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SUD-Progran	Sub-Programme: Enterprise Development	evelopment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023//2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of Hair Salons supported to access skills development the business development	New indicator	15 Hair Salons received support on skills development through key stakeholders	15 Hair Salons supported with Equipment's	15 Hair Salons supported with equipment	None	None
		Number of start-up SMMEs per District supported to scale their business ideas into start-up businesses through a business skills and mentorship program in partnership with the private sector	New Indicator	45 Start-up SMMEs were placed through a business skills programme in the Gert Sibande District	10 SMMEs funded through Premiers youth development fund assisted with non- financial support to sustain their businesses	10 Youth funded SMMEs admitted into a learnership and trained on Basic Business management skills in Nkangala attended by youth from all Districts}	None	None

NB: The reason why the number of SMME under waste and Agro processing counted as 2 instead of 3 is that 2 services have been provided to the same SMMEs, for example, machinery has been provided in the 2nd quarter and the very same SMMEs provided with after care service during the 3rd and 4th quarter. The second discrepancy is that we did not report in the 3rd quarter about the SMMEs under manufacturing and spaza shops who were supposed to have received machinery and tools of trade in the 2nd Quarter. We only reported on the 3rd quarter planned target.

Linking performance with budgets

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The budget allocated to the sub-programme of R693 675 million has enabled the sub-programme to achieve some of the planned targets. The budget allocation was, however, not sufficient to enable the sub-programme to provide all the necessary interventions required to the SMMEs and Cooperatives with access to credit and adequate infrastructure. This has also restricted the sub-programme to assist enterprises in other sectors, and thus constrained service delivery. There is a need for this sub-programme to be prioritised in terms of funding since it is in the coalface of service delivery.

Sub-programme expenditure

)	2022/2023			2023/2024		
Enterprise Final	al	Actual	(Over)/Under	Final	Actual	(Over)/Under
Development Apr	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
R'000	00	R'000	R'000	R'000	R'000	R'000
Total 776	776 197	775 019	1 178	693 675	691 662	2 013

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The standardised outputs and output indicators for sectors such as the green economy, agriculture and forestry, mining and tourism were prioritised, included in the Annual Performance Plan and reported on in the Annual Report.

Sub-Program	Sub-Programme: Economic Empowerment	Ipowerment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation Rea from planned for target to dev Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy	Black empoweredNumbercompaniesof blackparticipatingempowein the greencompanieconomyparticipain the grin the gr	Number of black empowered companies participating in the green economy	4 Black empowered companies participating in green economy	4 Black4 Blackempoweredempoweredcompaniesparticipating ingreen economysupported	4 Black empowered companies participating in green economy	4 Black empowered companies participating in green economy supported	None	None

Outcome	Outcome Output Output Indicator	Output Indicator	Audited Actual Performance 2021/2022	Actual Performance 2022/2023	Target 2023/2024	Achievement 2023/2024	from planned trarget to Actual Achievement 2023/2024	for deviations
	Manufacturing companies supported to participate in Bl programme	Number of manufacturing companies supported to participate in Bl programme	4 manufacturing companies supported to participate in Bl programme	5 Manufacturing companies participating in Bl programme supported	4 manufacturing companies supported to participate in Bl programme	4 manufacturing companies supported to participate in Bl programme	None	None
	Black existing companies supported to participate in the mining value chain	Number of black existing companies supported to participate in the mining value chain	4 Black existing companies supported to participate in the mining value chain	4 black existing companies were profiled to be ready to receive funding support	4 Black existing companies supported to participate in the mining value chain	4 Black existing companies supported to participate in the mining value chain	None	None
	Black owned companies participating in the tourism sector	Number of black owned companies participating in the tourism sector	3 Black owned companies participating in the tourism	3 Black owned companies participating in the tourism sector supported	4 Black owned companies participating in the tourism	4 Black owned companies participating in the tourism supported	None	None
	Black owned tyre outlets supported in the Revitalization of Township and Rural economy	Number of Black owned tyre outlets supported in the revitalization of township and rural economy	New Indicator	10 Black owned tyre outlets supported in the revitalisation of township and rural economy supported	12 Black owned tyre outlets supported in the revitalization of township and rural economy	18 Black owned tyre outlets supported in the revitalization of township and rural economy	6 additional Black owned tyre outlets were supported through training in partnership with MerSETA and Sumitomo Rubber SA	None



Sub-Program	Sub-Programme: Economic Empowerment	npowerment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Provincial B-BBEE Advisory Council facilitated and supported	Number of quarterly engagement sessions facilitated for the Provincial B-BBEE Advisory Council	New Indicator	Institutions were requested to nominate people to serve in the Council after the call for nominees done through newspaper advert failed to attract relevant applicants. Memo of proposed members to serve in the Council approved	4 Engagement sessions facilitated for the Provincial B-BBEE Advisory Council	4 Quarterly engagement session facilitated for the Provincial B-BBEE Advisory Council	None	None
** Actual achie	evement renorted	in relation to the	** Actual achievement reported in relation to the performance information reflected in the re-tabled Applied Performance Plan	rmation reflecte	d in the re-tabled	Annual Perform	Jance Plan	

Annual Performance Plan. Lapled ė In the Астиаї аспіечетель герогьса ін геїаціон то тие реггогтансе інтогтаціон гегіестер

Linking performance with budgets

The sub-programme Economic Empowerment was allocated a budget of R5 802 million to execute its priorities in line with the Annual Performance Plan. It must be noted that the bulk of the allocated budget was more on the Compensation of Employees with less funds for funding the projects on goods and services. The allocated budget was not sufficient to enable the sub-programme to provide the necessary intervention to deliver its full mandate.

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Sub- Programme	2022/2023			2023/2024		
Economic	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Empowerment	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	5 066	5 008	58	5 802	5 802	

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

programme: Economic Empowerment coordinated the implementation of Broad-Based Black Economic Empowerment through the facilitation with the aim of increasing the uptake on the BI Programme. The achievements of these targets contributed towards the Department's strategic The sub-programme included standardised outputs indicators for sectors such as the green economy, mining, manufacturing and tourism. The suband support of black-empowered companies participating in the green economy, manufacturing companies participating in the Black Industrialist programme. Black existing companies assisted to access funding to participate in the mining value chain, tourism sector. Black owned tyre businesses were also supported in the Revitalisation of Township and Rural Economy. Awareness Seminar on the Black Industrialist Programme was conducted outcome orientated goals, which will invariably impact on the strategic priorities of government.

OutcomeOutputOutputAudited ActualAudited ActualDeviationFerformanceActualAnnualAchievementfrom plannedFerformanceActualAchievementfraget2023/2024LargetCusive,Do cowNumber of615MME33Municipalities2023/2024Inclusive,Do cowNumber of615MME33Municipalities2023/2024Inclusive,Do cowNumber of615MME33Municipalities2023/2024Inclusive,Do cowNumber of615MME33Municipalities2023/2024Inclusive,Do cowNumber of615MMEMunicipalitiesNoneInclusive,InclusiveInclusives10102023/2024AchievementInclusive,Do covNumicipalitiesEconomyNumicipalitiesNoneAnneigentingInclusivesInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesInclusivesNoneAnneigentingInclusivesInclusivesInclusivesInclusives <t< th=""><th>Sub-program</th><th>me: Regional &</th><th>& Local Econom</th><th>Sub-programme: Regional & Local Economic Development</th><th></th><th></th><th></th><th></th><th></th></t<>	Sub-program	me: Regional &	& Local Econom	Sub-programme: Regional & Local Economic Development					
To Grow Number of and sustain 6 1 SMME 3 3 Municipalities and sustain municipalities municipalities participating participating participating the Local participating municipalities participating freen Economy Kunicipalities participating freen participating Green Economy Municipalities economy in the Green in the Green Initiatives and Municipalities economy unitiatives supported Initiatives and and Waste Municipalities monobela, Victor Monobela, Victor Management Initiatives supported Monobela, Victor Management Initiatives and Waste Monobela, Victor Management Initiatives supported Monobela, Victor Management Initiatives supported Monobela, Victor Management Initiatives Monobela, Victor Monobela, Victor Management Management Monobela, Victor Monobela, Victor Municipalities Municipalities Municipalities	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023		ment 124	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Inclusive, diversified and growing economy	To Grow and sustain the Local Economy in Municipalities	Number of municipalities participating in the Green Economy Initiatives and Waste Management Municipalities supported to identify opportunities in the mining sector to improve the local economy	σ 4	1 SMME benefitting in the green economy supported. 4 Opportunities identified to support participation of SMMEs in the mining sector	ties ent ing omy	3 Municipalities participating in the Green Economy Initiatives and Waste Management supported Mbeki Local Municipalities 3 Municipalities 3 Municipalities improve the local economy Mkhondo, Thembisile Hani & Chief Albert Luthuli Local Municipalities.	None None None	None

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Sub-programi	me: Regional 8	Sub-programme: Regional & Local Economic	nic Development					
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of Municipalities supported in implementing Red Tape Reduction (RTR) Strategy	ъ	6 Municipalities implementing Reduction Reduction	6 Municipalities supported in implementing Red Tape Reduction (RTR) Strategy	8 Municipalities supported on implementing Red Tape Reduction Strategy Bushbuckridge, Nkomazi, EMalahleni, Chief Albert Luthuli, Ehlanzeni District, Thaba Chweu, Dipaleseng & eMakhazeni Local Municipality	Additional two municipalities requested to be supported in implementing Red Tape Reduction (RTR)	None
		Number of Municipalities supported in LED Stakeholder engagements	4	9 functional LED Forums supported.	9 Municipalities supported in LED Stakeholder engagements	11 Municipalities supported in LED stakeholder engagements. eMakhazeni, Steve Tshwete, Pixley ka Isaka Seme, ka Isaka Seme, ka Isaka Seme, Ka Isaka Seme, Thembili, Chief Albert Luthuli, Nkomazi, Mbombela, Nkomazi, Mbombela, Nkangala District, Ehlanzeni District, Dr JS Moroka & Thembisile Hani Local Municibalities.	Addittional two municipalitties requested to be supported in LED Stakeholder engagements.	None
**Actual achie	svement report	ted in relation t	io the performance	e information re	flected in the r	** Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.	rmance Plan.	



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Linking performance with budgets

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million enabled the sub-programme to support municipalities in the establishment of the LED forums and capacitating the municipalities on the Red The sub-programme Regional and Local Economic Development was able to achieve the agreed targets in the APP. The allocated budget of R5 642 Tape Reduction Programme to assist in repealing the bylaws of municipalities.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Regional &	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Local Economic	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
Development	R'000	R'000	R'000	R'000	R'000	R'000
Total	6 554	5 447	1 107	5 642	5 642	

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

municipalities to grow their economies, by identifying potential opportunities and increase participation in the green economy sector, increase the The sub-programme included standardised outputs indicators for sectors such as the green economy, mining and manufacturing to support local inclusion of SMMEs in the mining sector , provide business infrastructure and reduce the cost of doing business in the manufacturing sector.

4.3 Programme 3: Trade and Sector Development

Purpose of the Programme: To support the development of industries within the key economic sectors of the Province, and to create a conducive environment for trade and investment.

The Programme consists of the following sub-Programmes:

- Trade and Investment Promotion
- Strategic Initiatives
- Sector Development

The Programme contributes towards the following institutional outcome as per the Annual Performance Plan.

• Inclusive, diversified and growing economy

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Programme managed to enhance access to markets for Furntech and MSI SMMEs, with six (6) SMMEs participating in the Manufacturing Indaba 2023, and an additional twenty (20) SMMEs participated in the Global Exporter Passport Programme (GEPP) training. The Programme also conducted two (2) Export awareness seminar programmes in the Govan Mbeki and Thembisile Hani Local Municipalities with 85 and 142 SMMEs in attendance, respectively. In order to bolster its support for trade and export promotion initiatives, a functional Provincial Trade and Investment Forum was established. During the period under review, eleven (11) market intelligence reports were produced to inform business of new market opportunities in Angola, Dubai (UAE), Brazil, Congo, Uganda, Kenya, Tanzania, Mozambique, Thailand, South Korea and Austria.

Regarding the process of implementing the Nkomazi SEZ Interim Phase, the interim Board is in place to drive the implementation of the SEZ Interim Phase. Furthermore, the Entity has been registered as – Mpumalanga Nkomazi SEZ SOC LTB, however, it is proposed that this Entity becomes a wholly owned subsidiary of MEGA for efficiency and competitiveness. The SEZ Layout plan and General Plan is approved to in line with the needs of the confirmed investors, and currently in the process of addressing the issue of the detailed engineering designs.

In relation to the Petro-Chemical Technology Industrial Technology Park in Govan Mbeki, the General Plan was approved by the Surveyor General. The Department is now busy with the process of the opening of the township register, which requires Section 53 approval from the Department of Mineral Resources, thereafter, the project would be completed.

The four sectors (Forestry, Mining, Manufacturing/ Agro-processing and Green Economy) that the Programme is pursuing are aimed at growing the provincial economy that creates more job opportunities for the people of the province. Guided by the Industrial Development Plan, Mpumalanga Green Economy Development Plan and Mpumalanga Economic Recovery and Reconstruction Plan (MERRP), the programme in partnership with stakeholders from the four sectors have embarked on initiatives geared towards stimulating economic growth and job creation which are contributing meaningfully towards Outcome 2: Economic Transformation and Job Creation. Through the Incubation Programme which forms part of the Industrialisation Programme we are developing small enterprises as a mechanism to drive inclusive growth and development. In addition to this we are also pursuing the new economies focusing on Green Economy to promote sustainable clean energy, including a healthy living environment.

The Programme worked with the Mpumalanga Green Economy Cluster Agency to promote and coordinate the rollout of the Green Economy Development Plan. The Green Economy Cluster Agency is critical for the implementation of projects that would support initiatives in the "Just Transition Programme" enabling moving to a cleaner energy producing environment within Mpumalanga. The Green Economy Cluster Agency would thus ensure that deserving

projects in the green economy space are to be executed in partnership with industry in order to promote the participation of local SMMEs in the green economy.

In terms of the Memorandum of Agreement with Eskom work is progressing very well in the following areas;

- Skills Development
- Energy SEZ within REDZ
- Copper recycling
- Agri-Voltaic

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The Komati Agri Voltics project construction has been finalized and handed over to Eskom and the required trails with the agricultural crops has commenced. The refurbishment of the Komati training facility has been completed and will operate as a welding training centre at Komati. The SARETEC training on PV installation and Wind turbine maintenance has also commenced and is currently underway.

Addressing youth development, the department is driving the Incubation Programme that focuses on the following:

Mpumalanga Stainless Initiative (MSI) was established to promote youth and other SMME's to participate in steel fabrication. Various young people were trained and supported on stainless steel in order to obtain contracts from industry to take advantage of opportunities presented by the stainless steel industry.

Furniture Technology Incubator (Furntech):

Young people were trained in small scale furniture manufacturing and upholstery at Thaba Chweu Local Municipality to increase the skills in this sector to support the planned Forestry Industrial Technology Park.

The Department also managed to establish the Mining Skills Forum which is progressing well and serves as a platform where skills development in the sector can be enhanced.

Sub-Program	me: Trade and	Sub-Programme: Trade and Investment Promotion	notion	Purpose: To Facilit	tate Trade, Export	Purpose: To Facilitate Trade, Export Promotion and Attract Investment	ment	
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy economy	Improve and develop market for agricultural goods	Functional Provincial Trade & Investment Forum	New Indicator	Trade and export promotion interventions for NKomazi SEZ and MIFPM products implemented as follows: Provincial Trade and Investment Forum was established. The Trade DSM system is up and running and two reports have been generated which identified Austria and the Czech Republic as potential trade partners	Functional Provincial Trade and Investment Forum established to support export promotion.	Functional Provincial Trade and Investment Forum established to support export promotion has been achieved, through stakeholder engagement: Economic opportunities presented by BRICS on the Manufacturing Industry. The resuscitation of the MPG- Maputo MOU which includes the reprioritization of the MPG- Maputo MOU which includes the reprioritization of the Program of Action. The SADC Business Council on the roll-out of the MPG- SADC Business Council on the roll-out of the MPG- SADC BC MOU- (Trade and Investment). Quattro-Canna Holdings, presented its desire to establish Nkomazi HEMP HUB at the Nkomazi SEZ. Engagement with Universal Peace Federation (UPD) Federation which is a potential investor on HEMP agro- processing.	None	None



Sub-Programme: Trade and Investment Promotion		motion	Purpose: To Facilit	ate Trade, Export	Purpose: To Facilitate Trade, Export Promotion and Attract Investment	ment	
Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Market Intelligence Reports produced	New Indicator	Indicator New Indicator	8 Market Intelligence Reports produced to inform business of new market opportunities	12 Market intelligence reports 12 Market produced to inform business of new market opportunities in Angola, Dubai (UAE), Eswatini, Mozambique (export Eswatini, Mozambique (export produced due opportunities), Brazil, Congo, Uganda, Thailand, South Korea (Furniture, Rubber and ICT), Tanzania (Coffee & Premier Furniture), Kenya (Leather), Mozambique (Various Crops & Livestock) and Austria (Jam production)	4 Additional Market Intelligence reports were produced due to requests received from Office of the Premier	None

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Mpumalanga: Department of Economic Development and Tourism - Vote 6

Sub-Program	me: Trade and	Sub-Programme: Trade and Investment Promotion	motion	Purpose: To Facilitate Trade,		Export Promotion and Attract Investment	ment	
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of SMMEs from & MSI participating in trade opportunities	New Indicator	New Indicator	Access to Furntech and MSI SMMEs enhanced	Access to markets for Furntech and MSI SMMEs enhanced as follows: 6 SMME's participated during the Manufacturing Indaba 2023, exhibition held on 24-26 October 2023 in Johannesburg. 20 SMME's participated in the Global Exporter Passport Programme GEPP) training, which took place on 27-30 November 2023. The SMME's were nominated as follows: Enhlanzeni District- 7 SMME's. Gert Sibande District – 6 SMME's Nkangala District – 7 SMME's. 2 Export awareness seminar programmes conducted for: Govan Mbeki LM and 85 SMMEs attended Thembisile Hani LM and 142	None	None
** Actual ach i NB: Mozambio	ievement repu	orted in relation ted twice in term	L to the perform	nance information	n reflected in the quarter 2 and qu	**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan. NB: Mozambigue was counted twice in terms of export reports produced for guarter 2 and guarter 4 respectively (to make the total of 13)	ice Plan. the total of 13)	
NB: NU2AITIU	due was court	נפמ נאוכה ונו והו וו	us or export rep	orts produced ion	quarter z anu qu	larter 4 respectively (to make t	let io ibioi ant	

Linking performance with budgets

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The sub programme managed to spend R 5,311 million of its total final budget of R 5,670 million. This represents an under expenditure of R 359 thousand for the sub- programme. The Programme, working together with MEGA and the Office of the Premier, managed to establish the Provincial Trade and of which, such reports will inform the Department, MEGA and the Office of the Premier about the most appropriate outbound missions that must be undertaken to support economic growth and development priorities of the province, including countries that could be earmarked for foreign direct The sub-programme also managed to enhance the function of the Trade DSM system which is a crucial tool for generating market intelligence reports, nvestment Forum which would promote and coordinate trade and investment initiatives for the province (i.e. public and private sector initiatives). investment attraction.

Sub-programme expenditure

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

None, all planned targets are focused solely on the Department.

Purposes: To position the industrial sector as a key contributor to economic growth and development	Deviation Reasons for from planned deviations target to Actual Achievement 2023/2024	Board Nominations received but not yet finalised. Shortlisting of finalised. Shortlisting of acoand member Amend Township Establishment to accommodate investors not finalised Engineering companies in existing contract not contract not cont
key contributor t	**Actual Achievement 2023/2024	Not achieved. Progress to date: Capacitation of SEZ Entity: The call for nominations to serve on the SEZ Board has been authorized and advertised Legal opinion obtained from State Law Advisors on the establishment of the SEZ Entity as a wholly owned subsidiary of MEGA.
strial sector as a	Planned Annual Target 2023/2024	Interim Phase of the Nkomazi SEZ finalised, focusing on SLA execution covering mainly Capacitation of SEZ Entity Amend Township Establishment to accommodate investors Detail engineering designs
osition the indus	Audited Actual Performance 2022/2023	Township establishment was approved. The required detailed engineering designs of both the wastewater treatment plant and water treatment plant were completed in line with WULA processes
Purposes: To p development	Audited Actual Performance 2021/2022	Interim Phase of the Nkomazi SEZ implemented as follows: Township Establishment was concluded General Plan was surveyed and submitted to the Office of the Surveyor General for and submitted to the Office of the Surveyor General for approved Strategy & APP documents approved Strategy and documents approved Structure
iatives	Output Indicator	Capacitation of SEZ Entity, Township Establishment and Detail engineering designs finalised
Sub-Programme: Strategic Initiatives	Output	Ensure that five key (5) programmes to drive the Mpumalanga Industrial Development Plan are implemented
Sub-Programm	Outcome	Inclusive, diversified and growing economy economy

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Sub-Programm	Sub-Programme: Strategic Initiatives	atives	Purposes: To po development	ssition the indus	trial sector as a l	Purposes: To position the industrial sector as a key contributor to economic growth and development	o economic gro	wth and
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
						Township Establishment: Amendment of General Plan for the Nkomazi SEZ development to accommodate prospective investors underway Developed additional traffic study as well as alternative access route for completed. Town Planner appointed for Rezoning and surveying and Detailed services report		

Sub-Programm	Sub-Programme: Strategic Initiatives	atives	Purposes: To po development	osition the indus	strial sector as a	Purposes: To position the industrial sector as a key contributor to economic growth and development	o economic gra	owth and
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Township Registration approval obtained	Project Initiation Phase for Petrochemical Industrial Technology Park implemented as follows: General Plan was submitted and approved by the Surveyor General The land was transferred into the name of the Govan Mbeki Local Municipality Process to resuscitate the Special Purpose Vehicle (SPV) with Sasol initiated	Statutory Compliance Technology finalised	Statutory Compliance for Petrochemical Industrial Technology finalised, focusing on Township registration	Detailed Engineering designs: Specifications developed and approved Procurement Procurement Process initiated using existing contract but not contract but not dusing existing (Regional Office) were done and DMRE committed to fast track	Township Register not open yet	Comments in terms of Section 53 were not received from DMRE despite regular follow-ups.
**Actual achiev	ement reported	in relation to th	e performance in	Information refle	cted in the re-ta	**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.	ormance Plan.	



Linking performance with budgets

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This represents an under expenditure of R13 299 million for the sub- programme. In terms of the Nkomazi SEZ the required procurement for the The required work under the redesign of the layout plan and general plan is progressing well and it is expected that this work would be completed by July 2024. The Petrochemical The sub-programme managed to spend R 7,970 million of its total final budget of R 21,269 million for the sub- programme: Strategic Initiatives. Industrial Technology Park is also expected to be finalised within the new financial year once the required Section 53 certificate from DMRE is obtained. appointment of professionals to implement the required detailed designs were not finalized, hence the underspending.

Sub-programme expenditure

15 094 12 989 2 105 2 1 269 7 970 13 299	Sub- Programme Strategic Initiatives	2022/2023 Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	2023/2024 Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
		15 094	12 989	2 105	21 269	7 970	13 299

Strategy to overcome areas of under performance

Fast track finalization of appointment of Board Members to Nkomazi SEZ Entity

Advertise in open tender for Engineering designs

Escalate the matter to the National Office

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

None, all planned targets are focused solely on the department.

Sub-Program	Sub-Programme: Sector Development	lopment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
GREEN ECONOMY	IOMY							
Inclusive,	Implementation	Quarterly	Draft MOU	MOA with	4 Monitoring	4 Monitoring	None	None
diversified	of the	and Annual	and Program	Impact	reports on the	reports on the		
and growing	Mpumalanga	Monitoring	of Action	Catalyst, of	implementation of	implementation		
economy	Green Economic	Reports	developed	which MWCB	the MOU between	of the MOU		
	Development	produced	but not yet	forms part,	DEDT and the	between		
	Plan		concluded	concluded	Mpumalanga Green	DEDT and the		
				to pursue	Cluster Agency	Mpumalanga		
				identified	produced, focussing	Green Cluster		
				projects in the	on:	Agency		
				Upper Olifants	Capacitating of the	produced.		
				Kegional Fronomic Plan	MGCA;			
					Establishment of the			
					Energy Cluster			



Outcome Output Output Audited Audited Parformance Parformance Target Achieve Rerformance Performance 2023/2024 <td< th=""><th>Sub-Programm</th><th>Sub-Programme: Sector Development</th><th>ppment</th><th></th><th></th><th></th><th></th><th></th><th></th></td<>	Sub-Programm	Sub-Programme: Sector Development	ppment						
New Indicator 4 Monitoring reports on the implementation of the MOA between DEDT and Eskom produced, focussing on: Komati repowering& repurposing Industrial Technology Park				Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Ine Korr Voltics p Voltics p Voltics p Voltics p Voltics p been fin and hand to Eskorr to Eskorr				New Indicator	New Indicator	onitoring orts on the ementation of MOA between T and Eskom duced, focussing art repowering& ing & Metal ing & Metal ing & Metal inology Park	nitoring ts on the mentation MOA een DEDT skom ced. skom ced. n REDZ n REDZ n REDZ or ant coltaic coltaic coltaic s project uction has finalized anded over om.	None	None

Sub-Programn	Sub-Programme: Sector Development	opment						
Outcome	Output	Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual	Reasons for deviations
							Achievement 2023/2024	
						The		
						returbishment of the Komati		
						training facility		
						completed and		
						will operate as a		
						welding training		
						recycling facility		
						has commenced		
						The Komati		
						Agri Voltics		
						project trails are currently		
						underway.		
						SARETEC training		
						on PV installation		
						and Wind turbine		
						maintenance has		
						commenced		

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Sub-Program	Sub-Programme: Sector Development	opment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Manufacturing	0							
Inclusive,	Ensure	Number of	Incubation	MSI Incubation	Financial support	Financial support	None	None
diversified	relevant skills	Incubates	programmes	Programme	to MSI Incubation	to MSI Incubation		
and growing	Development	trained.	supported	on stainless	Programme on	Programme on		
ecolority	is provided in			sunnorted as	fahrication nrovided	fahriration		
	order to assist			follows:		provided as		
	enterprises to			47 SMMEs		follows:		
	increase export			supported with				
	awareness			Training.		opgi adiiig of workshop		
	and access to					to support		
	markets					the training		
				Incubation		brogramme		
				programme		(Equinment		
				by FUNTECH		and cubicles for		
				supported (17		incubates)		
				youths trained				
				on furniture		MSI commenced		
				making)		with training of		
						10 learners in		
						CNC production		
				Financial		Process		
				support to		MSI continued		
				Furntech on		with training		
				the wood		of 9 learners in		
				and rurniture		CNC production		
				incubation		Process		
				programme		Partitioning of		
				provided.		workshop &		
						installation of		
						CCTV to enhance		
						security		

Sub-Program	Sub-Programme: Sector Development	opment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
					Financial support to Furntech on the wood and furniture manufacturing incubation programme provided as follows: 14 Young people trained on wood and furniture manufacturing and completed the training programme Post Incubation opportunity on establishment of Furniture Hub with Furntech	en on	Р Ч П П	

Mpumalanga: Department of Economic Development and Tourism - Vote 6

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Sub-Program	Sub-Programme: Sector Development	opment						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Mining								
Inclusive, diversified and growing economy	Strengthen partnership platforms with key stakeholders to accelerate the developmental agenda in the mining industry	Partnership platforms established	Partnership with Impact Catalyst	2 Partnerships within the mining industry concluded. MOA with Pan African Resources developed and signed; MOA with Mining Qualification Authority developed and signed; Mining Forum established and Programme of Action developed.	Three (3) partnership platforms within mining established and their respective POA concluded i.e. (Mineral Councils; Mining Qualification Authority & platform for Junior miners)	3 Monitoring reports on the mining partnership platforms produced: Mining Forum Mining Skills Forum	Non	None
**Actual achi	evement reported	in relation to	the performanc	e information re	** Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.	oled Annual Perfor	rmance Plan.	

Linking performance with budgets

The sub programme managed to spend R 11,284 million of its total final budget of R 12,102 million for the sub- programme: Sector Development. This represents an under expenditure of R 818 thousand for the sub- programme. In terms of the incubation programme, there was no under expenditure since the required funds were transferred to the respective Incubators supported by the Department (MSI and Furntech). In terms of the Green Economy, the Department has managed to work closely with the Mpumalanga Green Cluster Agency but unfortunately the Department did not manage to support the MGCA financially since the budget was reprioritised. With regard to the partnership with Eskom on the Just Energy Transition, it could be mentioned that there is a formal Project Charter that is being rolled and gypsum production; and skills development. In terms of the Manufacturing Sector, the Department only focused on the Incubation Programme where Furniture Technology Centre (Furntech) as well as the Mpumalanga Stainless Steel Initiative (MSI) were supported. Attention was paid on out and such Charter is prioritising the Energy SEZ; Repurposing and repowering of Komati Power Station; Circular Economy where focus is on fly ash training and capacity building of young people, including providing support to SMMEs in these areas of focus.

Sub- Programme	2022/2023			2023/2024		
Sector	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Development	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	10 906	10 559	347	12 102	11 284	818

Sub-programme expenditure

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None, all planned targets are focused solely on the department.

4.4 Programme 4: Business Regulation and Governance

Purpose of the Programme: To ensure an equitable, socially responsible business environment that allows fair trade and the protection of consumer rights.

The Programme consists of the following Sub-Programmes:

- Consumer Protection
- Business Regulation

The Programme contributes towards the following institutional outcome as per the Annual Performance Plan.

• Inclusive, diversified and growing economy

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Consumer Protection: The mandate of the Programme is to perform consumer protection functions is derived from the Constitution of the Republic of South Africa. Schedule 4, Part A of the Constitution prescribes that the area of consumer protection is a functional area of concurrent national and provincial legislative competence. This entails that at provincial level, provincial governments have the authority to legislate on the arena of consumer protection and also provide associated services within this arena. In this regard, we have in place the National Consumer Protection Act of 2008 and Mpumalanga Consumer Protection Act of 1988. Currently we have a draft bill that seeks to harmonise the two legislations to promote consistency in the application of consumer law to protect consumers. During the period under review, the Consumer Protection office resolved 99.6% of received cases within the stipulated resolution time frame of 90 days. An amount of R3 784 114.03 was recovered on behalf of consumers. The office received an increased number of consumer complaints ranging from second hand motor vehicles, installation of tombstone challenges, instalment agreement challenges, financial services and complaints on quality of goods and services in the informal sector. Moreover, two Consumer Courts are in the process of being established in the province and this initiative will contribute positively to the speedy resolution of consumer cases thus ensuring timeous redress on behalf of consumers.

Consumer Education: The preceding financial years have seen the Consumer Protection Office undertake specific projects with identified audiences including youth, elderly persons, women, and persons with disabilities in the province. These programmes have been conducted through national and local radio stations, workshops, roadshows and exhibitions. A total of 531 awareness programs were conducted during the period under review. Market surveillance inspections were conducted in Gert Sibande, Nkangala and Ehlanzeni District Municipalities, and non-compliant goods confiscated in collaboration with national regulators such as National Consumer Commission (NCC), National Regulator for Compulsory Specifications (NRCS) inspectors, SAPS, Motor Industry Ombud of South Africa (MIOSA) and Environmental Health Inspectors from respective Districts.

Furthermore, recent and emerging technological changes, trading methods, patterns and agreements have brought, and will continue to bring, new benefits, opportunities and challenges to the market for consumer goods and services within the country. In response to the challenges highlighted above, the Department continues to ensure that consumer protection legislation provides the framework to promoting fair trade and strengthening consumer rights and responsibilities.



Business Regulation: To ensure fair and ethical business practices that contribute towards growth and upliftment of citizens and grow the second economy, two (2) sets of legislation (Mpumalanga Gambling Act (No. 5 of 1995), and the Mpumalanga Liquor Licensing Act (No. 5 of 2006) were reviewed in collaboration with the Mpumalanga Economic Regulator (MER) during the period under review. The Department also assessed 17 local review but subject to finalisation of the review of the National Business Act. The program provides continuous capacity building and oversight support Municipalities to establish their status of the street trading bylaws in-line with the Mpumalanga Businesses Act (No. 2 of 1996) which is currently under to Municipalities on the implementation of street trading bylaws. Informal Policy Development: The informal economy is not a marginal add on, but continues to be a priority issue for the Department. Extensive consultative processes with relevant stakeholders using the District Development model have been finalised. This is also subsequent to a number of extended workshops also held with the informal sector forums across the District. The development of the Provincial Informal Sector Policy is now awaiting consolidation and validation, a process, which will be followed by final approval, and launching of the Informal Sector Policy for the Province.

Sub-Program	Sub-Programme: Consumer Protection	Protection						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy	Consumer % of cases reduced consumer cases reso within specified timeframe	% of consumer cases resolved within specified timeframes	100%	100%	100%	99.6% consumer cases resolved within specified timeframes	0.4% consumer cases awaiting finalisation.	Advanced adjudication of outstanding cases, which await feedback from respondents.
		Number of Consumer Awareness and Education programs	512	500	520	531 Consumer Awareness and Education programs	Target exceeded by 11 awareness programmes	The office received additional invitations on its services from stakeholders

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Linking performance with budgets

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The program had an approved budget of R14 778 million for Consumer Protection program and spent R13 171 million resulting with an underspending budget used catered for the goods and services (Radio slots, workshops, hire of venue and facilities, marketing and promotional materials) and the of R1 607 million. The under spend was largely due to the budgeted and funded posts within the programme that have not been filled. The actual cost per head.

Sub-programme expenditure

Name: Final	Actual				
		(Over)/Under	Final	Actual	(Over)/Under
Consumer Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
Protection R'000	R'000	R'000	R'000	R'000	R'000
Total 13 612	13 612	-	14 778	13 171	1 607

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None, all planned targets are focused solely on the department.

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement	Reasons for deviations
Inclusive, diversified and growing economy	Regulated business environment	Number of reviewed Business Licensing, Gambling and Liquor policies and guidelines	7	7	σ	2 Reviewed Mpumalanga Gambling and Liquor Licensing Act.	The review of the Mpumalanga Business act not achieved, pending national processes.	The review of the Mpumalanga Business act no 02 of 1996 is guided by the finalization of the National Business Act no 71 of 1991 which is still under review. Processes will continue once the National Business Act review has been finalised.
		Number of new policies on the Informal Sector in line with applicable norms and standards.	New Target		7	Not achieved, Progress to date: The development of the Provincial Informal Sector Policy is now awaiting consolidation, a process, which will be followed by final approval, and launching of Informal Sector Policy for the Province.	New Policy awaiting finalisation pending the consolidation of stakeholder input and validation.	Consultations were extended to include more workshops for both municipalities and traders.



Sub-program	Sub-programme: Business Regulation	gulation		Purpose	e: To promote	Purpose: To promote and maintain a business regulatory system	isiness regulator	y system
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Audited Actual Performance Performance 2021/2022 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of New Target compliance and oversight reports.	New Target	4	4	4 compliance and oversight reports with MER produced	None	None

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**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

Linking performance with budgets

The program had an approved budget of R113 246 million for Business Regulation and Governance sub program and spent R112 075 million resulting with an underspend of R1 171 million. The under spending was largely due to the budgeted and funded vacant post of a Director (Level 13)

The actual budget was therefore used for Compensation of employees within the sub program and also catered for the goods and services (capacity building workshops for Municipalities and informal traders and hire of venue and facilities)

Sub- Programme	2022/2023			2023/2024		
Business	Final	Actual	(Over)/Under	Final	Actual	(Over)/Un
Regulation	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditu
	R'000	R'000	R'000	R'000	R'000	R'000
Total	115 375	115 375	•	113 246	112 075	1 171

der

Sub-programme expenditure

Strategy to overcome areas of under performance

University of Mpumalanga has been engaged to assist with facilitation of workshops and finalising the draft policy.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None, all planned targets are focused solely on the department.

4.5 Programme 5: Economic Planning

Purpose of the Programme: To provide economic policy direction and strategies, in addition to conducting research on the provincial economy, to inform strategy development.

The Programme consists of the following sub-Programmes:

- Policy and Planning
- Research and Development
- Knowledge Management
- Monitoring and Evaluation
- Economic Analysis

The Programme contributes towards the following institutional outcome as per the Annual Performance Plan.

Inclusive, diversified and growing economy

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Programme achieved all targets and, in the process, contributed to the Department's outcome in terms of an Inclusive, Diversified and Growing the Economy, as well as the strategic priorities of Government, especially Priority 2: Economic Transformation and Job Creation. The following achievements can be highlighted:

- Provision of credible, accurate and quality research reports for evidence-based economic planning and decision
 making in the Province. Reports such as the PERO (Provincial Economic Review and Outlook) document, the
 SERO (Socio-Economic Review and Outlook), and relevant economic research reports on key economic sectors/
 industries, mining and tourism for example, e-based business survey report and Socio-Economic Profiles (SEPs)
 of all 20 Municipalities were produced.
- Central point in the Province of credible, accurate and quality socio-economic data/information for planning, policy and even budget purposes.
- The important work of the Mpumalanga Green Energy Cluster Agency representing academia, industry, and government (a special purpose vehicle to drive the implementation of the green economy development plan.
- Generated market intelligence reports that identify and quantify green job and investment opportunities in the renewable energy, water, and sustainable agriculture value chains (through the Mpumalanga Green Cluster Agency).
- Produced evaluation report for Mdala Nature Reserve and the Mkhombo Dam Nature Reserve as well as EPWP monitoring reports in terms of job creation which included designated groups like women and young people.
- Reviewed and updated geo-database of the MEGDP (Mpumalanga Economic Growth and Development Path), as well as collecting new data.
- The active participation and role in provincial department committees led by the OTP such as the development of a provincial job creation strategy, development of a provincial economic diversification strategy. In the process there's also close collaboration with important institutions such as the World Bank and the PCC.
- Member of the provincial committee working closely with the OTP on the establishment of the Mpumalanga Research Institute (MRI) to address the research gaps in Provincial Government due to capacity, skills and budget constraints.

Outcome (
	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual **Actual Target Achieve 2023/2024 2023/20	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy e sonomy	Research Number of reports to research inform the reports economic produced on policy analysis key provincial process and industries/ strategy sectors development	Number of research reports produced on key provincial industries/ sectors	New indicator	New indicator	2 research 2 resear reports produced produce Mining Tourism	2 research reports produced: Mining Tourism	None	None

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** Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

Linking performance with budgets

The sub-programme was allocated a budget of R1 089 million and spent R1 019 million with an underspending of R70 thousand. All targets were achieved, and the expenditure contributed to the achievement of outputs. The underspending of especially goods and services, due to factors such as lower S&T expenditure related to less physical and more virtual meetings/events.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Research and	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Development	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	975	955	20	1 089	1 019	70
5+rotort +0	Stratadu to overcome areas of under performance	under performe				

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None; all planned targets are reported.

	n Reasons nned for Actual deviations ment 24	None
	Deviation from planned target to Actual Achievement 2023/2024	None
	**Actual Achievement 2023/2024	Updated geo- database of MEGDP priority projects in MEGDP priority projects in Mpumalanga Siyabuswa Agri-Hub Nkomazi Charcoal Donkerhoek Water Bottling Mkhombo Dam Nature Reserve Reserve SS Skosana Nature Reserve Reserve SS Skosana Nature Reserve Zithabiseni Resort
	Planned Annual Target 2023/2024	Updated geo- database of MEGDP priority projects in Mpumalanga
	Audited Actual Performance 2022/2023	Geo-database of MEGDP priority mprojects in Mpumalanga updated
ent	Audited Actual Performance 2021/2022	Updated geo- database of MEGDP priority projects in Mpumalanga
Sub-programme: Knowledge Management	Output Indicator	Updated geo- database of MEGDP priority projects in Mpumalanga
mme: Know	Output	Updated geo- database of MEGDP priority projects
Sub-prograr	Outcome	Inclusive, diversified and growing economy

Linking performance with budgets

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The sub-programme was allocated a budget of R4 570 million and spent the entire budget of R4 570 million. All targets were achieved, and the expenditure contributed to the achievement of outputs.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Knowledge	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
Management	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4 102	4 102		4 570	4 570	I

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None; all planned targets are reported

Sub-program	Sub-programme: Economic Analysis	Analysis						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, diversified and growing economy	Socio- economic research reports to inform the departmental, provincial and	Socio- economic Provincial research Economic reports to Review and inform the Outlook departmental, (PERO) reports provincial and compiled	1 PERO report compiled	1 Provincial Economic Review and Outlook (PERO) report compiled	1 Provincial Economic Review and Outlook (PERO) report compiled	1 Provincial Economic Review and Outlook (PERO) report compiled	None	None
	municipal planning, policy, strategy and budget processes		2 updated SERO reports completed and communicated	2 updated Socio-Economic Review and Outlook (SERO) report completed and communicated	2 updated Socio- Economic Review and Outlook (SERO) reports completed and communicated- ted	2 updated Socio- Economic Review and Outlook (SERO) report completed and communicated	e o Z	None
**Actual achie	vement reporte	**Actual achievement reported in relation to the	ו הפורסדים וווים ו	ormation reflected	performance information reflected in the re-tabled Annual Performance Plan.	Annual Performan	ce Plan.	

Linking performance with budgets

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The sub-programme was allocated a budget of R4 179 million and spent the budget of R3 647 million. All targets were achieved, and the expenditure contributed to the achievement of outputs. Some underspending of especially COE experienced, mainly due to vacant positions in the first, third and fourth quarter of the financial year. The vacant DD post was filled in July 2023, but the AD post was vacant from 1 October 2023= due to a transfer to the LED Directorate in Programme 2.

Sub-programme expenditure

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Sub- Programme	2022/2023			2023/2024		
Economic Analysis Final	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4,425	4,003	422	4 179	3 647	532

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

None; all planned targets are reported.



Purpose of the Programme: To ensure tourism sector policy development, regulation and compliance and promotion of sector transformation in the Province.

The Programme consists of the following sub-Programmes:

- Tourism Planning
- Tourism Sector Transformation

The Programme contributes towards the following institutional outcome as per the Annual Performance Plan:

• Inclusive, competitive and sustainable tourism industry

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The programme has significantly achieved its targets for the year, including but not limited to the tourism awareness campaigns, capacity building programmes, and facilitation of strategic stakeholder engagements programmes as well as ensuring the implementation of the regional tourism integration programme like TRILAND initiative. The programme also facilitated the historic signing of a partnership arrangement with SATOVITO to empower the rural and township SMMEs in the tourism sector. However, there are those targets, which were not concluded, namely, the 360-degree tourism Feasibility Assessment and Municipal Tourism Plans, which projects will be concluded in the first quarter of the 2024/2025 financial year.

The programme has responded to prioritised targeted groups such as women, youth in its service delivery. Projects such as the Tourism Careers EXPO and tourism awareness campaigns involve women and youth in their very nature. During the Tourism Month period, the department has funded and implemented the Tourism Star Grading projects whose beneficiaries include women at Thembisile Hani Local Municipality, Nkangala District.



Sub-Progran	Sub-Programme: Tourism Planning	Planning						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Inclusive, competitive and sustainable tourism industry	To Position Mpumalanga as a Destination of Choice	Number of interventions implemented to sustain the recovery of Tourism industry	New Indicator	One Mining and Heritage Tourism Concept was developed	1 Feasibility Study Assessment on Mpumalanga 360 degree route project conducted	Not achieved, however, a draft Feasibility Assessment report submitted	Final Feasibility Study not concluded	Poor responses from potential services providers delayed the process of appointment
		Number of Local Government Tourism Support programmes implemented	Development of Draft Tourism Bill	Provincial Tourism Bill drafted	2 Municipal Tourism Sector Plans developed: Dr Pixley Ka Isaka Seme LM Victor Khanye LM	Not achieved, however, an inception report has been concluded and submitted	Municipal Tourism Plans not concluded	Poor responses from potential services providers delayed the process of appointment
		Number of strategic tourism projects facilitated to enhance visitor experience	None	Railway Heritage Tourism project approved	4 monitoring reports on strategic tourism project facilitated Barberton Makhonjwa Mountains World Heritage Site (BMM- WHS)	4 x Monitoring reports on the implementation of BMM-WHS produced	None	None

Sub-Progran	Sub-Programme: Tourism Planning	Planning						
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of regional tourism integration programmes implemented to enhance tourism development	New Indicator	TRiLand and east3ROUTE programmes reactivated	1 regional tourism integration programme implemented through TRILAND	Regional integration programme implemented through: TRILAND Business Networking session conducted TRILAND Inter- Ministerial engagement convened TRILAND Tour Operator excursion conducted	None	None
		Number of stakeholder engagement facilitated to unlock tourism growth in the Province	Tourism Stakeholder engagements conducted	7 stakeholder engagements were conducted	5 tourism stakeholder engagements facilitated to unlock tourism growth in the Province	29 x tourism stakeholder engagements coordinated and facilitated to unlock tourism growth in the Province	Target exceeded by 24	More requests from tourism stakeholders
**Actual ach	ievement repo	orted in relation	to the performa	nce informatio	**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan	-tabled Annual Perfo	Irmance Plan	

2 2

deviations Reasons None None for Deviation from planned target 2023/2024 to Actual None None Tourism Careers Expo Provincial & National Building programme Careers EXPO report **Tourism awareness** and Awareness Day promote the safety Careers EXPO plan season campaigns **Fourism Capacity** and stakeholders of tourists in the implementation **Tourism festive** Tourism Month Achievement Developed the conducted to 2023 Tourism mplemented 2024 Tourism implemented 2023/2024 programme programme submitted consulted orovince through: through: Implementation of implementation of Provincial Tourism **Capacity Building** Planned Annual **Tourism Careers** implemented implemented 2023/2024 programme programme through the awareness 1 Tourism 1 tourism Target through Month Expo Performance Festive season mplemented mplemented Careers Expo 2022/2023 programme Month and activations Audited Actual | Audited Tourism Tourism Actual were Tourism Capacity Performance New Indicator implemented 2021/2022 programme Building Sub-Programme: Tourism Sector Transformation and inclusivity in the tourism implemented mplemented programmes programmes to promote enterprises Number of awareness of tourism ndicator Output Number capacity building sector inclusivity in the enterprises and To promote Province Output tourism competitive Outcome sustainable nclusive, tourism ndustry and

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Sub-Program	Sub-Programme: Tourism Sector Transformatior	ctor Transforma	tion					
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
		Number of Rural and township tourism initiatives implemented	New indicator	New indicator	1 Rural and Township tourism implemented	1 x Rural and Township tourism initiatives implemented as follows: Partnership Agreement (MOA) with SATOVITO developed and signed Action Plan concluded Facilitated the faction Plan concluded Facilitated the faction Plan concluded Facilitated the faction Plan concluded Facilitated the faction Plan for the fural and Township fural and Township tourism initiative final report produced including the exhibition of the rural products in Gauteng	None	None
**Actual achi	evement reporte	ed in relation to	the performance	e information re	eflected in the re-ta	**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan	nance Plan	



Linking performance with budgets

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The programme has slightly underspending relates to compensation of employees on vacant funded position of a Secretary to the Director. This has been affected by the cost containment measures imposed on government departments by the National Treasury.

Sub-programme expenditure

Sub- Programme	2022/2023			2023/2024		
Tourism	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	465 336	464 758	578	538 066	537 585	481

Strategy to overcome areas of under performance

The final report for the feasibility Study Assessment on Mpumalanga 360 degree route project will be submitted end of April 2024

The final document for the two Municipal Tourism Sector Plans will be submitted by the first week of June 2024.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions None; all planned targets are reported.

5.1 Transfer payments to public entities

Public Entity Public Entity Mpumalanga Economic development in Growth Agency loans as well as enterprise and				Achievements of the public entity
		transferred to the public entity	spent by the public entity	
focusing primarily of individuals within th Deliver massive infi project management of Promote foreign tra- ensure enterprise a that will significantl growth and develor with specific emph Empowerment; Progressively increa and collection; and Building a capable, state.	Provide funding in respect of property development including the granting of housing loans as well as in respect of approved enterprise and agricultural development focusing primarily on previously disadvantaged individuals within the Province; Deliver massive infrastructure, focusing on project management, property development and management of immovable property Promote foreign trade and investment so as to ensure enterprise and agricultural development that will significantly contribute to economic growth and development within the Province, with specific emphasis on Black Economic Empowerment; Progressively increase own revenue generation and collection; and Building a capable, ethical and developmental state.	257 884	257 884	Revitalization of Small industrial Parks The entity is on tract in terms of the projects which are short-term in nature, namely: revitalization of its small industrial parks such as Tweefontein and Kwaggafontein which are all above 80% complete. Premier's Youth Development Fund (PYDF) MEGA was assigned the responsibility of managing the disbursement; and provision of post-investment support to the approved beneficiaries of the Premier Youth Development Fund (PYDF). Through the PYDF, it is envisaged that the participation of young people in the provincial mainstream economy will be increased and the government's objective of broadening economic empowerment among historically disadvantaged individuals will be advanced. The entity managed to disburse R82.4 million in the 2023/24 financial year against the planned target of R 80 million. This overachievement was due to disbursements made within the year under review on grants approved in the previous financial year. Redevelopment / Revitalisation of MEGAs Property Portfolio Kabokweni Shopping Center Kabokweni shopping centre tenants have been given until the end of June 2024 to vacate the building in readiness for demolishing of the existing structures.

Name of Public Entity	Key Outputs of the public entity	Amount transferred	Amount spent by	Achievements of the public entity
		to the public entity	the public entity	
				Revitalization of MEGA's Industrial parks (i.e. Ekandustria, Kabokweni and Siyabuswa industrial Parks):
				Preparation of development master and business plans for Kabokweni and Sivabuswa industrial Parks has been
				completed. Appointment of the facilities management
				company as a way of improving existing operations within Ekandustria industrial park has been finalized. A service
				level agreement (SLA) has already been concluded with the appointed service provider and work has commenced
				Further to the above, agreement has been reached on
				the structure that will drive the Ekandustria revitalization
				programmer, to time end a seried member of the moperates and Infrastructure's management team has been nominated
				to represent MEGA's interests in the envisaged special purpose vehicle (SPV) that will run the Park.
				Industrial Development within the MIFPM Precinct:
				The Farm Boschrand, in extent 259 Hectares, was purchased by the Mpumalanga Provincial government from HL Hall
				sons, primarily for the development of the Mpumalanga
				International Fresh Produce Market (MIFPM) with a larger agricultural technology industrial park. The fresh produce
				market is, amongst other things, meant to be a catalyst
				for the development of the envisaged industrial park. The market building and other related ton structures currently sit
				on 44 Hectares of the 259 hectares, which still leaves more
				than 200 hectares available for industrial development.
				There already are serviced vacant stands that may be
				developed minimediately for middlen use outside of the demarcated MIFPM area.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
				Available bulk infrastructure is capable of supporting the development. MEGA is the only government agency entity best placed to drive the envisaged industrial development around the MIFPM. Issues envisaged in the balance of the MIFPM land include warehousing and packaging, co-operative sales, bulk retails trade, factory shops, retail trade, offices, retail shops, government use, agricultural related Institutions, offices, research and development, and laboratories. Once the issue of land ownership is settled, MEGA will embark on an investment attraction drive for the precinct. MIFPM Operationalization The handing over of the MIFPM operationalization process to DARDLEA has been completed.

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Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Regulator	To regulate the gambling and liquor industries in the Province in terms of relevant legislation, inter alia:	107 045	107 045	Regulate the gambling and liquor industries in line with applicable laws: Revenue Generation Targets Exceeded the target (Total
	To ensure the suitability of all persons wishing to participate in the gambling and liquor industries within Mpumalanga			revenue deneration rangets exceeded the target (10tal revenue collected R876M). Socio-Economic Study of Gambling in Mpumalanga was Conducted
	To ensure the effective and efficient regulation of gambling and liquor industries in terms of the relevant legislation.			In keeping with the objective of promoting responsible gambling, liquor trade and consumption in the Province, the MER rolled out Education and Awareness Programmes.
	To ensure that the MER operates in accordance with national, provincial and international gambling and liquor policies and standards			Entity sustained partnership with Miss Mpumalanga, an initiative that continues to create a pool of societal role models to drive our social mobilisation campaigns against
	To conduct research with a view to advise government on the socio-economic impact of gambling and liquor within the province			the unintended consequences of gambling and liquor in the province
	To perform the functions of the MER in accordance with acceptable corporate governance practices			the entry continues to build expertise in the area of technology, devoting more resources to this area so that it regulates effectively and provide advice to government on the implications of technological change and innovation.
	To promote responsible gambling, liquor trade and consumption in the Mpumalanga Province through public awareness campaigns,			MER continues to collaborate with various stakeholders in the Province, with a view to minimise harm and ensure compliance with all applicable legal prescripts pertaining to
	To promote transformation and sustainability of the gambling and liquor industries in the province and			the gambling and liquor industries in Mpumalanga
	To provide assurance that gambling levies are complete and accurately paid as prescribed			

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Tourism and Parks Agency	Transformed tourism and biodiversity industry Market Mpumalanga Province as a Tourism Destination, Develop and grow the tourism industry and maintenance and development of MTPA infrastructure Management and development of biodiversity and ecosystems within the Province Bio-diversity research, status monitoring and scientific support, engagement and development of neighbouring communities to protected areas and increase of land under conservation to achieve national targets, WHS to protect its outstanding universal value and the management and maintenance of facilities within the World Heritage Site , Manage and propagate threatened wildlife, Compliance monitoring, wildlife management, enforcement and permits, To sustainably improve revenue generation of MTPA tourism products in the protected areas, Development of businesses in the protected areas to ensure revenue generation, The management of MTPA and partnership funded projects in order to improve infrastructure conditions in the nature reserves	530 006	230 006	The Mpumalanga Tourism and Parks Agency (MTPA) showcased substantial progress and achievements during the 2023-2024 financial year, reflecting the entity's commitment to strategic initiatives and targets. With an impressive 76% accomplishment rate of the 54 set targets, the agency demonstrated significant improvement compared to the previous year. This success was underpinned by a strong focus on corporate governance, exemplified by the implementation of effective risk management and fraud prevention strategies. Furthermore, leveraging communication support services to enhance the agency's corporate image through various media platforms and emphasizing financial transparency through meticulous compilation and approval of financial statements solidified their governance, the entity exceeded revenue collection expectations by securing R75.4 million from diverse sources. Notably, allocating 64% of the budget to benefit marginalized grougs through Programme Cost, Payment of Capital Assets, Goods, and Services underscored their commitment to inclusivity and social impact. The agency's dedication to enhance metation of all 33 planned skills enhancement programs and the development of ten Human Resources policies to align practices with industry standards. Filling 89 funded vacant positions further strengthened the team composition and operational capacity, ensuring organizational effectiveness.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
				Efficiency in processing legal contracts within designated timeframes and the successful implementation of ICT recommendations, including ERP solutions and cyber security enhancements, highlighted the agency's operational effectiveness and commitment to technological advancement.
				The MTPA's tourism marketing initiatives positioned Mpumalanga as a premier destination through domestic and international campaigns, while significant strides in enhancing tourism infrastructure and promoting skills development underscored their dedication to sustainable tourism growth.
				The proactive management of Integrated Management Plans for nature reserves and the preservation of the Barberton Makhonjwa Mountains World Heritage Site reflect the agency's commitment to strategic planning and conservation efforts. Effective wildlife management and conservation activities ensured compliance with regulations, while enhancements to the Mpumalanga Biodiversity Sector Plan furthered conservation practices in the region.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
				In the 2023-2024 financial year, the Mpumalanga Tourism and Parks Agency (MTPA) demonstrated a strong commitment to excellence in Hospitality Services Management and Business Development. Independent assessments resulted in quality grading for hospitality services, showcasing the agency's dedication to providing exceptional guest experiences. Moreover, their business development initiatives focused on sustainable growth within protected areas, aiming to enhance financial performance while ensuring environmental sustainability. Furthermore, the Project Management Unit of the MTPA achieved notable milestones during the year. Progress in projects such as electrified boundary fence construction and asbestos removal not only contributed to infrastructure enhancement but also underscored the agency's commitment to environmental sustainability. These achievements reflect the MTPA's dedication to implementing projects that enhance both operational efficiency and environmental responsibility. Overall, the 2023-2024 financial year highlighted the MTPA's unwavering dedication to achieving strategic objectives, improving operational efficiency, and promoting sustainable tourism and conservation practices in Mpumalanga province. Through a combination of effective project management, quality hospitality services, and strategic business development initiatives, the MTPA continues to play a vital role in the preservation and promotion of the region's natural and cultural heritage.

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5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2023 to 31 March 2024

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Furntech	Private	Incubation	Yes	700	700	None
	Enterprise	Programme				
		for Youth				
		Development				
Mpumalanga	Non Business	Transfer to	Yes	5 756	5 756	None
Nkomazi SEZ	Entity	establish the				
		Entity				
Mpumalanga	Private	Incubation	Yes	2 020	2 020	None
Stainless Steel Initiative	Enterprise	Programme				
		for Youth				
		Development				

The table below reflects the transfer payments which were budgeted for in the period 1 April 2023 to 31 March 2024, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Mpumalanga Green Cluster Agency	Coordinate the activities of the Green Economy	10 0000	Nil	Reprioritisation

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The table below detail/s the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: Expanded Public Works Programme (EPWP)

Department/ Municipality to whom the grant has been	Mpumalanga Economic Growth Agency
transferred	Mpumalanga Tourism and Parks Agency
Purpose of the grant	To create jobs within the Environment and Cultural Centre
Expected outputs of the grant	Job creation and poverty reduction
Actual outputs achieved	184 jobs were created during the 2023-24 financial year
Amount per amended DORA	R 3 816 000
Amount transferred (R'000)	R3 816 000
Reasons if amount as per DORA not transferred	None
Amount spent by the department/ municipality (R'000)	R3 816 000
Reasons for the funds unspent by the entity	None; all funds were spent
Monitoring mechanism by the transferring department	Monthly In-Year Monitoring Reports, Quarterly Report, Annual Evaluation Report

6.2 Conditional grants and earmarked funds received

The Department of Economic Development and Tourism (the dedt) was identified as an important organisation to implement the Expanded Public Works Programme (EPWP) through two (2) of its Entities; namely, the Mpumalanga Tourism and Parks Agency (MTPA) and the Mpumalanga Economic Growth Agency (MEGA). A grant incentive of R3 816 000.00 was allocated by National Department of Public Works and Infrastructure to assist with alleviation of poverty. The allocated incentive was divided between the two (2) Entities which collectively created 34 EPWP funded projects. This resulted in the two (2) Entities creating a total of 145 job opportunities. However, some from the 34 projects are not funded through the grant.

Key summary of achievements:

- Maintenance and cleaning of industrial areas
- Increased fruits yield due to better spraying and maintenance of farms
- Safe and patrolled environments
- Saved jobs that were to be lost
- Controlled veld fires
- Alien plants removed
- Clean day visitor centre
- Safe and patrolled environments
- Controlled soil erosion
- De-bushing
- Painting work

All targets were implemented as planned. Monthly and quarterly evaluation reports were submitted to National Department of Public Works and Infrastructure. Most of the projects started on time during the period under review. However, we experienced some delay in the procurement of protective clothing. It should also be noted that the limited resources are limiting the number of entrants into the programme.

The table below details the conditional grants and earmarked funds received during for the period 01 April 2023 to 31 March 2024:

Department who transferred the grant	National Department of Public Works and Infrastructure
Purpose of the grant	To create jobs within the Environment and Cultural Centre
Expected outputs of the grant	Job creation and poverty reduction
Actual outputs achieved	184 jobs were created during the 2023-2024 financial year
Amount per amended DORA	R3 816 000
Amount received (R'000)	R3 816 000
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R3 816 000
Reasons for the funds unspent by the entity	None; all funds spent
Reasons for deviations on performance	None
Measures taken to improve performance	Attendance Register, Salary Register, Physical head count were conducted during site visits
Monitoring mechanism by the receiving department	

Conditional Grant: Expanded Public Works Programme (EPWP)



7. DONOR FUNDS

7.1 Donor Funds Received

Not Applicable



8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The overall progress at the 52 000 square metres Mpumalanga International Fresh Produce Market, currently under construction in Mbombela, is at 97%. Below is progress, per building (in percentage), as at 31 March 2024:

Detailed Information for the project

Description	% Progress 31/3/2023	% Progress 31/3/2024
Staging and Clearance	74	98
Gate House Entrance/Access Control	63	98
Gate House Egress	55	93
Staging	89	97
Bus rank	61	97
Ticket office and Ablutions	47	97
Pedestrian Access and Bridge	88	95
Workshop	61	98
Waste Management / Recycle	92	97
Market Building (including Administration Facilities)	79	96
Agro-Processing Building	87	97
Taxi rank	94	98
Taxi Stop Ablutions	82	98
Substation	91	93
Council Substation	94	97
Pallet Store	94	96
Waste collection point for Council	89	97
Landscaping	65	98
Overall progress	80	97

Currently, the following aspects are receiving attention, as per the critical path, to ensure the targeted project completion date is achieved:

Completion of remedial work, as well as outstanding works relating to Phase 1 of the project (Contractor issued with an instruction to proceed with the works);

Wetland rehabilitation and related works project (as per the Environment Impact Assessment report) (Contractor issued with an instruction to proceed with works);

Payment of bulk contribution fees due to the City of Mbombela (updated Invoice received from the City). The current projected completion date of the infrastructure at the Market site has been adjusted to June 2024. In terms of the budget, it is critical to report that the payment of the bulk contribution fees due to the City of Mbombela amount to R96, 963, 590.24 (VAT included), and this and other pending variation orders has increased the overall project cost from R1, 654, 951, 000.00 reported previously to R1, 915, 308, 000.00. This means an approximate amount of R288, 000, 000.00 must be allocated to complete the project in the 2023-2024 financial year.

Furthermore, a plan to operationalise the Mpumalanga International Fresh Produce Market was developed by MEGA and the Department. The Department is currently collaborating with the Department of Agriculture, Rural Development, Land and Environmental Affairs, the City of Mbombela and the Ehlanzeni District Municipality, to ensure that the operationalisation of the Market is successful. We are also in process of roping in private sector fresh produce market agents, commercial farmers and commodity groups to participate in the operationalisation of the project. The implementation of the operationalisation plan would commence as soon as the required approval from the Executive Council is obtained.

Infrastructure	2022/2023			2023/2024		
projects	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	531 657	528 736	2 921	422 068	420 055	2 013
Existing infrastructure assets	525		525	525	0	525
Upgrades and additions						
Rehabilitation, renovations and refurbishments						
Maintenance and repairs						
Infrastructure transfer						
Current	17 286	13 236	4 050	18 054	15 889	2 165
Capital	531 657	528 736	2 921	422 068	420 055	2 013
Total	548 943	541 972	6 971	440 122	435 944	4 178



Part C Governance

1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Department has a Risk Management Policy and Strategy for implementing the system of risk management through a 4-year Risk Management Implementation Plan (2021/22 to 2024/25), which is reviewed annually to ensure its relevance. The Risk Management Strategy focuses on a continuous identification of risks and opportunities in a changing environment. Consequently, the risk universe covered in the year under review, focused on strategic risks addressing the key sectors, operational risks linked to the Annual Performance and Operational Plans as well as ICT risks.

The Department conducts risk assessments annually to review the strategic risks linked to the three (3) outcomes (objectives) of the Department and operational risks aligned to the outputs as indicated in the Annual Performance Plan for the year under review. The Department identifies the Emerging Risks on a quarterly basis for management to put additional strategies and action plans to mitigate and/or to treat the risks, and these are considered by the Risk Management Committee, which further advice the Accounting Officer and the Audit Committee on the severity of exposure to the Department. The Risk Assessment Report is communicated to the Internal Audit to inform their annual Internal Audit Plan.

The Department has established a functional Risk Management Committee chaired by an external independent Chairperson as per the Public Sector Risk Management Framework. The Committee comprises of programme managers, other key role players within governance including the Provincial Treasury (Provincial Risk Management Support). The Committee provided advices to Management on any unacceptable levels of risks during the year under review, and in some instances, it escalated in writing some areas of concerns to the Accounting Officer. Those concerns were shared with the Audit Committee to allow the Audit Committee to perform its oversight responsibility internal control, risk management and governance.

The Chairperson of the Risk Management Committee set and interacted with the Audit Committee and shared the information related to the material risks. Furthermore, quarterly risk management reports were presented to the Audit Committee with recommendations to address any identified deficiency.

The implementation of risk treatment plans or strategies for the financial year 2023/24 was as follows:

60% for strategic risks treatment plans implemented, with10% in progress and 30% not implemented. 62% of the treatment plans for operational risks were implemented 38% not implemented. The Department has reviewed the 2023/24 strategic and operational risks registers and new risks were identified. For the risk treatment action that were not implemented in the 2023/24 the risks were reviewed and removed in the register and new risks were identified. Quarterly risk management reports present a comparison between risk, finance and performance to highlight the alignment in reporting.

93.75% was achieved on the activities outlined in the Risk Management Implementation Plan. In the beginning of the financial year 2023/24 the Department has introduced the process reporting that is supported by portfolio of evidence which was incorporated into the risk register. This has yielded results in monitoring progress on the implementation of risk treatment plans.

During the financial year, Risk Management Unit has conducted awareness in risk management and ethics to all employees through workshop, to assist employees to understand the system of risk management and their role in the process. Brief workshops were also provided when conducting risk assessment for the different units. The Risk Management Committee evaluation report as at the end of the 2023/24 financial year presents 96% (very good assessment) on the effectiveness of the Risk Management Committee in the Department. This is a 2% improvement from last financial year. The report also shows that an average of 39% attendance of all the 2023/24 financial year Risk Management Committee meeting by members.

3. FRAUD AND CORRUPTION

The Department has adopted the National Anti-Corruption Strategy affirms Government's zero tolerance stance towards fraud, corruption and theft. The Department has customised the strategy and developed a Departmental Fraud Prevention and Anti-Corruption Policy and Strategy in line with the National Anti-Corruption Strategy, as a commitment towards zero-tolerance stance with regard to unethical practices such as fraudulent, corrupt and any other criminal activity both internal and external.

Fraud and corruption pose significant risks to Government and its assets and has a negative impact on the delivery of services. The Accounting Officer and Management have set the tone to lead the Department ethically, effectively and responsibly within the parameters of the law, as outlined in the PFAMA.

There are various ways in which Departmental officials and members of the public can report suspected fraudulent and corrupt activities, such as through the Presidential Hotline, Public Service Commission (PSC), Provincial Anti-Corruption Hotline, anonymous email, and letters. The Department has developed Whistle-blowing Policy for reporting of any allegation of the fraud and corruption. All reported allegations of fraud and corruption are received and recorded in the case management system by the Integrity Management Unit in the Office of the Premier for investigations. The system is utilised as a management tool to give feedback on progress relating to the reported cases, as well as to generate the statistics for the Province and the Department. When the recommendations from the Integrity Management Unit are received, they are implemented by the Department and progress reports are presented and discussed in the Risk Management and Audit Committee meetings.

Any whistle blower reporting suspicious activities of fraud, corruption, theft and maladministration is protected in terms of the Protected Disclosure Act, and individuals are afforded an opportunity to remain anonymous, should they elect so. A firm foundation has been established to move towards a mature risk environment and everyone is demonstrating commitment towards achieving risk mitigation control objectives.

4. MINIMISING CONFLICT OF INTEREST

The financial disclosure process takes place annually and should any conflict of interest be identified it is dealt with in accordance to the Public Service Regulations 2016, as amended and related prescripts. Officials who failed to disclose or do not disclose all their interests are taken through the disciplinary processes as per prescripts. There was one approval that was granted by the Executive Authority to an official to engage in other remunerative work outside the public service (RWOPs).



5. CODE OF CONDUCT

The department has a Code of Conduct for the public service as stipulated in the Public Service Regulations of 2016, as amended. The Code of Conduct serves as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the Code is expected to enhance professionalism and help to ensure confidence in the Public Service.

During the period under review, there were instances where employees did not adhere to the Code of Conduct and disciplinary measures were instituted against the employees in line with the disciplinary code and procedure in the public service

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department appointed Occupational Health and Safety committee in terms of Section 19 of the OHS Act 85 of 1993 as amended. The chairperson of the committee is the Acting Chief Director: Corporate Services and is the responsible OHS compliance officer. The committee conducts meetings on a quarterly basis to discuss progress on the implementation of mitigating measures for the identified hazards and risks in all DEDT offices.

The Department managed to address most of the identified risks and hazards as captured in both the OHS contravention notices issued by the Department of Employment and Labour and the risk report. In addition, OHS matters are monitored on quarterly basis as part governance and compliance matters.

DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
DATE 01 June 2023 (APP)	MATTER RAISED BY PORTFOLIO The department must expedite the process of the completion of both the Petro- chemical Industrial Technology Park and the Forestry Industrial Technology Park, as well as provide the revised completion date as soon as the statutory requirements are finalised. Furthermore, an updated progress report must be submitted to the Committee on or before 29 September 2023.	HOW THE DEPARTMENT ADDRESSED THE MATTERS What is outstanding for the Petro-Chemical Centre of Competence to be realised, is the finalisation of the legal requirements stipulated in section 53 of the Mineral and Petroleum Resources Development Act 28 of 2002, which is under the control of the Department of Mineral Resources and Energy. We will, however, continue to engage the Department with a view of addressing this bottleneck as a matter of urgency. With regards to the envisaged Forestry Industrial Technology Park, the additional studies that were supposed to be conducted to finalise the work on the statutory requirements remain outstanding due to regrettable delays in concluding contracts. We commit to work harder and finalise these studies during the current financial year.

7. PORTFOLIO COMMITTEES

DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
01 June 2023	The department must expedite the process of completing the construction of the Mpumalanga International Fresh Produce Market (MIFPM) within the allocated budget and projected timeframe; and provide an updated progress report to the Committee, before the end of the second quarter of the current 2023/24 financial year.	Infrastructure development at the Mpumalanga International Fresh Produce Market is scheduled to be completed by the end of November this year. In the meantime, it can be reported that work completed is at 80%. The approved contract value was R1 561 087 271.75; however, due to pending variation Orders, it is anticipated that the final contract value will increase to R1 632 717 598.60.
	The department must submit a corrected report on the completion date and achievement of completion in terms of percentage recorded on the Mpumalanga International Fresh Produce Market (MIFPM) within five (05) days of tabling of this report. Furthermore, the department must clearly report on who the lead department of the market is, considering the concern over working relations between the other involved departments in operating the market.	The project is implemented by the Department of Public Works, Roads and Transport on behalf of MEGA which is representing the Department of Economic Development and Tourism. As indicated above, it is anticipated that the project will be completed by end of November 2023. The progress to-date is 80% completed.
	The department must submit more information to the Committee, on the Hybrid Model to be utilised in operating the Mpumalanga International Fresh Produce Market (MIFPM) before 15 June 2023. Moreover, the department must submit the Operationalisation Plan of the market as soon as it is approved by Executive Council. The department must submit a summary of the projects that are prioritised for implementation in the 2023/24 financial year to the Committee by 15 June 2023. Furthermore, the department must report on detection and prevention strategies on any financial irregularities that may occur from the expenditure of the said projects, during the financial year under review.	The Department is planning to appoint an interim transaction advisor, who will, in addition to normal transaction advisory services, take the project to bankability, and also perform the functions of an implementing agent until such time that a permanent market operator has been appointed. The Operationalisation Plan will be submitted to the Committee once it has been approved by the Executive Council. The Department will prioritise the finalisation of the Interim Phase of the Nkomazi SEZ, as well as the completion of the construction of the Mpumalanga International Fresh Produce Market. Furthermore, the Department will also endeavour to finalise the statutory compliance for the Petro-chemical Industrial Technology Park, as well as the Forestry Industrial Technology Park. The Department will also continue to support the incubation programme by providing financial support to the Middelburg Stainless Steel Initiative in Middelburg and the Furntech in White River.

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DATE	MATTER RAISED BY PORTFOLIO The department must keep the Committee abreast on the status of the approval of the report with a recommendation that was submitted to the Executive Council, with regards to filling the vacant position of the Accounting Officer (HOD); as well as the concurrence of the Executive Council on the submitted report based on the interviews that were conducted on the positions of the Chief Executive Officers (CEO's) for the Mpumalanga Tourism and Parks Agency (MTPA) and Mpumalanga Economic Regulator (MER). Furthermore, the department must provide a progress report on the status of filling these strategic positions, on a quarterly basis, during the current 2023/24 financial year.	HOW THE DEPARTMENT ADDRESSED THE MATTERS The Department, through the Office of the Premier, is currently working towards filling the vacant post of Head of Department, and those of the two (2) Chief Executive Officers of our Entities; namely, the MTPA and MER. We also commit to update the Committee on a quarterly basis, with regards to the progress made in filling the three (3) strategic positions.
24 August 2023 (1st Quarter Report)	The department must submit a progress report with regards to the appointment of the Loss Control Committee (LCC) within five (05) days of tabling of this report.	The Loss Control Committee has been appointed with effect from July 2023 and it had its first meetings and discussed the irregular expenditure worth R117 million. The Committee categorised the irregular expenditure into two folds; one being the irregular expenditure to be de-registered and to be condoned after following all due processes in line with the framework.
	The Department must keep the Committee abreast on the status of approval of the report with a recommendation that was submitted to the Executive Council for consideration, with regards to filling the vacant position of the Accounting Officer. A progress report in this regard must be submitted to the Committee on or before 13 October 2023.	The Department has to date not received any feedback on whether the submission has set before EXCO for a final decision or not. It must be noted that the appointment of Accounting Officers is a responsibility of the Office of the Premier.

DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
24 August 2023	the permanent Board of the Nkomazi Special Economic Zone (SEZ), and also establish the SEZ as a subsidiary of MEGA, within the current 2023/24 financial year. The Department must further provide progress in	The required approval to appoint the permanent SEZ Board is in place and the process is already at an advanced stage with the procurement of media space to publish the advert of inviting nominations to serve on the SEZ Board will be within the next two (2) weeks.
		The procurement of media space to publish advert inviting nominations to serve on SEZ Board is underway and process will be concluded by no later than 31 December 2023.
		Process of establishing SEZ as a subsidiary of MEGA is led by the DTIC and implementation will continue upon receipt of clear directives in this regard.
		The Department has sought legal opinion from the state attorney the SEZ being a subsidiary of MEGA and awaiting correspondence which would guide the Department, MEGA and the SEZ Entity on the implementation thereof.
	The Department must expedite the process of finalising the statutory compliance processes for the Petro-Chemical Industrial Technology Park in the Govan Mbeki Local Municipality, and the Forestry Technology Park in the Thaba Chweu Local Municipality within the current 2023/24 financial year, as this process is long over-due. Moreover, the department must report on any progress from the Department of Mineral Resources and Energy (DMRE) in this regard.	Due to the additional detailed information requested by DARDLEA, the Department is in the process to appoint a suitable professional(s) to conduct the required studies in order to finalise this matter on the Forestry Industrial Technology Park. Further to this a follow up meeting has already taken place with DMRE to resolve the issue regarding the Environmental Management Plan (EMP) at the Petrochemical Industrial Technology Park, but the Department is still awaiting the required approval letter which was assured by DMRE.
	The department must approve the Terms of Reference for the Mpumalanga 360-degree Route Project, as well as the two (02) Municipal Tourism Sector Plans without any further delay; and submit a progress report in this regard before the end of the third quarter of the current 2023/24 financial year.	The Terms of Reference for both the Mpumalanga 360-degree Route Project as well as the two (2) Municipal Tourism Plans have been approved. The procurement processes are underway and that the projects will be finalised by the end of March 2024.

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DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
16 Nov 2023 (2nd Quarter Report)	The Department must keep the Committee abreast on the status of approval of the report with a recommendation that was submitted to the Executive Council for consideration, with regards to filling the vacant position of the Accounting Officer (HOD). A progress report in this regard must be submitted to the Committee before the end of the fourth quarter of the current 2023/24 financial year.	The Department has not yet received feedback from the Office of the Premier on the status of the recommendation made to the Executive Council. The Appointment of the Accounting Officer is the competency of the Honourable Premier.
	The Department must ensure that the appointment of the permanent Board of the Nkomazi Special Economic Zone (SEZ) is completed within the current 2023/24 financial year; and moreover, keep the Committee abreast on the establishment of the SEZ as a subsidiary of MEGA. The department must further provide progress in this regard by 31 January 2024.	The required approval for the advertisement of board members to the Nkomazi SEZ Entity has already been obtained and the required procurement processes for the advertisement in the media is at an advanced stage. In as far the matter of the establishment of the SEZ as a subsidiary of MEGA it can be reported that the Department obtained a legal opinion through the Office of the State Attorney, which in conclusion states that: "Considering the above, I am of the view that MEGA could establish Nkomazi SEZ as a wholly-owned subsidiary as per A 'Africa Pest Prevention CC and Another v Competition Commission of South Africa, and the Memorandum of Incorporation of Nkomazi SEZ SOC LTD. MEGA and Nkomazi SEZ will be governed by their respective legislations which established them.
		Over and above complying with the establishing legislations, both entities must comply with the PFMA and its regulations, Companies Act, and King III Report on Corporate Governance."
		The Department would thus act in accordance with the above-mentioned legal opinion in order to establish the Nkomazi SEZ Entity as a wholly-owned subsidiary of MEGA.
	The Department must ensure the finalisation of the Terms of Reference (TOR) for the Mpumalanga 360-degree Route Project, as well as the two (02) Municipal Tourism Sector Plans before the end of the current 2023/24 financial year; and further, submit a progress report in this regard not later than 31 January 2024.	The Department has finalised the Supply Chain processes on the Mpumalanga 360-degree Route Project, and will be appointing the Service Provider before the 15 December 2023. On the two (02) Municipal Tourism Sector Plans, the Department has received one proposal which is also not compliant with the Supply Chain processes.
		However, the Department has since re-advertised the project calling for proposals from the market. This process will be closing on the 8 December 2023.

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DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
07 March 2024) (3rd QUARTER)	The Department must keep the Committee abreast on the status of approval of the report with a recommendation that was submitted to the Executive Council for consideration, with regards to filling the vacant position of the Accounting Officer (HOD). A progress report in this regard must be submitted to the Committee before the end of the fourth quarter of the current 2023/24 financial year.	The Department has not received any progress on the status of the appointment of the Accounting Officer. It must be noted that the appointment of the Accounting Officer is a competency of the Office of the Premier.
	The Department must keep the Committee abreast on the status of appointing the permanent Board of the Nkomazi Special Economic Zone (SEZ) and further ensure that this is completed by the end of the fourth quarter of the current 2023/24 financial year, as this process is overdue. Moreover, the entity must keep the Committee abreast on the process of establishing the SEZ entity as a wholly owned subsidiary of MEGA. The department must further provide progress in this regard by 30 April 2024.	The process of appointing a new permanent Board to Nkomazi SEZ Entity is progressing well and the advertisements of Board Members have now closed, forty (40) applications were received. The Department is currently scrutinising these applications against the legislative requirements of SEZ Legislation, where after the matter would be submitted to the MEC for final appointment.
	The Department must ensure the finalisation of the Terms of Reference (TOR) for the Mpumalanga 360-degree Route Project, as well as the two (02) Municipal Tourism Sector Plans before the end of the current 2023/24 financial year; and further, submit a progress report in this regard not later than 30 April 2024.	The Department has already appointed Service Providers in February and March 2024 for the two projects. In respect of 360 – degree Route project, the stakeholder consultations and engagements have been conducted and a preliminary report produced. However, in regard to the development of the municipal tourism plans, the inception meeting has been conducted and a report thereof produced by the service provider.
		The Department is anticipating to finalise both these projects by June 2024 after all the necessary stakeholder consultations and final reports are concluded.

DATE	MATTER RAISED BY PORTFOLIO	HOW THE DEPARTMENT ADDRESSED THE MATTERS
	The Department must submit a progress report to the Committee with regards to	After liaising with the Department of Public Works, Roads and Transport the following can be reported:
	the snagging process at the Mpumalanga International Fresh Produce Market (MIFPM) that requires finalisation before handover of the completed construction to the department, including the operationalisation process, by 30 April 2024.	Snagging is a standard procedure where a professional team inspects the works and issue snag lists to the contractor to fix before the building can be taken over. With regard to the MIFPM project the issuing of snag lists are continuing for minor repairs (broken tiles, door fixtures ext.) for the various buildings that make up the MIFPM. So far the bus stop and substation have been cleared of snagging issues, whilst the rest of the buildings will still continue with snagging processes. The official practical completion date for the MIFPM is still the 26th of April 2024 and the snagging process will also continue after this date as part of commissioning especially with regard to possible latent defects like machinery and equipment not operating correctly. (E.g. Air conditioner not cooling correctly ext.).
	The Department must keep the Committee abreast on the reviewal of the Mpumalanga Business Act, No. 2 of 1996 and provide the progress update from National Department of Trade and Industry and Competition (DTIC) in this regard.	It should be noted that the review and amendment process is still ongoing. The Department will keep the Committee informed on the latest development concerning the Business Regulation Act No. 31 of 1991 as it is still going through public participation process. Upon finalization of the national process, the DEDT will embark on finalising the Mpumalanga Business Act No. 2 of 1992. This will be done to ensure coherence and harmonization of the two legislations and to avoid contradictory policies within the different spheres of government.

8. SCOPA RESOLUTIONS

The Committee met with the department on 15 February 2024 to deliberate on the 2022/2023 annual report subsequently met to consider the draft Committee report which is dated 15 March 2024

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5	Implementation of 2022-2023 Audit Action Plan	5.1.1- The Accounting Officer must ensure that the partially resolved issues and targets in the 2022/23 Audit Action Plan, that are dependent on responses from State Law Advisors, are fully implemented by the end of the 2023/24 financial year; and provide a progress report to the Committee in this regard.	There were eighteen items raised in the audition action plan, 71% have been resolved, and 29% are significantly resolved. Items which have not been resolved are dependent on external factors, for example, responses from other entities such as the State Law Advisors.	Partially resolved
6	Irregular as well as Fruitless and Wasteful Expenditure	6.1.1- The Accounting Officer must ensure that the official(s) liable for administrative errors that occurred during the procurement process of contracts, are held accountable for the incurred irregular expenditure; and for the contravention and non- compliance to Section 38(1)(c) (ii) and Section 51(1)(b)(ii) of the Public Finance Management Act (PFMA), 1999. Furthermore, the Accounting Officer must put much needed and effective measures in place to avoid any irregular expenditure henceforth.	The Accounting Officer did take effective and appropriate steps to prevent Irregular Expenditure. For example SCM policies and procedures were reviewed and updated, and checklists were put in place, training was provided to officials, and procedures were implemented to ensure that no order could be created without supporting documents. Irregular Expenditure occurred where the policies and procedures which were in place were not adhered to correctly or completely, officials were disciplined for failing to follow policies and procedures correctly.	No
		6.1.2- The Accounting Officer must ensure that all the relevant condonation / removal requests submissions from the appointed task team to the Loss Control Committee (LCC) on the remaining irregular expenditure, are submitted to the Provincial Treasury by the end of the 2023/24 financial year.	The LCC has been active throughout the current financial year. R79 422 000 of the remaining accumulated irregular expenditure from prior financial years has already been removed from the register, while reports are due to be submitted to the next sitting of the LCC in respect of the condonation and removal of the remaining balance of R35 236 793	

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
6	Irregular as well as Fruitless and Wasteful Expenditure	6.1.3- The Accounting Officer must provide the Committee with the latest update on the current status of the cases under investigation, with regards to the irregular expenditure amounting to R14 070 000.00, by the end of the fourth quarter of the 2023/24 financial year.	 The amount of R231 390.79 relates to non-compliance to supply chain management processes; Twamande Trading R74 750 the extension of catering at an event due to more delegates attending than was originally expected, ad as a result, no request was made for the Accounting Officer to approve the deviation prior to the variation being made to the original appointment. Disciplinary processes are ongoing Lowveld Media two cases totalling R126 663 approval was obtained from the Executive authority instead of the Accounting Officer. Disciplinary processes are ongoing. Arena Holdings R 29 978 approval was obtained from the Executive authority instead of the Accounting Officer. Disciplinary processes are ongoing. 	No



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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
6	Irregular as well as Fruitless and Wasteful Expenditure	The amount of R11 531 149.92 is in relation to the extension of contracts without following due processes. Although the relevant contracts were put to the market though a formal tender process, these processes failed, and the existing contracts remained in place in the meantime to ensure that the ongoing operations and service delivery were not interrupted.	 Photocopy machine contracts (R7 342 027) as previously outlined – the original contract was entered into without going through a tender process, and without evidence of the prior approval of the Accounting Office of the deviation from the tender process Building rental contracts (R3 185 277) renewed by PWRT without going through a complete procurement process. Switchboard contracts (R1 003 846) which continued to run on beyond the original term due to implementation and installation difficulties with the replacement transversal contract. All resolved and replaced. The remaining amount of R2 307 907.86 relates to participation agreement not signed with the service provider, although the service level agreement was entered into with the service provider, and the Department indicated its intention to participate in the transversal contract, the participation agreement had not been signed. The participation agreement has subsequently been signed. 	

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
6	6.1.4- The Accounting Officer must submit a progress report on the irregular expenditure investigations outcome that was referred to the State Attorneys to advice on prospects for successful recovery, by the end of the 2023/24 financial year.	Disciplinary processes have been finalised, and the outcome was referred to the State Attorneys to advice on prospects for successful recovery. The State Attorney found that the finding of the investigation report that a supplier had been overpaid could not be substantiated on the facts, and as a result the recommendation to institute legal claims cannot be implemented. Counsel stated that the overpayment claim could not be substantiated because payment was made for services rendered on the principle of 'quid pro quo'.	 Photocopy machine contracts (R7 342 027) as previously outlined – the original contract was entered into without going through a tender process, and without evidence of the prior approval of the Accounting Office of the deviation from the tender process Building rental contracts (R3 185 277) renewed by PWRT without going through a complete procurement process. Switchboard contracts (R1 003 846) which continued to run on beyond the original term due to implementation and installation difficulties with the replacement transversal contract. All resolved and replaced. The remaining amount of R2 307 907.86 relates to participation agreement not signed with the service provider, although the service level agreement was entered into with the service provider, and the Department indicated its intention to participate in the transversal contract, the participation agreement had not been signed. The participation agreement has subsequently been signed. 	No

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
6	6.1.5- The Accounting Officer must submit to the Committee Annexures A and B (letters from the official and to the State Attorneys) that was made referenced to, but not included in the above responses, pertaining to the individual responsible for the previous financial year's irregular expenditure amounting to R10 674 000.00.	Disciplinary processes have been finalised, and the outcome has been referred to the State Attorneys to advice on prospects for successful recovery.	Yes	No
7	Financial Statements, Performance Report and Annual Report	7.1.1- The Accounting Officer must ensure that Annual Financial Statements to be submitted to the Auditor-General (AG) are prepared in accordance with prescribed Financial Reporting Framework as required by Section 40(1) (b) of the PFMA; and ensure there is no recurrence of this contravention in subsequent financial years.	The Department drafted financial statements on the basis of all available information at the time of submission. The Auditor General follows procedures making use of information which is not necessarily available to the Department, or which was not available at the time of the drafting of the financial statements. These additional procedures of the Auditor General highlighted factors which the Department was not aware at the time of drafting.	No

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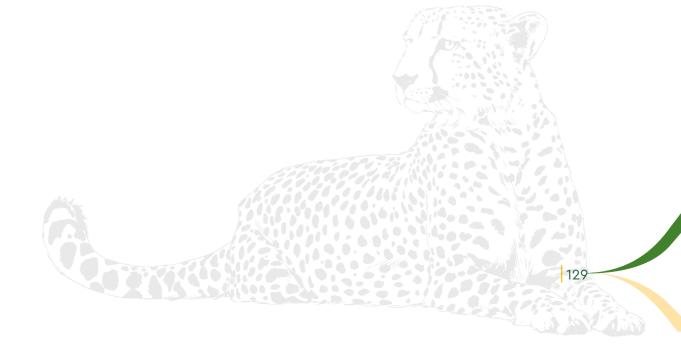
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8	Progress towards achieving a Clean Audit Opinion	8.1.1 The Accounting Officer must ensure that the department improves its Audit opinion by moving out of the Unqualified Audit outcome it has been attaining for the past financial years in succession, to a Clean Audit opinion going forward.	 The department aims to achieve a clear audit in 2024: In previous financial years MCS and Caseware training was provided to officials involved in the preparation of the financial statements, the Audit Action Planned was monitored consistently, and focus areas identified in previous audits were address. In the current year, the department has implemented the following Expanding the inclusion in Caseware training to officials from Internal audit and other sections no previously included. MCS training opportunities made available to officials from across the department, specifically those involved in the preparation of information for inclusion in the financial statements and the annual report. In depth review of MCS, and the current specimen financial statements of risk areas related to disclosure. Appointment of an AFS Preparation Committee. Enhanced financial statement preparation schedule Increased opportunities for review by the Audit Committee, and internal audit in terms of the governance protocols applicable to both of those oversight structures/ 	No



9. PRIOR MODIFICATIONS TO AUDIT REPORTS

During the 2022/2023 financial year, the Department obtained an unqualified audit opinion with two (2) matters of emphasis. The table below summarises the matters of emphasis raised in the audit report and important areas of concern as listed in the management report:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
As disclosed in note 20 to the financial statements, the department incurred irregular expenditure of R14, 1 million as it did not follow a proper procurement processes.	2016/2017	The appointment of a service provider was finalised during the year to avoid ongoing irregular expenditure
As disclosed in note 25 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the department at, and for the year ended 31 March 2023.	2016/2017	Quarterly financial statements (IFS) are prepared. Currently sign offs are being done and reviewed by the Chief Financial Officer before submission to Treasury.



10. INTERNAL CONTROL UNIT

The Department does not have an Internal Control Unit. The Internal Audit Function evaluated the adequacy and effectiveness of the system of internal control and advised management through recommendations. The issues raised by the Internal Audit were addressed by management to improve the system of internal control.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit was established in terms of Section 38 (1) (a) (ii) of the PFMA and obtains its mandate from the PFMA and its Treasury Regulations.

Internal Audit provides an independent, objective assurance and consulting activity designed to add- value and improve the operations of the Department. In keeping with its primary mandate, Internal Audit supports the Accounting Officer through the evaluation, contribution and to improving the effectiveness of the following:

- Risk management processes
- Internal controls; and
- Governance processes.

As required by the PFMA and the approved Internal Audit Charter, control weaknesses were identified, communicated to management, discussed in MANCO and tabled at the meetings of the Audit committee, to allow for effective monitoring and oversight. The following is a summary of the audit work done by the Internal Audit function during the 2023/2024 financial year, as per the approved Annual Audit Plan.

Assurance Services

- Risk Management, IT and Governance Processes
- Review of the Interim Financial Statements
- Review of Annual Financial Statements and Annual Report 2022/23
- Human Resource Management.
- Integrated Economic Development Services and Tourism
- Midterm Performance Information
- Financial Management Audit
- Supply Chain Management

- 2024/25 Draft Performance Plan- Smart Principle
- Transfers & Public Entities Oversight
- Follow Up: AGSA & Internal Audit Reports
- Quarterly Automated Systems review
- Quarterly Tracking of Audit Action Plans



Consulting Services

Transfers to other Entities linked to the mandate of the Department of Economic Development and Tourism.

Audit Committee

The Audit Committee was established in terms of Section 38 (1)(a) (ii) of the PFMA and obtains its mandate from the PFMA and its Treasury Regulations. The Audit Committee serves as an independent governance structure whose primary function is to provide an oversight over the department's financial reporting, risk management, control and governance processes. These includes compliance with laws and regulations and oversight of Public Entities reporting to the Department.

The Audit Committee assists the Accounting Officer with the effective execution of his responsibilities which include amongst other things financial management, performance management, risk, control and governance processes and compliance management.

The Audit Committee is constituted to ensure its independence and comprises of a number of external non-official members (appointed from outside the Public Service) in majority. It operates in terms of formally documented and approved Terms of Reference referred to as the Audit Committee Charter, which deals with matters such as its membership, authority and responsibilities amongst others. The said Terms of Reference are reviewed annually, and in accordance with the requirements set by the PFMA and the Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Member of the Executive Authority (MEC), Accounting Officer, Senior Management, the Provincial Treasury, Internal Audit function and the Auditor-General of South Africa.

The Audit Committee consisted of four (4) Independent Members; all (4) four members are appointed outside of the Public Service. Details of the Members and their attendance of scheduled Audit Committee Meetings during the 2023/2024 financial year are as follows:



The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms Thabsile	B-Tech Public Management	External		29/03/2023	N/A	9/9
Ranape	Higher Diploma Public Administration					
	Dip: Government Finance					
Mr. Hopewell	Mcom,(SA) RA	External		09/11/2022	N/A	9/9
Bhekumuzi Mkhono Hlatswayo	СА					
Ms. Gaylene	B. Compt	External		09/11/2022	N/A	9/9
Anne Deiner	BA, Higher Education Diploma (Post Grad.) (HED)(PG)					
Adv. R. Nke	B. luris	External		09/11/2022	16/11/2023	0/9
	LLB					
	H.Dip. Co. Law					
	PGDip Cyber Law					



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Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms. Anna	B.Sc Computer Science	External		09/02/2023	N/A	8/9
Mirriam MManoko Badimo	B.Sc Hons Computer Science					
baaimo	MBA					
	Master of Science (M.Sc)					
	CISM (Certified Information Security Manager)					
	CGEIT (Certified in the Governance of Enterprise IT)					
	CISA (Certified Information Systems Auditor)					
	CRISC (Certified in Risk and Information Systems Control)					
	Cobol Programming Diploma					
	PMP (Project Management Professional)					
	Cert. IT Auditing					
	COBIT 5					
	ITIL Foundation					
	Certified ISO 22301 Lead Implementer					
	Certified ISO 22301 BCMS Lead Auditor					
	Certified ISO 27001 ISMS Lead Auditor					
	Certified Blockchain Expert (CBE)					
	Certified ISO/IEC 27005 Lead Risk Manager					
	F. Inst D (IoDSA)					

12. AUDIT COMMITTEE REPORT

We are pleased to present the draft report for the Financial Year ended 31 March 2024.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed the changes in accounting policies as these changes are as per the National Treasury instruction.

The effectiveness of Internal Control

The work performed by Internal Audit throughout the year was reviewed by the Audit Committee. From the various reports of the Internal Auditors which was based on a risk assessment as well as from the report of the Auditor General South Africa, it was noted that matters reported, revealed some deficiencies in the system of Internal Controls. These weaknesses were raised with the Department to implement corrective actions. Areas of correction included financial statements, reporting on pre-determined objectives and compliance with laws and regulations.

The following internal audit work was completed and presented to the Audit Committee during the year:

Assurance Services

- Risk Management, IT and Governance Processes
- Review of the Interim Financial Statements
- Review of Annual Financial Statements and Annual Report 2022/23
- Human Resource Management.
- Integrated Economic Development Services and Tourism
- Midterm Performance Information
- Financial Management Audit
- Supply Chain Management
- 2024/25 Draft Performance Plan- Smart Principle
- Transfers & Public Entities Oversight
- Follow Up: AGSA & Internal Audit Reports
- Quarterly Automated Systems review
- Quarterly Tracking of Audit Action Plans

• Consulting Services

Transfers to other entities linked to the mandate of the Department of Economic Development and Tourism.

The following were areas of concern:

- Department to implement preventative controls to prevent irregular expenditure, implement consequence management and recover all losses where necessary in line with the irregular expenditure framework;
- Department to efficiently use the automated systems for leave management and invoice tracking;
- Slow implementation of remedial action plans to improve the audit outcome and achieve a clean audit;
- Differences between legal and accounting principles in disclosing contingent liabilities to be given special attention;
- Department to finalise the appointment of the Head of Department; and
- Vacancy rate within the Internal Audit Activity.
- In-year Management and monthly/quarterly report

The Department is required to report monthly and quarterly to Treasury as is required by the PFMA. The Audit Committee is satisfied with the content and quality of the quarterly reports prepared and issued by the Department as required by the PFMA, save for the urgency in attending to the control deficiencies highlighted by the committee in the above paragraph.

Risk Management

The Audit Committee is responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee on a quarterly basis on the governance and management of risk. The reports from the Risk Management Committee were quarterly reviewed and the committee concludes that the department's processes and systems relating to fraud prevention and risk management are adequate and effective.

Evaluation of Financial Statements

The Audit Committee reviewed the Annual Financial Statement and Performance Information and recommended their submission to AGSA for audit after taking into account the inputs of the Provincial Treasury, Internal Audit and the Audit Committee.

Compliance with laws and regulations

The Audit Committee is satisfied that the department has complied with all applicable legislation.

Internal Audit

The Audit Committee is satisfied that the Internal Audit function operated effectively throughout the year under review and that it has addressed the risks pertinent to the department in its audits during the year and has maintained its independence.

Auditor General's Report

We have reviewed the Department's implementation plan on audit issues raised by the AG in the previous year and we are satisfied that the plan adequately covered all issues raised.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements and read together with the report of the Auditor-General be accepted.

Conclusion

The Audit Committee extend its appreciation to the Executive Authority, Accounting Officer and Management, Internal Auditors and Auditor-General South Africa for their tireless efforts, commitment and support throughout the year.

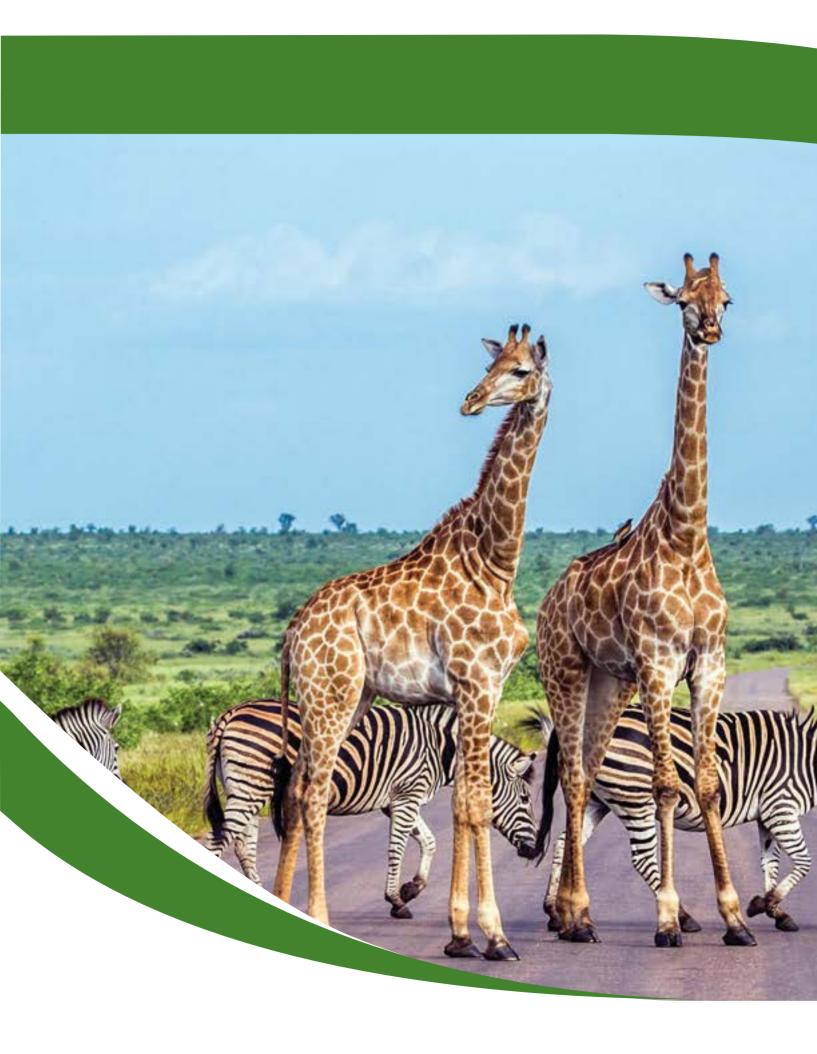
Ms. Thabsile Ranape Chairperson of the Audit Committee Department of Economic Development and Tourism 19 April 2024

13 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 -8) with regards to the following: Discussion Response (include a discussion on your response and indicate Criteria what measures have been taken to comply) Yes / No Determining qualification criteria for the issuing Issuing of licences, concessions or other authorisations are N/a of licences, concessions or other authorisations dealt with by entities of the department, not from within the in respect of economic activity in terms of any department law? Developing and implementing a preferential Yes The Department has identified target groups for procurement procurement policy? purposes. Determining qualification criteria for the sale of The only state owned assets were sold by auction in terms No state-owned enterprises? of the asset management and supply chain management policies of the department Developing criteria for entering into N/a The partnerships were entered into with the private sector partnerships with the private sector? Determining criteria for the awarding of N/a No such awards were made by the department incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?





Part D Human Resource Management

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

During the period under review, the Department managed to finalise the appointment of a female senior manager in Programme 3 which had been vacant for an extended period of time. This has contributed towards improving the EE profile of the Department at SMS level to 37%, which is still below the required 50%. There were twenty eight (28) appointments made during the period under review. However, the cost containment measures that were put in place halted the recruitment processes until all the admin processes are finalised as per the DPSA Directive.

The Department continued to be led by an Acting Head of Department due to the post being vacant since 01 December 2020. The recruitment process of an Accounting Officer is the responsibility of the Office of the Premier and the processes have been halted. The recruitment processes during the year had five promotions and two Interns appointments which have had a positive impact towards improving employees' morale. There were two precautionary suspensions at a senior management level which had an impact on the morale of the management team, however the process was managed and the SMS members were cleared of the charges, and they returned to work. During the period of precautionary suspensions the acting responsibility was given to female employees which was an opportunity to learn responsibilities at a higher level.

The Department achieved 99% compliance on the signing of performance agreements and 93% on the submission of annual assessments. An effort will be put in to ensure that the Department reaches 100% compliance. As part of consequence management, in this regard, employees who did not comply were instructed in writing to furnish reasons why they did not comply. As a result of the disciplinary processes, we anticipate 100% compliance in the next performance cycle.

The reports received from GEMS have indicated a high level of stress and employees who suffer from lifestyle related diseases. In an effort to promote a healthy lifestyle, emphasis was put on physical health and health awareness sessions during the period under review.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

Amount spent on personnel

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Amount spent on salaries, overtime, homeowner's allowances and medical aid.

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)	Total Number of Employees
Administration	116 211	74 919	1 614	0	64	586	117
Integrated Economic Development Services	740 428	30 220	164	0	4	862	35
Trade and Sector Development	26 514	14 917	15	0	56	829	18
Business Regulation & Governance	127 006	16 639	43	0	13	666	25
Economic Planning	18 365	16 193	165	0	88	953	17
Tourism	537 585	3 877	0	0	1	775	5
Total	1 566 109	156 766	2 001	0	10	688	217

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

The total expenditure R 1 614 000.00 for Administration is based on R 704 000.00 for internal training of officials and R 910 000.00 for the training of 10 unemployed youth who are participating on the New Venture Creation Learnership Programme.

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	2 342	1.50	15	156
Skilled (level 3-5)	5 182	3.33	13	399
Highly skilled production (levels 6-8)	42 911	27.63	81	530
Highly skilled supervision (levels 9-12)	69 095	44.49	77	897
Senior and Top management (levels 13-16)	30 181	19.43	22	1 371
Contract (Levels 1-2)	176	0.09	1	176
Contract (Levels 3-5)	653	0.42	3	218
Contract (Levels 6-8)	1 035	0.66	11	94
Contract (Levels 9-12)	3 837	2.47	4	959
Contract (Levels >= 13)	1 354	0.87	1	1 354
Total	156 766	100	228	688

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April
2023 and 31 March 2024

	Salaries		Overtime		Home Owners Allowance		Medical Aid	
Programme	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	51 433	87	1 553	3	1 601	3	4 233	7
Integrated Economic Development	20 739	91	62	0.27	559	2	1 505	7
Trade and Sector Development	10 348	79	2	0.01	219	2	851	6
Business regulation & Governance	11 546	89	38	0.29	508	4	854	7
Economic Planning	11 171	91	2	0.01	267	2	814	7
Tourism	2 613	7	32	1	40	0.11	197	0.55
Total	107 850	69	1 689	1	3 195	2	8 452	5

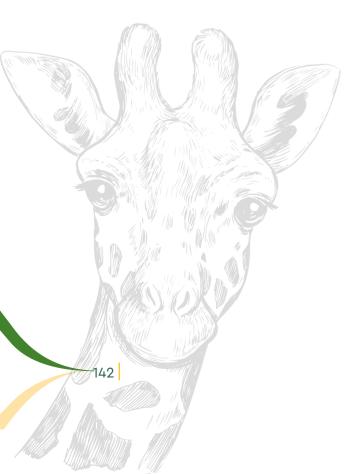


Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April
2023 and 31 March 2024

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	1 529	74	17	1	206	10	321	15
Skilled (level 3-5)	3 509	22	103	3	288	2	613	4
Highly skilled production (levels 6-8)	26 005	60	908	3	1 538	4	3 246	8
Highly skilled supervision (levels 9-12	50 859	76	625	1	913	1	3 315	4
Senior management (level 13-16)	19 587	94	0.00	0.00	251	1	959	5
Contract (Level 1-2)	130	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Level 3-5)	585	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Level 6-8)	972	96	36	3	0.00	0.00	0.00	0.00
Contract (Level 9-12)	3 514	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Level >= 13)	1 160	100	0.00	0.00	0.00	0.00	0.00	0.00
Total	107 850	69	1 689	1	3 195	2	8 454	5

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	130	117	10	0
Integrated Economic Development	40	35	13	2
Trade and Sector Development	19	18	5	0
Business Regulation & Governance	28	25	11	0
Economic Planning	18	17	6	0
Tourism	5	5	100	0
Total	240	217	10	2

NB: Interns employees are excluded from this table.

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	16	15	6	0
Skilled (3-5)	22	21	5	0
Highly skilled production (6-8)	75	72	4	0
Highly skilled supervision (9-12)	89	78	12	2
Senior management (13-16)	28	22	21	0
Contract (Level 1-2), Permanent	1	1	0	0
Contract (Level 3-5), Permanent	3	3	0	0
Contract (Level 6-8)	0	0	0	0
Contract (Level 9-12), Permanent	5	4	20	0
Contract (Level >=13), Permanent	1	1	0	0
Total	240	217	10	2

NB: Interns employees are excluded from this table.

Table 3.2.3 Employment and va	acancies by critical	occupations as on 3	1 March 2024
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Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	2	2	0	2
Cleaners in offices workshop hospitals etc., permanent	19	18	5	0
Communication and Information related, permanent	13	12	8	0
Economists, permanent	28	25	11	0
Finance and economics related, permanent	12	10	17	0
Finance and related professionals, Permanent	4	3	25	0
Financial clerks and credit controllers, permanent	7	6	14	0
Food service aid and waiters, permanent	1	1	0	0
General legal administration & rel. Professionals, permanent	0	0	0	0
Head of Department/ chief executive officer, permanent	1	0	0	0
House Keepers laundry and related workers, permanent	1	1	0	0
Human resource & organisational development & related professional, permanent	4	4	0	0
Human resource clerks, permanent	0	0	0	0
Human resource related, permanent	12	9	25	0
Information technology related, permanent	1	1	0	0
Legal related, permanent	2	2	0	0
Light vehicle drivers, permanent	3	3	0	0
Logistical support personnel, permanent	9	9	0	0
Messengers porters and deliverers, permanent	0	0	0	0
Other administration & related clerks and organisers, permanent	15	14	7	0
Other occupations, permanent	30	30	0	0
Regulatory inspectors, permanent	9	7	22	0
Risk management and security services, permanent	4	4	0	0
Secretaries & other keyboard operating clerks, permanent	20	19	5	0
Senior managers, permanent	29	23	21	0
Statisticians and related professionals, permanent	0	0	0	0
Trade/industry advisers & other related profession, permanent	14	14	0	0
Total	240	217	10	2

NB: Interns employees are excluded from this table.

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation -

- in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Filling of SMS Posts

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The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director- General/ Head of Department	1	0	0	1	100
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	6	5	83	1	17
Salary Level 13	21	17	82	4	19
Total	29	23	79	6	21

Table 3.3.1 SMS post information as on 31 March 2024

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director- General/ Head of Department	1	0	0	1	100
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	6	5	83	1	17
Salary Level 13	21	16	82	5	19
Total	29	22	79	7	21

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

	Advertising	Filling of Posts		
SMS Level	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	
Director-General/ Head of Department	0	0	0	
Salary Level 16	0	0	0	
Salary Level 15	0	0	0	
Salary Level 14	0	0	0	
Salary Level 13	0	0	0	
Total	0	0	0	

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months

There were no posts that were advertised during the period under review, the vacant posts that were in the process of being filled were advertised in the previous year.

Reasons for vacancies not filled within twelve months

The recruitment processes that were underway had to be halted when the cost containment measures were put in place, in order to facilitate the admin processes that were required by the cost containment measures.

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within12 months for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months

The post were advertised in the previous financial year and the recruitment processes to fill the post had to be suspended due to the cost containment measures.

Reasons for vacancies not filled within six months

The introduction of cost containment measures, which required a particular administrative process to be followed before the filling posts.

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.



Salary band	Number of	Number % of F		Posts Upgraded		Posts downgraded	
	posts on approved establishment	of Jobs Evaluated	posts evaluated by salary bands	Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	16	0	0	0	0	0	0
Skilled (Levels 3-5)	22	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	75	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	89	0	0	0	0	0	0
Senior Management Service Band A	20	0	0	0	0	0	0
Senior Management Service Band B	6	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Contract (Level 1-2)	1	0	0	0	0	0	0
Contract (Level 3-5)	3	0	0	0	0	0	0
Contract (Level 6-8)	0	0	0	0	0	0	0
Contract (Level 9-12)	5	0	0	0	0	0	0
Contract Band A	1	0	0	0	0	0	0
Total	240	0	0	0	0	0	0

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period1 April 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees v	0				

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	N/A
None	0	0	0	N/A
None	0	0	0	N/A
None	0	0	0	N/A
Total number of employ	0			
Percentage of total em	0			

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0

Notes

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If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
--	------

Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0	14	0	0
Skilled (Levels3-5)	21	1	2	10
Highly skilled production (Levels 6-8)	74	7	6	8
Highly skilled supervision (Levels 9-12)	78	4	1	1
Senior Management Service Bands A	14	1	0	0
Senior Management Service Bands B	6	0	0	0
Senior Management Service Bands D	1	0	0	0
Contract (Level 1-2) Permanent	1	0	0	0
Contracts (Levels 3-5) Permanent	3	0	0	0
Contract (Levels 6-8) Permanent	0	0	0	0
Contract (Levels 9-12) Permanent	5	0	0	0
Contract Band A Permanent	1	0	0	0
Total	204	27	9	4

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Intermediation2042794NB: One official was appointed on salary level 11 and later appointed on salary level 12 within the same financial year



Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period- April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related permanent	2	0	0	0
Cleaners in offices workshops hospitals etc. permanent	5	14	2	40
Communication and information related permanent	12	0	0	0
Economists permanent	25	1	0	0
Finance and economics related permanent	9	4	2	22
Financial and related professionals permanent	3	0	1	33
Financial clerk and credit controllers permanent	6	0	0	0
Food service aids and waiters permanent	1	0	0	0
General legal administration & rel. professionals permanent	0	0	0	0
Housekeepers laundry and related workers permanent	1	0	0	0
Human resources & organisational development & relate prof permanent	4	0	0	0
Human resource clerk permanent	0	0	0	0
Human resource related permanent	10	1	1	10
Information technology related permanent	1	0	0	0
Legal related permanent	2	0	0	0
Light vehicle drivers permanent	2	1	0	0

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Critical occupation	Number of employees at beginning of period- April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Logistical support personnel permanent	9	0	0	0
Messenger porters and deliverers permanent	0	0	0	0
Other administrator & related clerks and organisers permanent	14	1	1	7
Other occupations permanent	29	1	0	3
Regulatory inspectors permanent	7	1	1	14
Risk Management and Security service	5	1	1	20
Secretaries & other keyboard operating clerks permanent	21	1	0	0
Senior managers permanent	22	0	0	0
Statistician and related professionals permanent	0	0	0	0
Trade/ industry advisers & other related profession permanent	14	1	0	0
TOTAL	204	27	9	4

NB: One official was appointed on salary level 11 and later appointed on salary level 12 within the same financial year

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation -

- in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death	0	0
Resignation	2	22
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	1	11
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	4	44
Transfer to other Public Service	2	22
Departments		
Other	0	0
Total	9	100
Total number of employees who left as	9	4
a % of total employment		

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related permanent	2	2	100	2	100
Cleaners in offices workshops hospitals etc. permanent	5	0	0	0	0
Communication and information related permanent	12	1	8	4	33
Economists permanent	25	1	4	22	88
Finance and economics related permanent	9	0	0	7	78
Financial and related professionals permanent	3	0	0	2	67
Financial clerk and credit controllers permanent	6	0	0	2	33
Food service aids and waiters permanent	1	0	0	0	0
General legal administration & rel. professionals permanent	0	0	0	0	0
Housekeepers laundry and related workers permanent	1	0	0	0	0

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Human resources & organisational	4	0	0	0	0
development & relate prof permanent					
Human resource clerk permanent	0	0	0	0	0
Human resource related permanent	10	2	20	10	100
Information technology related permanent	1	0	0	1	100
Legal related permanent	2	0	0	0	0
Light vehicle drivers permanent	2	0	0	0	0
Logistical support personnel permanent	9	0	0	3	33
Messenger porters and deliverers permanent	0	0	0	0	0
Other administrator & related clerks and organisers permanent	14	7	50	14	100
Other occupations permanent	29	1	3	4	14
Regulatory inspectors permanent	7	2	29	0	0
Risk Management and Security Services	5	0	0	1	20
Secretaries & other keyboard operating clerks permanent	21	1	5	9	43
Senior managers permanent	22	0	0	1	6
Statistician and related professionals permanent	0	0	0	0	0
Trade/ industry advisers & other related profession permanent	14	0	0	3	21
Total	204	17	8	85	42

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Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 2023	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	21	0	0	8	38
Highly skilled production (Levels 6-8) Permanent	74	11	15	23	31
Highly skilled supervision (Levels 9-12) Permanent	78	6	7	43	55
Senior Management (Level 13-16) Permanent	21	0	0	11	52
Contract (Levels 1-2), Permanent	1	0	0	0	0
Contract (Levels 3-5), Permanent	3	0	0	0	0
Contract (Levels 6-8), Permanent	0	0	0		0
Contract (Level 9-12), Permanent	5	0	0	0	0
Contract (Levels >= 13), Permanent	1	0	0	0	0
Total	204	17	2	85	42

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 1 April 2023 and 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and managers (13-16)	13	0	0	2	7	0	0	1	23
Professionals (11-12)	24	1	0	1	15	0	1	2	44
Technicians and associate professionals (9-10)	17	0	0	0	20	0	0	1	37
Clerks, Semi-skilled and discretionary decision making (4-8)	26	0	0	0	64	0	0	2	92
Service and sales workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations (Labourers and related workers) (2-3)	3	0	0	0	18	0	0	0	21
Total	83	1	0	3	124	0	1	5	217
Employees with disabilities	3	0	0	0	0	0	0	0	3

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Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 1 April 2023 and 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	2	0	0	1	6
Senior Management	9	0	0	2	5	0	0	0	16
Professionally qualified and experienced specialists and mid- management	22	1	0	1	13	0	1	2	40
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	17	0	0	0	20	0	0	0	37
Semi-skilled and discretionary decision making	25	0	0	0	62	0	0	2	89
Unskilled and defined decision making	3	0	0	0	16	0	0	0	19
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally Qualified), Permanent	2	0	0	0	2	0	0	0	4
Contract (Skilled Technical)	0	0	0	0	0	0	0	0	0
Contract (Semi-Skilled), Permanent	1	0	0	0	2	0	0	0	3
Contract (Unskilled), Permanent	0	0	0	0	2	0	0	0	2
Total	83	1	0	3	124	0	1	5	217

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Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid- management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	3	0	0	0	6	0	0	0	9
Unskilled and defined decision making	3	0	0	0	11	0	0	0	14
Total	8	0	0	0	19	0	0	0	27
Employees with disabilities	1	0	0	0	0	0	0	0	1

Table 3.6.3 Recruitment for the period 1 April 2023 and 31 March 2024

NB: One official with disability was appointed on salary level 11 and later appointed on salary level 12 within the same financial year

Table 3.6.4 Promotions for the period 1 April 2023 and 31 March 2024

Occupational	Male				Female				Total
band	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	3	0	0	0	3
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled), permanent	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	3	0	0	0	5
Employees with disabilities	1	0	0	0	0	0	0	0	1

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid- management	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	1	0	0	0	5	0	0	0	6
Unskilled and defined decision making	0	0	0	0	2	0	0	0	2
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0
Contract (Skilled technician), Permanent	0	0	0	0	0	0	0	0	0
Total	1	0	0	0	8	0	0	0	9
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2023 and 31 March 2024

Table 3.6.6 Disciplinary action for the period 1 April 2023 and 31 March 2024

Disciplinary	Male				Female				Total
action	African	Coloured	Indian	White	African	Coloured	Indian	White	
Absenteeism	0	0	0	0	2	0	0	0	2
Deliberate alternatively negligent action that led to a financial loss in the Department	1	0	0	0	0	0	0	1	2

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	4	0	0	0	2	0	0	0	6
Professionals	19	1	0	0	22	0	0	2	44
Technicians and associate professionals	13	0	0	0	4	0	1	0	18
Clerks	1	0	0	0	12	0	0	1	14
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	37	1	0	0	40	0	1	3	82
Employees with disabilities	2	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2023 and 31 March 2024

NB. This above training numbers are of individuals attended training not per number of interventions that they have attended.

Signing of Performance Agreements by SMS Members

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All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	6	5	4	80
Salary Level 13	21	17	16	94
Total	28	22	20	91

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2023

NB: This figure exclude the EA as they do not administratively report to the Department in terms of the signing of performance agreement.

Notes

In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024

Reasons

Two officials did not comply with the submission time frame and did not provide reasons after letters were written.

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024

Reasons

The SMS members who did not sign were given letters to explain why they not comply with the signing of performance agreements.

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

	Beneficiary Profi	le		Cost	
Race and Gender	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	80	0	0	0
Female	0	124	0	0	0
Asian					
Male	0	0	0	0	0
Female	0	1	0	0	0
Coloured					
Male	0	1	0	0	0
Female	0	0	0	0	0
White					
Male	0	3	0	0	0
Female	0	5	0	0	0
Employees with disability	0	3	0	0	0
Total	0	217	0	0	0

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 and 31 March 2024

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period1 April 2023 and 31 March 2024

	Beneficiary Pr	ofile		Cost		Total cost as a
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	% of the total personnel expenditure
Lower Skilled (Levels 1-2)	0	15	0	0	0	0
Skilled (level 3-5)	0	20	0	0	0	0
Highly skilled production (level 6-8)	0	72	0	0	0	0
Highly skilled supervision (level 9-12)	0	77	0	0	0	0
Contract (Levels 1-2)	0	1	0	0	0	0
Contract (Levels 3-5)	0	4	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	5	0	0	0	0
Total	0	194	0	0	0	0

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 and 31 March 2024

	Beneficiary Profile Cost					
Critical occupation	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee	
Financial clerks and credit controllers	0	6	0	0	0	
Human resource clerk	0	0	0	0	0	
Human resource & organisational development & relate prof	0	4	0	0	0	
Messengers porters and deliverers	0	0	0	0	0	
Risk management and security services	0	4	0	0	0	
Finance and economics related	0	10	0	0	0	
Logistical support personnel	0	9	0	0	0	
Other administration & related clerks and organisers	0	14	0	0	0	
Housekeepers laundry and related workers	0	1	0	0	0	
Other occupations	0	30	0	0	0	
Legal related	0	2	0	0	0	
Financial and related professionals	0	3	0	0	0	
Historians and Political scientist	0	1	0	0	0	
Administrative related	0	2	0	0	0	
Communication and information related	0	12	0	0	0	
Secretaries & other keyboard operating clerks	0	19	0	0	0	
Cleaners I offices workshops hospitals etc.	0	18	0	0	0	
Human resources related	0	9	0	0	0	
Trade/industry advisers & other related professionals	0	14	0	0	0	
Regulatory inspectors	0	7	0	0	0	
Statisticians and related professionals	0	0	0	0	0	
Senior managers	0	22	0	0	0	
Economists	0	25	0	0	0	
Light vehicle drivers	0	3	0	0	0	
Food services aids and waiters	0	1	0	0	0	
Information technology related	0	1	0	0	0	
Total	0	217	0	0	0	

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation -

- in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 and 31 March 2024

	Beneficiary Pr	ofile		Cost			
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	as a % of the total personnel expenditure	
Band A	0	17	0	0	0	0	
Band B	0	5	0	0	0	0	
Band C	0	0	0	0	0	0	
Band D	0	0	0	0	0	0	
Total	0	22	0	0	0	0	

NB: The total number exclude the EA

Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024

Salary band	01 April 2023		31 March 2024	-	Change		
	Number	% of total	Number	% of total	Number	% Change	
Lower skilled	0	0	0	0	0	0	
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0	
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0	
Contract (level 9-12)	0	0	0	0	0	0	
Contract (level 13-16)	0	0	0	0	0	0	
Total	0	0	0	0	0	0	



Major occupation	01 April 2023		31 March 2024		Change		
	Number	% of total	Number	% of total	Number	% Change	
None	0	0	0	0	0	0	
Total	0	0	0	0	0	0	

Table 3.9.2 foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	12	83	2	2	6	8
Skilled (levels 3-5)	102	87	8	10	13	112
Highly skilled production (levels 6-8)	291	72	40	5	7	519
Highly skilled supervision (levels 9-12)	207	75	35	37	6	693
Top and Senior management (levels 13-16)	38	68	9	10	4	194
Total	650	75	94	100	7	1 525



Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	39	100	1	50	39	33
Highly skilled production (Levels 6-8)	61	100	2	50	61	134
Highly skilled supervision (Levels 9-12)	3	100	1	50	3	3
Senior management (Levels 13- 16)	0	0	0	0	0	0
Total	103	100	4	100	26	170

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days taken Number of Employed using annual leave		Average per employee
Lower skilled (Levels 1-2)	60	5	11
Skilled Levels 3-5)	393	19	21
Contract (Levels 3-5)	0	0	0
Highly skilled production (Levels 6-8)	2 029	84	24
Contract (Level 6-8)	260	12	22
Highly skilled supervision(Levels 9-12)	1 952	76	26
Senior management (Levels 13-16)	408	20	20
Total	5 102	222	23

NB: The annual leave report includes interns

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Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2023/24 due to non-utilisation of leave for the previous cycle	73	2	36
Capped leave payouts on termination of service for 2023/24	408	4	102
Current leave payout on termination of service for 2023/24	301	3	101
Total	782	9	137



HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Commercial Cleaners	Provision of PPE's e.g gloves, mouth covers and OHS training on workplace hygiene.

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms IN Phiri: Acting Chief Director Corporate Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well- being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Department has established the Transversal Services sub-directorate that is responsible for both EHWP and Special Programmes. The sub-directorate consist of three (03) officials and the budget allocated is three million, and one hundred and two thousand rand (R3 459 000) for compensation and goods & services.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		The Department has implemented the integrated Employee Health and Wellness Programmes as per the National Employee Health & Wellness Strategic Framework. The elements were health promotion, physical wellness, and promotion of health & safety and well as counselling and support for individual employees and their families.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Occupational Health & Safety committee Ms BG Molahlegi, Ms S Malaza, Ms L Phoku, Ms M Mabilu, Ms Y Thabethe, Ms A Tshifularo, Mr MD Mashaba, Mr S Mahlangu, Mr C Ngobe, Mr L Mapheto, Mr M Mthethwa, Ms SJ Phahlamohlaka, Mr N Mkhatshwa, Ms Z Mabuza, Ms IN Phiri, Mr S Mhlaba, Mr N Mphaphuli, Ms Y Molapo, Mr G Manzini, Dr M Ramodibe and Mr V Makamu.
			Employment Equity Committee: Mr SJ Nkambule, Ms SJ Phahlamohlaka, Ms H Mokotedi, Ms C Mndawe, Mr LE Monate, Mr MS Mahlangu, , Ms N Mphathele, Ms F Hlathi, Ms IN Phiri, Ms A Johnson and Mr VS Hlatshwayo, Ms BG Molahlegi

Question	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Yes, e-leave management and workplace harassment policies were reviewed to ensure that the designated groups including employees infected with HIV are not discriminated against. In addition, the Department ensures compliance with the reviewed PILIR policy.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV- positive from discrimination? If so, list the key elements of these measures.	Yes		The Department has developed and implement the HIV/AIDS, STI and TB Management policy to ensure that protection of rights of all employees from stigma and discrimination in the workplace.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		During the financial year under review, the Department arranged onsite Health Screening sessions including HIV Counselling and Testing, 03 (1,4%) utilized the services. Furthermore, employees are continually encouraging to undergo medical screenings and adhere to treatment.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	Yes		The Department analyses sick leave persal reports, GEMS stakeholder quarterly reports and the Health Risk management reports on quarterly basis to monitor the impact of the health promotion programmes and develop relevant prevention measures.

Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2023 and 31 March 2024

	Subject matter	Date
	N/A	N/A
[Notes	

If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	N/A

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	1	25
Dismissal	1	25
Not guilty	2	50
Case withdrawn	0	0
Total	4	100
	· · · · · · · · · · · · · · · · · · ·	
Total number of Disciplinary hearings	4	

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Absenteeism	03	60
Failure to prevent irregular expenditure	02	40
Total	05	100

Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	04	80
Number of grievances not resolved	01	20
Total number of grievances lodged	05	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	3	60
Number of Disputes pending	2	40
Total number of disputes lodged	5	100

Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

finalised

Table 3.12.7 Precautionary suspensions for the period 1 April 2023 and 31 March 2024

Number of people suspended	02
Number of people who's suspension exceeded 30 days	02
Average number of days suspended	117
Cost of suspension(R'000)	618

Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2023 and 31 March 2024

Occupational	Gender	Number of	Training needs identified at start of the reporting period			
category		employees as at 1 April 2023	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior	Female	5	0	1	4	5
officials and managers 13-16	Male	17	0	1	3	4
Professionals 11-12	Female	74	1	5	9	15
	Male	52	0	6	5	11
Technicians	Female	19	0	12	7	19
and associate professionals 9-10	Male	16	0	8	11	22
Clerks 4-8	Female	28	0	22	26	48
	Male	5	0	9	12	17
Service and sales	Female	0	0	0	0	0
workers	Male	0	0	0	0	0
Skilled agriculture	Female	0	0	0	0	0
and fishery workers	Male	0	0	0	0	0
Craft and related	Female	0	0	0	0	0
trades workers	Male	0	0	0	0	0
Plant and machine	Female	0	0	0	0	0
operators and assemblers	Male	0	0	0	0	0
Elementary	Female	7	0	0	0	0
occupations 2-3	Male	1	0	0	0	0
Sub Total	Female	133	1	40	46	87
	Male	83	0	24	31	55
Total		216	1	64	77	142

NB. The total number reflects the number of training needs identified by employees.

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Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of	Training provided within the reporting period			
		employees as at 1 April 2023	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials	Female	5	0	0	3	3
and managers 13-16	Male	17	0	0	4	4
Professionals 11-12	Female	19	1	4	8	12
	Male	25	0	14	20	34
Technicians and associate	Female	20	0	4	8	12
professionals 9-10	Male	18	0	2	6	8
Clerks 4-8	Female	67	0	9	26	35
	Male	24	0	5	11	16
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and	Female	0	0	0	0	0
fishery workers	Male	0	0	0	0	0
Craft and related trades	Female	0	0	0	0	0
workers	Male	0	0	0	0	0
Plant and machine	Female	0	0	0	0	0
operators and assemblers	Male	0	0	0	0	0
Elementary occupations	Female	9	0	0	0	0
2-3	Male	0	0	0	0	0
Sub Total	Female	122	1	17	45	63
	Male	82	0	21	41	62
Total		204	1	38	86	125

NB. The number total number of training interventions attended by employees in relation to the training needs identified in table 3.13.1



Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

The rendering of expert advice;

The drafting of proposals for the execution of specific tasks; and

The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31March 2024

No consultants were appointed during the financial year under review

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			



Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically DisadvantagedIndividuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

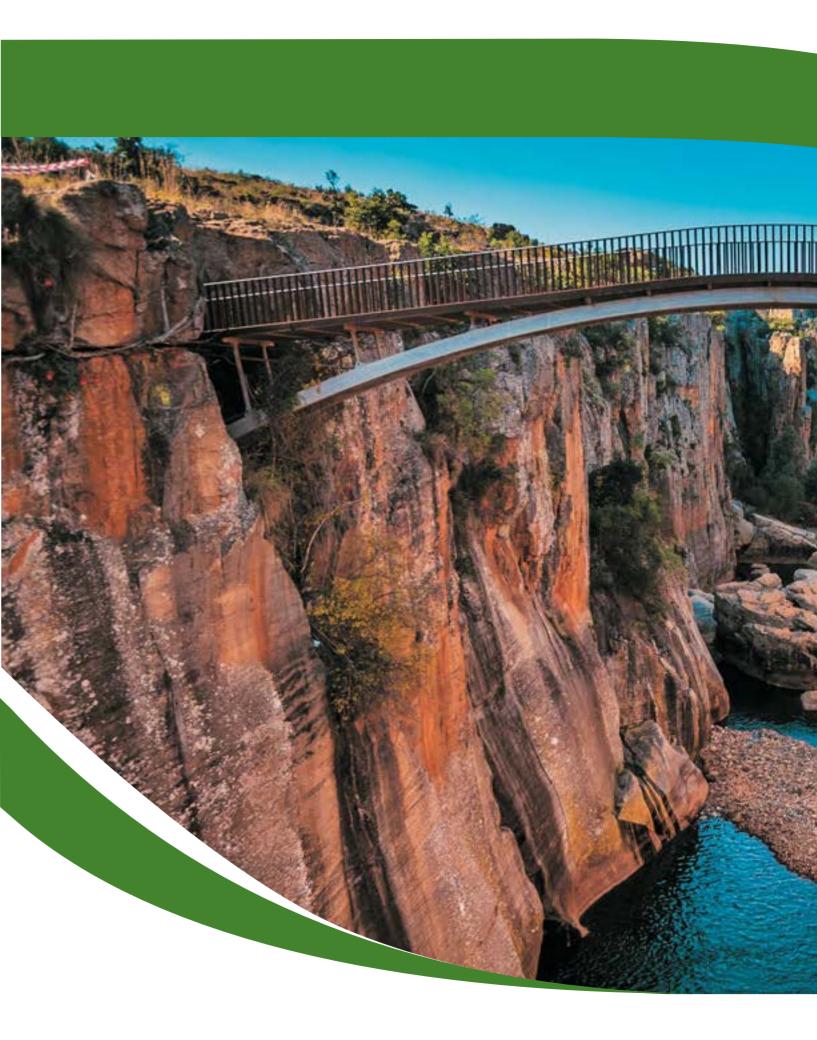


Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2023 and 31 March 2024

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0





Part E PFMA Compliance Report

IRREGULAR, FRUITLESSANDWASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	114,658	100,588
Adjustment to opening balance	-4,604	-
Opening balance as restated	110,054	-
Add: Irregular expenditure confirmed	13,010	14,070
Less: Irregular expenditure condoned		
Less: Irregular expenditure not	-79,867	-
condoned and removed		
Less: Irregular expenditure recoverable1		
Less: Irregular expenditure not		
recoverable and written off		
Closing balance	43,197	114,658

The opening balance relates to irregular expenditure from previous year on the extension of contracts and non-compliance to supply chain management processes. The opening balance has been reduced by amounts assessed as incorrectly included previously. Investigations and processes related to the remaining balance and new amounts are ongoing, and contributed towards a request for condonation to the value of R32 313 946 which was submitted shortly before the end of the year. The total irregular expenditure confirmed (2023/24) amounts to R13 010 000 of which R11 400 198 is in relation to the extension of contracts without following due processes. The remaining amount of R1 609 802 relates to participation agreement not signed with the service provider.

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment		112
Irregular expenditure that relates to the prior year and identified in the current year		
Irregular expenditure for the current year	13,010	13,958
Total	13,010	14,070





Description2	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	2,932	112
Irregular expenditure under determination	-	75
Irregular expenditure under investigation	-	
Total	2,932	187

Approval of participation agreement letter was granted by Dardlea after the services were rendered to the department (Dedt)

Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

A request for condonation of an amount of R32,313,946 was submitted to the Provincial Treasury on 28 March 2024.

Details of irregular expenditure removed- (not condoned)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	79,867	-
Total	79,867	-

The Provincial Treasury provided the following reason for not condoning amounts as submitted:

There is no evidence that the accounting officer had complied with section 38(1)(a)(i) of the PFMA in maintaining effective, efficient and transparent systems of internal control

The Loss Control Committee assessed the balances as presented, and found that in each instance the institution did not suffer any loss related to the payments which were made, that the standard operating procedures had been adjusted in such a way as to prevent all future similar incidences, and that no similar transgressions had occurred since the adjustments to the standard operating procedures. The following amounts were removed from the register;

R427 313 PMDS beyond the prescribed budget

R77 410 335 Extension of contracts without requesting approval from the relevant Treasury

R1 999 791 Contracts awarded to bidders whose bids were received after the closing date

² Group similar items

Details of irregular expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

None

Details of irregular expenditure written off (irrecoverable)

Description	2023/2024	2022/2023	
	R'000	R'000	
Irregular expenditure written off	-	-	
Total	-	-	
None			

Additional disclosure relating to Inter-Institutional Arrangements

Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
Property rental – Occupation of building without approval of contract extension.
Total R

The contract expired but not terminated therefore operates on month-to-months basis.

Details of irregular expenditure cases where an institution is involved in an interinstitutional arrangement (where such institution is responsible for the noncompliance)3

Description	2023/2024	2022/2023
	R'000	R'000
None	-	-
Total	-	-

³

Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

Office equipment rental – Incorrect SCM procedures followed in the renewal of contract was reported incorrect during the previous financial year for the amount of R11,123,729.65

The department had sourced the contract direct with the service provider.

Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

The Accounting Officer issued representation letters to five (5) officials for failure to prevent irregular expenditure within their area of responsibility.

The Accounting Officer was satisfied with the reasons furnished by the individuals

1.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	6,765	6,765
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed		
Less: Fruitless and wasteful expenditure recoverable4		
Less: Fruitless and wasteful expenditure not recoverable and written off	-6,765	
Closing balance	-	6,765

A Legal opinion was sought from State Attorney to verify the correctness of the outcome from the investigation report. The opinion concluded that the expenditure paid was justified

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under		
assessment		
Fruitless and wasteful expenditure that relates to		6,765
the prior year and identified in the current year		
Fruitless and wasteful expenditure for the current year	-	
Total	-	6,765

⁴ Transfer to receivables

Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description5	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	
Fruitless and wasteful expenditure under determination	-	
Fruitless and wasteful expenditure under investigation	-	6,765
Total	-	6,765

A Legal opinion was sought from State Attorney to verify the correctness of the outcome from the investigation report. The opinion concluded that the expenditure paid was justified

Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	-	-

None

Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	-6,765	-
Total	-6,765	-

A Legal opinion was sought from State Attorney to verify the correctness of the outcome from the investigation report. The opinion concluded that the expenditure paid was justified

Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken

Two officials were placed on precaution suspension and subjected to disciplinary hearing, the outcome thereof the officials were found not guilty and suspension lifted.

Total R6 765 000

N/A

5

Group similar items

1.3 Unauthorised expenditure

Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable6	-	-
Less: unauthorised not recoverable and written off7	-	-
Closing balance	-	-

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

Details of unauthorised expenditure (under assessment, determination, and investigation)

Description ^a	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

None

⁶ Transfer to receivables

⁷ This amount may only be written off against available savings

⁸ Group similar items

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))9

Details of material losses through criminal conduct

2023/2024	2022/2023
R'000	R'000
-	-
-	-
-	-
-	-
-	-
	R'000 - - -

None

Details of other material losses

2023/2024	2022/2023
R'000	R'000
-	-
-	-
-	-
-	-
-	-
-	-
	R'000 - - - -

None.

Other material losses recoverable

2023/2024	2022/2023
R'000	R'000
-	-
-	-
-	-
-	-
-	-
-	-
	R'000 - - - - - -

None

Information related to material losses must be disclosed in the annual financial statements.

Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

None

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value	
		R'000	
Valid invoices received	1490	2190 444	
Invoices paid within 30 days or agreed period	1470	2 039 457	
Invoices paid after 30 days or agreed period	20	3310	
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0	
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0	

Late response from suppliers in correcting invoices.



3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Legal Services	Lamula KB Attorneys	Participation from another organ of state contract	ALA/532/21/MP	2 049
Legal Services	Majavu Incorporated	Participation from another organ of state contract	ALA/532/21/MP	1005
Conferences , seminar , venues	The Institute of People Management	Sole service provider- IPM is the only service provider rendering this conference	Quotation	99
Conferences , seminar , venues	The Institute Of Risk Management	Sole service provider- IRMSA is the only service provider rendering this conference	Quotation	44
Annual government law conference	Intelligence Transfer Centre	Sole Service Provider- annual government law conference	Quotation	52
Accommodation	Vakasha Travel	Deviation from cost containment. The Department will be participating in Tourism Ndaba in Durban that will take place on the 09- 11 May 2023. The accommodation available is a 4 star grading. Hence, an approval was requested to utilize the available accommodation for set dates.	MPPT002/19/02	32
Publication on Government Gazette	Government Printing Works	Sole service provider- Home Affairs Government Printing Works is the sole provider for the this service	Quotation	10`

Mpumalanga: Department of Economic Development and Tourism - Vote 6

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Membership fees	Internal Audit	Sole professional body regulating internal auditors- Renewal of membership fees	Quotation	54
Legal Services	Justice And Constitutional Development	Sole service provider	Quotation	113
Renewal of ARCFIS Software	ESRI SA	Sole Service Provider	Quotation	119
Exhibition services	Manufacturing Indaba	Sole service provider- Manufacturing Indaba is the only specialized exhibition available for the identified companies the department is supporting	Quotation	327
Publication on Newspaper	Media24	City Press is the only Newspaper read by the targeted audience(Legal practitioners), in terms of readership	Quotation	89
Catering Services	N.O Mtshwene Catering Projects	Deviation from normal supply chain management processes for an additional 90 SMMES as per approved memo dated 07 March 2024	Quotation	29
Legal Services	Justice And Constitutional Development	Sole service provider	Quotation	113
Radio Broadcast	Mpumalanga NCRF HUB	Radio slots for Mpumalanga national radio forum Rise FM and SABC which are on major radio stations targeting our provincial population	Quotation	414
Conferences , seminar , venues	National School Of Government	Sole service provider- National School of Government is the only service provider providing this training	Quotation	111

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Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Delivery of books	Rex Books	Only one service provider has been able to deliver all the journals requested on a monthly basis	Quotation	9
Radio Broadcast	South African Broadcasting Corporation	Radio slots for Mpumalanga national radio forum Rise FM and SABC which are on major radio stations targeting our provincial population	Quotation	111
Conferences , seminar , venues	SABS Training Centre	Sole Service Provider	Quotation	30
Conferences , seminar , venues	Southern Cross Conference	Sole service provider- The conference is offered by Smart Cartography for sustainable development and is the only service provider providing this conference	Quotation	75
Conferences , seminar , venues	State Information Technology Agency	Sole Service Provider	Quotation	67
Conferences , seminar , venues	The Economic Society of South Africa	Sole Service Provider	Quotation	7
Star Grading	Tourism Grading Council	Sole Service Provider	Quotation	61
Renewal of subscription services	Trade Research Advisory	Sole Service Provider	Quotation	446
Subscription fees	Wolters Kluwer Tax And Accounting	Sole provider for the service-Annual maintenance charge for the audit software	Quotation	24
Total				5 967

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Mpumalanga International Fresh Produce Market- MIFPM	Enza Construction	Variation and extension of time and adjustment of scope	DPWRT/018/12/ MP	1,234,713	290,738	5,301
Mpumalanga International Fresh Produce Market- MIFPM	Imbeu Development and Project Management	Variation and extension of time and adjustment of scope	DPWRT/018/12/ MP	15,093	16,346	10,525
Mpumalanga International Fresh Produce Market- MIFPM	Orbic Architects	Variation and extension of time and adjustment of scope	DPWRT/018/12/ MP	48,996	33,048	-
Mpumalanga International Fresh Produce Market- MIFPM	Delta Built Environment Consultants	Variation and extension of time and adjustment of scope	DPWRT/018/12/ MP	7,382	35,229	13,007
Mpumalanga International Fresh Produce Market- MIFPM	Nemorango Consulting Engineers	Variation and extension of time and adjustment of scope	DPWRT/018/12/ MP	58,098	87,741	20,229
Total				1,364,282	463 102	49 062

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Part F

Annual Financial Statements

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Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 6: Department of Economic Development and Tourism

Report on the audit of the financial statements

Opinion

- 1. I have audited the financial statements of the Department of Economic Development and Tourism set out on pages 207 to 282 which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development and Tourism as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

- 3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
- 4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
- 5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material underspending of the vote

7. As disclosed in the appropriation statement, the department materially underspent the budget by R14,5 million on programme 3 – trade and sector development.

Restatement of corresponding figures

8. As disclosed in note 26 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of error in the financial statements of the department at, and for the year ended, 31 March 2024.

Responsibilities of the accounting officer for the financial statements

- 9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 10. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

- 11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 201 forms part of my auditor's report.

Report on the audit of the annual performance report

- 13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
- 14. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: integrated economic development services	54 - 64	To stimulate economic growth through the promotion of HDIs and stimulate economic growth in the province
Programme 4: business regulation and governance	82 - 86	To ensure an equitable, socially responsible business environment that allows fair trade and the protection of consumer rights

- 15. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
- 16. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
- 17. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
- 18. I did not identify any material findings on the reported performance information for the integrated economic development services.
- 19. The material findings on the reported performance information for the selected programme are as follows:



% of consumer cases resolved within specified timeframes

20. An achievement of 99,6% consumer cases resolved within specified timeframes was reported against a target of 100%. I could not determine whether the reported achievement was correct, as the indicator was not well defined and adequate supporting evidence to clarify the methods and processes for measuring achievement were not provided. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target has been achieved.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

- 22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over or underachievements. This information should be considered in the context of the material findings on the reported performance information.
- 23. The tables that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

Programme 4: business regulation and governance

Targets achieved: 40% Budget spent: 97,61%		
Key indicator not achieved	Planned target	Reported achievement
% of consumer cases resolved within specified timeframes	100%	99,6% consumer cases resolved within specified timeframes
Number of reviewed business licensing, gambling and liquor policies and guidelines	3	2 reviewed Mpumalanga Gambling and Liquor Licensing Act
Number of new policies on the informal sector in line with applicable norms and standards	1	Not achieved Progress to date: The development of the provincial informal sector policy is now awaiting consolidation and validation, a process, which will be followed by final approval, and launching of the informal sector

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Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for integrated economic development services, and business regulation and governance. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

- 25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
- 26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
- 27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
- 28. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Financial statements and annual report

29. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected subsequently, resulting in the financial statements receiving an unqualified opinion.

Procurement and contract management

- 30. I was unable to obtain sufficient appropriate audit evidence that contracts were awarded to bidders in an economical manner and prices for the goods or services were reasonable, as required by PFMA 38(1)(b) and PFMA 45(b).
- 31. In contracts of participation, participation was not approved by the other organ of state and by the relevant contractor, in accordance with treasury regulation 16A6.6.

Expenditure management

32. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 21 to the annual financial statements and required by section 38(1)(c)(ii) of the PFMA and

treasury regulation 9.1.1. The majority of the irregular expenditure was caused by extensions of contracts without following due processes.

Other information in the annual report

- 33. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
- 34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 35. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 36. The other information I obtained prior to the date of this auditor's report are the general information, performance information, governance information, human resource management information, compliance information, and the financial information and the foreword by the MEC is expected to be made available to us after 31 July 2024.
- 37. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
- 38. When I do receive and read the foreword by the MEC, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

- 39. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
- 40. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
- 41. The action plan to address prior year issues was not adequately monitored and implemented to prevent recurrence of prior year issues. The accounting officer did not adequately exercise

oversight responsibility regarding financial and performance reporting and related internal controls.

- 42. The department does not have adequate systems in place to ensure that there is a proper audit trail in place for consumer cases received.
- 43. Senior management at the appropriate level did not ensure adequate prevention and detection of non-compliance with supply chain management regulations and did not ensure adequate reviews and monitoring throughout the year to prevent recurring non-compliance findings.

Auditor-General

Mbombela

31 July 2024

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Auditing to build public confidence



Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the
 preparation of the financial statements. I also conclude, based on the audit evidence
 obtained, whether a material uncertainty exists relating to events or conditions that may cast
 significant doubt on the ability of the department to continue as a going concern. If I conclude
 that a material uncertainty exists, I am required to draw attention in my auditor's report to
 the related disclosures in the financial statements about the material uncertainty or, if such
 disclosures are inadequate, to modify my opinion on the financial statements. My
 conclusions are based on the information available to me at the date of this auditor's report.
 However, future events or conditions may cause a department to cease operating as a going
 concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a); Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A3.2(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A 6.3(e); 16A6.4; Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3; Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); Regulation 16A8.3; ; 16A8.4; 16A9.1(b)(ii); Regulation ; 16A 9.1(d); 16A 9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 5 of 2023	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); Section 16(3)(a)(ii)(bb)
Second amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4

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Legislation	Sections or regulations
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1;
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2;
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)



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									2002/0000	2003
					1202/0202				20221	0703
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per programme										
Programme										
Administration	-	114,613	ı	1,636	116,249	116,210	39			105,788
Integrated Economic Development	2	741,962	'	479	742,441	740,428	2,013		826,033	822,510
Trade and Sector Development	ო	42,184	'	(1,193)	40,991	26,515	14,476			29,582
Business Regulation and Governance	4	130,331	'	(217)	130,114	127,006	3,108		-	130,915
Economic Planning	S	19,642		(624)	19,018	18,365	653	96.57 %		18,188
Tourism	9	538,147	'	(81)	538,066	537,585	481		Ф	464,758
Programme subtotal		1,586,879		•	1,586,879	1,566,109	20,770	98.69 %	1,583,847	1,571,741
Programme sub total		1,586,879		1	1,586,879	1,566,109	20,770	98.69 %	1,583,847	1,571,741
Total		1,586,879	ı	•	1,586,879	1,566,109	20,770		-	1,571,741
Reconciliation with statement of financial performance	ncial per	rformance								
Add:										
Departmental revenue					859,320				586,230	
Actual amounts per statement of financial performance (total rev	incial pe	erformance (total	revenue)		2,446,199				2,170,077	
Actual expenditure						1,566,109				1,571,741
Add: Actual amounts per statement of financial performance (total expenditure)	incial pe	erformance (total				1,566,109				1,571,741

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024

Annual Report 2023/2024 Mpumalanga: Department of Economic Development and Tourism - Vote 6

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification	Ę								
Economic classification									
Current payments Compensation of employees	170 007				100 050				
oataries and wages Social contributions	130,017 28,569		(300) (2,418)) 130,311) 26,151	22,808	2,303 3,343	96.21 % 87.22 %	22,606	21,170
	165,186	•	(2,724)	162,462	156,766	5,696	96.49 %	153,264	148,434
Goods and services									l
Administrative rees	1,403		(804	66G (' '	% 00.001		040 0000
Auverusing Minor assets	2,413 195		024		3,030 18	ΞΞ	105.88 %	2,429	2,201 158
Audit costs: External	6,436	'	937		2.2		100.00 %	Ω.	5,603
Catering: Departmental activities	478		283			'	100.00 %		1,123
Communication	2,253		2,003	4	4	'	100.00 %		4,359
Computer services	1,271	1	(469			'	100.00 %		1,650
Consultants: Business and advisory	1,231	ı	(320)	911	911	ı	100.00 %		322
services									
Legal services	1,700		1,250	2,950	2,950	'	100.00 %	536	86
Contractors	39/	'	(397)		' ccc	' -	% -	c	14
Agency and support / outsourced	800,1	I	(1,8/4) D,034	5,093		99.90 %	0 0 0 0 0 0 0	8,444
services Fleet services	1.000		35			(1)	100.10 %		1.143
Consumable supplies	2,817	1	(801)	2,016	2,016		100.00 %		1,965
Consumable: Stationery, printing and	1,309		(828)			'	100.00 %	1,623	1,456
office supplies									
Operating leases	20,590		2,677			'	100.00 %		21,619
Property payments	4,176		(532)	3,644		'	100.00 %		4,251
Travel and subsistence	17,177		1,968	、	19,144	~	% 66.66		17,273
Training and development	2,408	1	(407			1	100.00 %		1,613
Operating payments	307	'	(155)	152	152	' -	100.00 %	484	362
venues and racilities	600,1	1	(434			-	88.81 %		993

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)	n (continued)								
	76,728	•	2,588	79,316	79,316		- 100.00 %	6 79,884	75,246
Compensation of employees	165,186	•	(2,724)	-	Ţ	5,696		6 153,264	148,434
Goods and services	76,728	I	2,588	79,316	79,316		- 100.00 %	6 79,884	75,246
Total current payments	241,914	•	(136)	241,778	236,082	5,696	97.64 %	6 233,148	223,680
Transfers and subsidies Provinces and municipalities Provinces									
Provincial Revenue Funds Provinces	29		(19) (19)	10	10		- 100.00 % - 100.00 %	° 29 29	8
Departmental agencies and									
Departmental agencies (non-business entities)	653,707	I	ı	653,707	642,807	10,900	98.33 %	6 575,193	577,881
Public corporations and private enterprises	262,727			262,727	260,604	2,123	99.19 %	6 237,843	237,843
Social benefits	554		155	1-	209		- 100.00 %	1,1	1,144
Provinces and municipalities	29	I	(19)		10				ω
Departmental agencies and accounts Public corporations and private	653,707 262,727			653,707 262,727	642,807 260,604	10,900 2,123	98.33 % 99.19 %	6 575,193 6 237,843	577,881 237,843
enterprises Households	554	ı	155	602	602	·	- 100.00 %	6 1,187	1,144
Total transfers and subsidies	917,017		136	917,153	904,130	13,023	98.58 %	6 814,252	816,876
Payments for capital assets Buildings and other fixed structures ^{Buildings}	422,068		·	422,068	420,055	2,013	99.52 %	6 533,998	528,736
Machinery and equipment									

Department of Economic Development & Tourism	Vote number 6)	Financial Statements for the year ended March 31, 2024	
Depar	(Vote num	Financial	

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)	tion (continued)								
Transport equipment	2,500	'	(2,500)	'			% -	'	
Other machinery and equipment	3,378	ı	2,500	5,878	5,840	38	99.35 %	2,449	2,449
	5,878	•	•	5,878	5,840	38	99.35 %	6 2,449	2,449
Buildings and other fixed structures	422,068		'	422,068	420,055	2,013	99.52 %	533,998	528,736
Machinery and equipment	5,878		'	5,878	5,840	38	99.35 %	2,449	2,449
Total payments for capital assets	427,946		'	427,946	425,895	2,051	99.52 %	6 536,447	531,185
Payments for financial assets	2	1	1	7	7	•	100.00 %	1	1
Total current payments	241,914	'	(136)			5,696	97.64 %		223,680
Total transfers and subsidies	917,017		136			13,023	98.58 %	814,252	816,876
Total payments for capital assets	427,946		'	427,946	425,895	2,051	99.52 %		531,185
Total payments for financial assets	2	'	'	2	2		100.00 %	.0	
Total	1,586,879	•	•	1,586,879	1,566,109	20,770	98.69 %	6 1,583,847	1,571,741

Appropriation Statement

Adjusted Stifflig of Appropriation Fanal Adjusted Stifflig of Appropriation Expenditure Fanal Adjust of the Appropriation Expenditure	Figures in Rand thousand					2023/2024					2022/2023
11 13.591 5 14 105 14,104 1 99.99% 13.005 12 8.886 - (755) 7.801 7.810 7.811 7.911 7.911 7.911 7.911 7.911 7.911 7.912 7.913 <t< th=""><th></th><th></th><th>Adjusted Appropriation</th><th>Shifting of Funds</th><th>Virement</th><th>Final Appropriation</th><th>Actual Expenditure</th><th>Variance</th><th>Expenditure as % of final appropriation</th><th>Final Appropriation</th><th>Actual Expenditure</th></t<>			Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	1. Administration										
	Sub programme										
1.2 5.610 $ 170$ 5.501 7.502 7.502 7.502 7.502 7.502 7.502 7.502 7.522 7.522 7.523 7.573 7.373 7.373 7.373 7.373 7.373 7.373 7.373 7.373 7.733 7.733 7.733 7.733 7.733 7.71000 7.522	Office of the MEC	¢		ı	514 /706)			~	00.00		
	Financial Management	- <u>τ</u>	0,300 52,618		226			37			,
114,613 1,636 16,240 16,210 39 99.97 % 100,750 1 yets 65,529 - (1,633) 63,895 1 100.00 % 99.913 yets 65,529 - (1,633) 63,895 1 100.00 % 9,913 yets 65,529 - (1,709) 74,913 74,918 1 100.00 % 9,913 yets 65,529 - (1,709) 74,913 74,918 1 100.00 % 70,522 yets - (444) 324 324 - 100.00 % 566 yets - (444) 324 324 - 100.00 % 566 fibites - (444) 324 - 100.00 % 566 - fibites - - - 17 10 100.00 % 566 - 652 - - - 17 10 100.00 % 566 - <td< td=""><td>Corporate Services</td><td>1.4</td><td></td><td>ı</td><td>930</td><td></td><td></td><td>-</td><td></td><td></td><td></td></td<>	Corporate Services	1.4		ı	930			-			
yets 65.529 - (1,633) 63,896 63,895 1 100.00 60,609 99,13 11,009 - (76) 11,023 11,023 11,023 7 70,00% 99,13 76,628 - (1,709) 7,4919 7,4918 7 7,052 9,13 T68 - (1,709) 7,4919 7,4918 7 1,122 1,128 9,132 1,522 - (44) 324 324 324 322 1,128 1,178 1,178 1,128 1,178 <td>Subtotal</td> <td></td> <td></td> <td>•</td> <td>1,636</td> <td>116,249</td> <td>116,210</td> <td>39</td> <td></td> <td></td> <td>105,788</td>	Subtotal			•	1,636	116,249	116,210	39			105,788
mployees 65,529 - (1,633) 63,896 63,895 1 100,00% 60,609 9.913	Economic classification										
65,529 - (1,633) $63,896$ $63,895$ 1 1 00.00% 9913 76,528 - (76) 11,023 11,023 11,023 1 00.00% 9913 76,528 - (1,709) 74,919 74,919 74,918 74,918 7 7 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913 7 913	Current payments Compensation of employees										
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Salaries and wages			1	(1,633)			-	100.00 %		
T6,628 - (1,709) 74,918 74,918 1 100.00 % 70,522 6 s $7,522$ - (444) 324 324 - 100.00 % 70,522 1 s $7,572$ - (444) 324 324 - 100.00 % 70,522 1 tal 622 - (444) 324 324 - 100.00 % 5603 322 tal 622 - (445) $7,373$ $7,373$ $7,373$ $7,373$ $7,373$ $7,172$ $1,128$ tal $6,436$ - $9,302$ - 100.00 $4,359$ $2,17$ 310 - $2,001$ $4,253$ $7,373$	Social contributions			ı	(20)				100.00 %		
5 768 - (444) 324 324 - 100.00 322 1128 1138 1138 1138 1138 1138 1138 1138 1138 1100.00 1138 100.00 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 1000 10000 1000 1000 100				I	(1,709)		74,918	1	100.00 %	-	69,349
768 - (444) 324 324 - 100.00 % 322 1,522 - (667 2,189 2,190 (1) 100.05 % 1,128 667 2,189 2,190 (1) 105.88 % 5,603 61 - 937 7,373 7,373 - 100.00 % 5,603 6,436 - - (8) 302 - 100.00 % 5,603 310 - - (8) 302 - 100.00 % 5,603 310 - - (8) 302 - 100.00 % 4,359 350 - 178 894 894 - 100.00 % 536 537 - - 178 894 - 100.00 % 536 6.4170 - - 178 894 - 100.00 % 536 7.0010 - - - - - - - <td< td=""><td>Goods and services</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Goods and services										
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Administrative fees		768	'	(444)		324				
62 - (45) 17 18 (1) 105.88 % 217 tal activities 5,436 - 937 7,373 7,373 - 100.00 % 5,603 310 - 2,001 4,253 7,373 7,373 - 100.00 % 5,603 350 - 2,001 4,253 4,253 - 100.00 % 4,359 350 - 178 894 894 - 100.00 % 1,092 397 - 178 894 894 - 100.00 % 536 1,700 - 1,700 - 178 894 - 100.00 % 536 0 outsourced 894 894 135 - - 00.00 % 536 / outsourced 68 135 134 1 992.6 % 4,225 / outsourced 68 - - - - - - / outsourced 68	Advertising		1,522	'	667		2,190	E			
at activities 6,436 - 937 7,373 7,373 7,373 7,373 5,603 at a ctivities 2,10 - (8) 302 302 302 356 310 - 2,001 4,253 302 302 - 100.00 % 4,359 350 - 178 894 894 - 100.00 % 5,603 351 - 178 894 894 - 100.00 % 536 397 - 178 894 894 - - 100.00 % 536 397 - (397) - - - - - 210 / outsourced 69 - 66 135 1,34 1 99.26 % 4,225 s 1,000 - - - - - - 210 / outsourced 69 - - - - - - - - - - - - - - - - - <td< td=""><td>Minor assets</td><td></td><td>62</td><td>'</td><td>(45)</td><td></td><td>18</td><td>E</td><td></td><td></td><td></td></td<>	Minor assets		62	'	(45)		18	E			
: Departmental activities 310 - (8) 302 302 - 100.00% 356 incation 2.252 - 2.001 4.253 4.253 - 100.00% 4.359 incation 350 - 333 383 - 100.00% 1.092 ar services 350 - 178 894 894 - 100.00% 1.092 and support / outsourced 1.770 - 1.250 2.950 2.950 - 100.00% 536 or 397 - 0. (397) - 0 0. 200 or 317 vices 1.000 - 0. (397) - 0 0 0. 210 or 317 vices 1.000 - 0. (397) - 0 0 0. 0. 0. (314 1.143 vices 1.000 - 0. (301) 2.016 2.016 (1) 100.10% 1.143 vices 1.000 vices 2.817 - (801) 2.016 2.016 - 100.00% 2.050 vices 0.000 vices 0	Audit costs: External		6,436	'	937		7,373				
ication 2,252 - 2,001 4,253 4,253 - 100.00% 4,359 r services 350 - 333 383 383 - 100.00% 1,092 ints: Business and advisory 716 - 178 894 894 - 100.00% 536 rvices 1,700 - 1,250 2,950 - 100.00% 536 or 397 - 66 135 1,34 1 99.26% 4,225 vices 1,000 - 35 1,035 1,036 (1) 100.10% 1,143 vices 2,817 - (801) 2,016 2,016 - 100.00% 2,050	Catering: Departmental activities		310	'	(8)		302				
In services 350 - 33 383 - 100.00 % 1,092 Ints: Business and advisory 716 - 178 894 - 100.00 % 347 Invices 1,700 - 1,250 2,950 - 100.00 % 536 rvices 397 - 1,250 2,950 - 100.00 % 536 and support / outsourced 69 - (397) - - - % 210 and support / outsourced 69 - (397) - - - % 210 and support / outsourced 69 - (397) - - - % 210 and support / outsourced 69 - (367) - - - % 210 and support / outsourced 136 1,035 1,036 (1) 100.10 % 1,143 vices 1,000 - 35 1,035 1,036 (1) 101.00 % 2,050	Communication		2,252	'	2,001		4,253				
ants: Business and advisory 716 - 178 894 894 - 100.00% 347 rvices 1,700 - 1,250 2,950 - 100.00% 536 ors and support / outsourced 69 - 66 135 1,036 (1) 100.10% 1,143 vices 1,000 - 35 1,035 1,036 (1) 100.10% 1,143 vices 2,817 - (801) 2,016 2,016 - 100.00% 2,050	Computer services		350	'	33	383	383		100.00 %		
rvices 1,700 - 1,250 2,950 - 100.00 % 536 ors 397 - (397) - - - - % 210 ors 397 - (397) - - - - % 210 and support / outsourced 69 - 66 135 134 1 99.26 % 4,225 vices 1,000 - 35 1,035 1,036 (1) 100.10 % 1,143 able supplies 2,817 - (801) 2,016 2,016 - 100.00 % 2,050	Consultants: Business and advisory		716	'	178	894	894		100.00 %		
rvices 1,/00 - 1,20 2,950 2,950 - 100.00 - 100.00 % 356 ors 397 - (397)	services										
ors	Legal services		1,/00	'	1,250		2,950		100.00		86
and support / outsourced 69 66 135 134 1 99.26 % 4,225 vices 1,036 (1) 100.10 % 1,143 able supplies 2,817 - (801) 2,016 2,016 - 100.00 % 2,050	Contractors		397	'	(397)		1		-		14
vices 1,036 (1) 100.10 - 35 1,036 (1) 100.10 % 1,143 able supplies 2,817 - (801) 2,016 2,016 - 100.00 % 2,050	Agency and support / outsourced		69	'	99	135	134	-	99.26 %		3,780
2,817 - (801) 2,016 2,016 - 100.00 % 2,050 - 100.00 % 2,050	Services		000 1		ЦĊ						
			1,000		Cr Cr			E			
	Consumable supplies		7'Q'I	'	(1 NQ)			'			

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Consumable: Stationery, printing and office subnies	1,300	ı	(828)	472	472	1	100.00 %	1,623	1,456
Property payments	09		'	60	09		100.00 %	'	
Travel and subsistence	8,265		1,237	9,502	9,501	-	% 66.66		8,684
Training and development	2,400	1	(421)	1,979			100.00 %	1,839	
Operating payments	197	ı	(54)	143		I	100.00 %		
Venues and facilities	902	'	(197)	705		-	99.86 %		
	31,523	•	3,209	34,732	34,732		100.00 %	35,563	32,838
Compensation of employees	76,628	'	(1,709)	74,919	74,918	1	100.00 %		
Goods and services	31,523		3,209	34,732			100.00 %		32,838
Total current payments	108,151	'	1,500	109,651	Ţ	-	100.00 %	•	
Provincial Revenue Funds Provinces	29		(19) (19)	0 0	10		100.00 % 100.00 %	73 73 73	ω ω
Households Social benefits	554		155	607	602	1	100.00 %	1,187	1,144
Provinces and municipalities	29		(19)	10		1	100.00 %		80
Households	554	'	155	602	602	1	100.00 %	1,187	1,144
Total transfers and subsidies	583		136	719	-	•	100.00 %	-	•
Payments for capital assets Machinery and equipment							:		
I ransport equipment Other machinerv and equipment	2,500 3.378	1 1	(2,500) 2.500	- 22.878	5.840	38 ,	- % 99.35 %	2.449	2.449
	0.000		1,000			8			
Machinery and equipment	5,878 5,878	• •	• •	5,878 5,878	5,840 5,840	89 88 89	99.35 % 99.35 %	2,449 2,449	2,449 2,449
Payments for financial assets	-	1		~	-	1	100.00 %	1	'

102,187

106,085

100.00 %

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109,650

109,651

1,500

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108,151

Total current payments

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Department of Economic Development & Touris	10
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(Vote number 6) Financial Statements for the year ended March 31, 2024

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total transfers and subsidies	583	1	136	719	719		100.00 %		1,152
Total payments for capital assets	5,878	•	•	5,878	5,840	38	99.35 %	2,449	2,449
Total payments for financial assets	-			-		•	100.00 %		
Total	114,613	•	1,636	116,249	116,210	39		109,750	105,788

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.1 Office of the MEC									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	7,165		830	7,995		~	66.66	Ø	8,325
Social contributions	1,858	I	(771)		1,087	1	100.00 %	977	977
	9,023		59	9,082	9,081	-	% 66.66	9,302	9,302
Goods and services									
Administrative fees	372	ı	(229)		143	' :			143
Auverusing Minor assats	91		(62)	- -		5 '	_		۰ م م
Catering: Departmental activities	243		(116)	127	127		100.00 %	135	135
Contractors	218	'	(218)				% -		
Agency and support / outsourced					'		% -	3,729	3,335
services Consumable supplies	386	1	38	424	424	I	100.00 %	492	492
Travel and subsistence	2,523	I	(17)	N,	2,506	1	100.00 %	б	2,984
Venues and facilities	587	I	(200)		386	~	99.74 %		204
	4,482	•	455	4,937	4,937		100.00 %	8,703	7,382
Compensation of employees	9,023	•	59	9,082	9,081	-	% 66.66	9,302	9,302
Goods and services	4,482	'	455	4,937	4,937	'	100.00 %		7,382
Total current payments	13,505	•	514	14,019	14,018	1	99.99 %	. 18,005	16,684
Transfers and subsidies									
Households	LC			Ľ					
	ς <u>α</u>	'		CD D	8		% 00.001	'	
Households	85		•	85			100.00 %	-	
Payments for financial assets	-	I	ı	-	-	I	100.00 %		·

16,684

18,005

99.99 %

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14,018

14,019

514

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13,505

Total current payments

Tourism	
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Department of Economic Development & Tourism	V V

(Vote number 6) Financial Statements for the year ended March 31, 2024

Appropriation Statement									
Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Variance Expenditure Final Actual as % of final Appropriation Expenditure appropriation	Actual Expenditure
1.1 Office of the MEC (continued)									
Total transfers and subsidies	85	'	'	85	85		100.00 %	'	
Total payments for financial assets	~	'	'	~	~		. 100.00 %	'	
Total	13,591	•	514	14,105	14,104	1	% 66.66	18,005	16,684

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Senior Management									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	5,560	ı	(377)	2	5,183		100.00 %	4	4,503
Social contributions	1,122		(145	977	977	•	100.00 %	953	809
	6,682	•	(522)	6,160	6,160	1	100.00 %	5,637	5,312
Goods and services									
Administrative fees	159	•	(141)		18	•	100.00 %		28
Advertising	136	'	26	-	162	'	100.00 %		10
Catering: Departmental activities	2	•	87		88	'	100.00 %		06
Consultants: Business and advisory	633	ı	85	718	718	I	100.00 %	217	192
services	:			:	:				
Agency and support / outsourced	42	ı	1	42	42	1	100.00 %	51	1
Services	010		101/	707	7C 7			Co	•
Consumable: Stationery printing and	210		(191)		171		% nn.nn1		t c
office supplies		I	I	I	I	I	0/		1
Travel and subsistence	403		(2)	396	396		100.00 %		268
Operating payments		ı	1	'	ı	1	% -		49
Venues and facilities	217	ı	(122)) 95	95	'	100.00 %	227	227
	1,904	•	(263)	1,641	1,641		100.00 %	1,159	870
Compensation of employees	6,682	1	(522)	6,160	6,160		100.00 %	5,637	5,312
Goods and services	1,904	ı	(263		1,641	1	100.00 %		
Total current payments	8,586	•	(785)		7,801	•	100.00 %		6,182
Total current payments	8,586		(785)		7,801	•	100.00 %	6,796	6,182
Total	8,586	•	(785)		7,801	•	100.00 %		6,182

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Financial Management									
Economic classification									
Current payments Compensation of employees	76 181		(1 660)						20 602 20
odiaties and wages Social contributions	20, 101 3,681		(1,009) 1,008	4,689	24,312 4,689		100.00 %	3,852	20,092 3,852
	29,862	•	(661)	29,201	29,201		100.00 %	24,544	24,544
Goods and services	107								2
Administrative tees	13/	1	(10) 70	136	0/ 136	1	% 00.001 % 00.001	351	84 361
Minor assets	' '		17			- (1)	100.00 %		158
Audit costs: External	6,436	,	937	7,3	7,3		100.00	2	5,603
Catering: Departmental activities	31		19			'	100.00 %		22
Communication	2,252		2,001	4,253	4		100.00 %	-	4,358
Computer services			33	383			100.00 %	÷	1,092
Consultants: Business and advisory	83	ı	93	176	176	I	100.00 %		130
services Contractors	,					'	% -	14	14
Agency and support / outsourced		ı	·	'	'	'	% -	()	294
services									
Fleet services	1,000		35			(1)) 100.10 %	-	1,143
Consumable supplies	2,119		(648)	ŕ	Ļ,		100.00 %	•	1,469
Consumable: Stationery, printing and	1,300	I	(828)	472	472	1	100.00 %	1,406	1,406
Office supplies			Ē	CCC C	100 0		/0 00	020 6	
Departing payments	500°0	•	(36)			-	0/ 10:00 70		000,4
Venues and facilities	20		25	32	32		100.00 %	v	164
	16.849		1.657	18.506	18.507	(1)	100.01 %	18.510	18.510
Compensation of employees Goods and services	29,862 16,849	1 1	(661) 1,657) 29,201 18,506	29,201 18,507	- (1)	100.00 % 100.01 %	24,544	24,544 18,510

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Financial Management (continued) Total current payments	46,711		966	47,707	47,708	(1)	100.00 %	43,054	43,054
Transfers and subsidies Provinces and municipalities Provinces									
Provincial Revenue Funds	29	'	(19)	10	10	'	100.00 %	29	80
Provinces	29	'	(19)	10	10		100.00 %		8
Provinces and municipalities	29		(19)	10	10		100.00 %	29	8
Payments for capital assets Machinery and equipment									
Transport equipment	2,500	•	(2,500)	•	•	•	% -		•
Other machinery and equipment	3,378	ı	2,500	5,878	5,840	38	99.35 %	2,449	2,450
	5,878	•	•	5,878	5,840	38	99.35 %	2,449	2,450
Machinery and equipment	5,878		'	5,878	5,840	37	99.35 %	2,449	2,449
Total current payments	46,711	'	966	47,707	47,708	(1)	100.00 %	43,0	43,054
Total transfers and subsidies	29		(19)	10	10	'	100.00 %	29	80
Total payments for capital assets	5,878		'	5,878	5,840	37	99.35 %	2,449	2,449
Total	52,618	•	977	53,595	53,558	36	99.93 %		45,511

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2022/2023

2023/2024

	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.4 Corporate Services									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	26,623 4,438		(417) (168)	26,206 4,270	26,206 4,270		100.00 %	26,908	26,060 4,131
	31,061	•	(582)	6	30,476		. 100.00 %	.,	30,191
Goods and services									
Administrative fees	100	ı	(13)	87	87	1	100.00 %	67	67
Advertising	1,238	'	(269)		541		100.00 %		516
Catering: Departmental activities	34		2		36		100.00 %	5	5
Communication	•	•	'	'			. %		-
Legal services	1,700	'	1,250	2,950	2,950	•	100.00 %	536	86
Contractors	179		(179)				· - %		•
Agency and support / outsourced	27	ı	66	93	92	~	98.92 %		151
services									
Consumable: Stationery, printing and		I	'	'		1	~ - %	208	48
office supplies	ç			00	ç				
Property payments	09	'	- 000	09	00	•	100.00 %		' 0 10 0
Iravel and subsistence	2,300		1,208		3,508				3,353
I raining and development	2,400	•	(421)	-	1,9/9	•	100.00 %	-	1,613
Operating payments	159		(16)		143	•	100.00 %	185	185
Venues and facilities	91	'	100	191	191		100.00 %		51
	8,288		1,360	9,648	9,647	-	% 66.66	5,191	6,076
Compensation of employees	31,061	•	(282)		30,476		100.00 %		30,191
Goods and services	8,288	'	1,360		9,647	-	66.66		6,076
Total current payments	39,349	•	775	40,124	40,123	-	100.00 %	38,230	36,267

Transfers and subsidies Households

Department of Economic Development & Tourism	ote number 6)	inancial Statements for the year ended March 31, 2024
Departn	(Vote numbe	Financial Sta

Figures in Rand thousand				2023/2024				2022	2022/2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.4 Corporate Services (continued) Social benefits	469		155		624		100.00 %		1.144
Households	469	'	155	624	624		- 100.00 %	1,187	1,144
Total current payments	39,349	1	775				100.00 %		36,267
Total transfers and subsidies	469	'	155				- 100.00 %		1,144
Total	39,818	'	930	40,748	40,747		100.00 %	39,417	37,411

					2023/2024				2022/2023	2023
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. Integrated Economic Development	lopment									
Sub programme CD : Office Support PR2	2.1	1,842	,	7	1.844	1.844	,	100.00 %	2.255	2.094
Enterprise Development	2.2	693,668	ı	7	693,675	691,662	2,013	99.71 %	776,197	775,019
Local Economic Development	2.3	6,602	'	(096)	5,642	5,642		100.00 %	6,554	5,447
Economic Empowerment Regional Directors	2.4	5,299 34,551		503 927	5,802 35 478	5,802 35 478		100.00 % 100.00 %	5,066 35,961	5,008 34 942
Subtotal		741.962		479	742.441	740.428	2.013	99.73 %	826.033	822.510
		01 DE0		1000						00000
		31,058	•	(838)) 30,220	30,220	-	- 100.00 %	29,978	29,096
Goods and services		007				ç				L
Administrative tees Minor assets		261 261		(761)	() 40	04		- 100.001 - %	//L	7.0
Catering: Departmental activities		80	'	(62)				- 100.00 %	~	126
Consultants: Business and advisory	Ż	12		Ω `	17	17	'	- 100.00 %		
Services		2 510		(116)	101 0	101 0			767	677
Agency and support / outsourced services		010.1	I			2, 124		-		5
Operating leases		20,590	I	2,677	23,267	23,267		- 100.00 %		21,619
Property payments		4,116		(532)		3,584		- 100.00 %		4,251
Travel and subsistence		3,025		102	3,127	3,127		- 100.00 %		3,017
Operating payments		104	1	(104)		'		- %		40
Venues and facilities		250	ı	(159)) 91	91		- 100.00 %		107

of Economic Development & Tourism		Financial Statements for the year ended March 31, 2024
Department of Ecc	(Vote number 6)	Financial Statements for the ye

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	Funds		Appropriation	Expenditure		as % of final appropriation	Appropriation	Expenditure
Compensation of employees	31,058	I	(838)	30,220	30,220	I	100.00 %	29,978	29,096
Goods and services	30,951	'	1,317	32,268		1	100.00 %	31,730	29,889
Total current payments	62,009	•	479	62,488	62,488	•	100.00 %	61,708	58,985
Transfers and subsidies Public corporations and private									
enterprises Public corporations									
Subsidies on products and production	257,884	I	'	257,884	257,884	'	100.00 %	233,289	233,289
Other transfers to public corporations				I			% -	1,500	1,500
	257,884	•	•	257,884	257,884	•	100.00 %	234,789	234,789
Public corporations	257,884	'	•	257,884	257,884	1	100.00 %	234,789	234,789
Public corporations and private	257,884		'	257,884	257,884	•	100.00 %	234,789	234,789
enterprises									
Payments for capital assets Buildings and other fixed structures									
Buildings	422,068	'	ı	422,068	420,055	2,013	99.52 %	529,536	528,736
Buildings and other fixed structures	422,068	'	ı	422,068	420,055	2,013	99.52 %	529,536	528,736
Payments for financial assets	-	I		-	~	I	100.00 %	ı	I
Total current payments	62,009	'	479	62,488			100.00 %		58,985
Total transfers and subsidies	257,884	'	1	257,884	257,884	'	100.00 %	234,789	234,789
Total payments for capital assets	422,068	'	1	422,068		2,013	99.52 %		528,736
lotal payments for financial assets	-	•	'	-			100.00 %		
Total	741,962	•	479	742,441	740,428	2,013	99.73 %	826,033	822,510

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Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.1 CD : Office Support PR2									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	1,166		361	1,527	1,527		100.00 %	1,675	1,675
Social contributions	520	ı	(363)	157	157	I	100.00 %	231	228
	1,686		(2)	1,684	1,684		100.00 %	1,906	1,903
Goods and services	Ţ			~	Ŧ			07	•
Caterina: Departmental activities	, -		- -				100.00 %		- '
Travel and subsistence	114	I	44	158	158		100.00 %	309	190
	156	•	4	160	160	•	100.00 %	349	191
Compensation of employees	1,686	1	(2)	1,684	1,684		100.00 %	1,906	1,903
Goods and services	156	I	4		160	I	100.00 %	349	191
Total current payments	1,842		2	1,844	1,844		100.00 %	2,255	2,094
Total current payments	1,842		2	1,844	1,844		100.00 %	2,255	2,094
Total	1,842	•	2	1,844	•		100.00 %		2,094

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2 Enterprise Development									
Economic classification									
Current payments Compensation of employees Salaries and wages	8,905	ı	(386	8,519	8,519	·	100.00 %		7,858
Social contributions	1,442	I	245				100.00 %	1,448	1,448
	10,347	1	(141)	10,206	10,206	•	100.00 %	9,306	9,306
Goods and services Administrative fees	46		(32	14	14		100 00 %	69	75
Minor assets	42	'	(42)		: '	'	% -		- '
Catering: Departmental activities	4	'		4	4	'	100.00 %	Ţ	111
Agency and support / outsourced	2,268		(144)) 2,124	2,124	'	100.00 %	677	677
services	010				acc 1				1001
I aver and subsistence Operating payments	0 0						% nn.nn i % -	1,323	
Venues and facilities	191	'	(144)) 47	47	'	100.00 %		41
	3,369	•	148	3,517	3,517	•	100.00 %	2,566	2,188
Compensation of employees	10,347	•	(141)	10,206	10,206	1	100.00 %		9,306
Goods and services	3,369	'	148	3,517	3,517	'	100.00 %	2,566	2,188
Total current payments	13,716	•	7	13,723	13,723	•	100.00 %	11,872	11,494
Transfers and subsidies Public corporations and private									
Public corporations Subsidies on products and production	257.884	I	I	257.884	257.884	I	100.00 %	233.289	233.289
(pc) Other transfers to public corporations							% -		1.500
	257,884	•		257,884	257,884	•	100.00 %	33	234,789

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. Tourism		
Department of Economic Development & To	(Vote number 6)	Financial Statements for the year ended March 31, 2024

Adjusted Shifting of Funds Appropriation Funds (continued) 257,884 - 257,884 - 257,884 - 257,884 - 257,884 - 257,884 - 257,884 - 257,884 - 257,884 - 13,716 - 257,884 -								
Adjusted Shifting of Funds Appropriation Funds nt (continued) 257,884 - 257,884 - e 257,884 - ructures 422,068 - ctures 422,068 - ctures 13,716 -	iousand		2023/2024				2022/2023	2023
nt (continued) 2 e ructures 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4		Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
ructures 2		1	257,884	257,884	ı	100.00 %	234,789	234,789
ructures 4 tures 4		1	257,884	257,884	1	100.00 %	234,789	234,789
44 0.	oital assets her fixed structures							
and other fixed structures 4 ant payments 5 sfers and subsidies 2	-	'	422,068	420,055	2,013	99.52 %		528,736
	-	I	422,068	420,055	2,013		529,536	
		7	13,723		1	100.00 %		11,494
		'	257,884		'	100.00 %		234,789
lotal payments for capital assets 422,068	r capital assets 422,068 -	'	422,068	420,055	2,013	99.52 %	529,536	528,736
Total 693,668 -	- 693,668	7	693,675		2,013			775,019

Appropriation Statement

				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.3 Local Economic Development									
Economic classification									
Current payments Compensation of employees Salaries and wages	5,303		(729)	4,574	4,574		100.00 %	5,100	4,425
Social contributions	898	I	(133)		765	'	100.00 %		696
	6,201	1	(862)	5,339	5,339	•	100.00 %	5,957	5,121
Goods and services Administrative fees	18		(14)		4		100 00 %		4
Travel and subsistence	383	I	(84)	299	299	I	100.00 %	518	296
Venues and facilities		I	1	I	'	'	% -		26
	401	•	(86)	303	303	•	100.00 %	597	326
Compensation of employees	6,201	1	(862)	5,339	5,339	'	100.00 %	5,957	5,121
Goods and services	401	1	(86)	303	303	'	100.00 %	597	326
Total current payments	6,602	•	(096)	5,642	5,642	•	100.00 %	6,554	5,447
Total current payments	6,602		(096)	5,642	5,642	'	100.00 %	6,554	5,447
Total	6,602		(096)		5,642	'	100.00 %		5,447

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 Economic Empowerment									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	3,169 1,352		1,180 (573)	4,349	4,349 779		100.00 % 100.00 %	3,804 681	3,804 681
	4,521	•	607	5,128	5,128	•	100.00 %	4,485	4,485
Goods and services	ç						20000F		
Administrative fees	83		(69)	14	14	'	100.00 %	11	ი
Catering: Departmental activities	10	'		10	10	'	100.00 %		12
Consultants: Business and advisory	12	ı	5	17	17	ı	100.00 %		ı
services			Ĭ						
Travel and subsistence	510		79	589	589	'	100.00 %	518	462
Operating payments	104	•	(104)	-	•	'	% -	'	
Venues and facilities	59	'	(15)	44	4	'	100.00 %	40	40
	778		(104)	674	674	•	100.00 %	581	523
Compensation of employees	4,521		607	5,128	5,128	1	100.00 %	4,485	4,485
Goods and services	778	'	(104)	674	674	ı	100.00 %	581	523
Total current payments	5,299		503	5,802	5,802	•	100.00 %	5,066	5,008
Total current payments	5,299		503	5,802	5,802	'	100.00 %	5,066	5,008
Total	5,299	•	503	5,802	5,802	•	100.00 %		5,008

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.5 Regional Directors									
Economic classification									
Current payments Compensation of emplovees									
Salaries and wages Social contributions	7,440 863		(488) 48) 6,952 911	6,952 911		100.00 % 100.00 %	7,321	7,278 1,003
	8,303		(440)	7,863	7,863		100.00 %	8,324	8,281
Goods and services Administrative fees	4		с С		7	1	100.00 %		4
Catering: Departmental activities	. 65	'	(62)	· Υ	. M	'	100.00 %	25	. w
Agency and support / outsourced	272	ı	(272)		ı	I	% -		I
services Operating leases	20.590		2.677	23.267	23.267		100.00 %	22.383	21.619
Property payments	4,116	'	(232)	΄ Ϋ́Υ	3,584	'	100.00 %		4,251
Travel and subsistence	1,200	ı	(447)	753	753	ı	100.00 %	2	744
Operating payments		'	'	'	'	'	% -	40	40
	26,247		1,367	27,614	27,614		100.00 %	27,637	26,661
Compensation of employees	8,303	'	(440)	7,863		'	100.00 %		8,281
Goods and services	26,247	'	1,367		27,614	'	100.00 %	27,637	26,661
Total current payments	34,550	•	927	35,477	35,477	I	100.00 %	35,961	34,942
Payments for financial assets	4	1	1	1	-		100.00 %		'
Total current payments	34,550		927	35,477	35,477		100.00 %	35,961	34,942
rotal payinents for initialicial assets Total	34,551		927	35,478	35,478	•••	100.00 %	35,961	34,942

Figures in Rand thousand					2023/2024				2022/2023	2023
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3. Trade and Sector Development	ent									
Sub programme CD : Office Support PR3	3.1	2,079	ı	(129)	1,950	1,950		100.00 %	2,288	1,962
Trade and Investment support Sector Development Strategic Intiatives	3.2 3.3 4.6	5,973 12,704 21,428		(303) (602) (159)	5,670 12,102 21,269	5,311 11,284 7,970	359 818 13,299	93.67 % 93.24 % 37.47 %	4,101 10,906 15,094	4,072 10,559 12,989
Subtotal		42,184		(1,193)	40,991	26,515	14,476	64.68 %	32,389	29,582
Economic classification Current payments										
Compensation of employees Salaries and wages		14.662		(275)	14.087	12.657	1.430		12.553	11.870
Social contributions		1,759	'	525		2,261	23	98.99 %		2,135
		16,421	•	(20)	16,371	14,918	1,453	91.12 %	15,009	14,005
Goods and services										
Administrative fees Minor assets		211 5		(131)	80	80 '		100.00 % -	- 48	48
Catering: Departmental activities		, '	'	155	155	155		100.00 %	7	7
Communication			'	5		ς, Ι		100.00 %		
Agency and support / outsourced services		2,217		(1,442)	775	775		. 100.00 %	1,244	1,244
Travel and subsistence		1,716	'	198	1,91	1,914		100.00 %	1,801	1,772
Operating payments		9	'			9	'	100.00 %		
Venues and facilities		108		80		188		100.00 %		158
		4,264	•	(1,143)	3,121	3,121	•	100.00 %	3,258	3,229
Compensation of employees		16,421	ı	(20)	-	14,918	1,453		£	14,005
Goods and services		4,264	'	(1,143)	3,121	3,121	1	100.00 %	3,258	3,229
Total current payments		20,685	•	(1,193)	19,492	18,039	1,453	92.55 %	18,267	17,234

Annual Report 2023/2024 Mpumalanga: Department of Economic Development and Tourism - Vote 6

Appropriation Statement

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Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies Departmental agencies and accounts Departmental agencies (non-business entities)	16,656	ı	·	16,656	5,756	10,900	34.56 %	6,606	9,294
Public corporations and private enterprises Private enterprises									
Other transfers to private enterprises Private enterprises	4,843 4,843			4,843 4,843	2,720 2,720	2,123 2,123	56.16 % 56.16 %	3,054 3,054	3,054 3,054
Departmental agencies and accounts Public corporations and private enterprises	16,656 4,843			16,656 4,843	5,756 2,720	10,900 2,123	34.56 % 56.16 %		9,294 3,054
Total transfers and subsidies	21,499			21,499	8,476	13,023	39.43 %	9,660	12,348
Payments for capital assets Buildings and other fixed structures Buildings and other fixed structures	1 1						% -	4,462 4,462	
Total current payments Total transfers and subsidies	20,685 21,499	1 1	(1,193) -) 19,492 21,499	18,039 8,476	1,453 13,023	92.55 % 39.43 %		17,234 12,348
i otal payments for capital assets Total	- 42,184		- (1,193)	- 40,991	- 26,515	- 14,476		4,462 32,389	- 29,582

Mpumalanga: Department of Economic Development and Tourism - Vote 6

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Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.1 CD : Office Support PR3									
Economic classification									
Current payments Compensation of employees			c						
salaries and wages Social contributions	1,427 221		8 (20)	1,435	1,435 201		100.00 % 100.00 %	1,411 498	1,387 196
	1,648		(12)	1,636	1,636		100.00 %	1,909	1,583
Goods and services					9			1	
Administrative fees Catering: Departmental activities	- 68		- (56)	- 12	12		100.00 % - %	~ ~	~ ~
Communication	-	I	0	С	С	I	100.00 %	. '	. '
Travel and subsistence	356	'	(117)	33	239	'	100.00 %	365	365
Venues and facilities	9		54	60	60	1	100.00 %	ı	ı
	431		(117)	314	314	•	100.00 %	379	379
Compensation of employees	1,648	1	(12)	1,	1,636	1	100.00 %	7	1,583
Goods and services	431		(117)	314	314	1	100.00 %	379	379
Total current payments	2,079	I	(129)	1,950	1,950	•	100.00 %	2,288	1,962
Total current payments	2,079	1	(129)	1,950	1,950		100.00 %	2,288	1,962
Total	2,079	•	(129)	1,950	1,950	I	100.00 %		1,962

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.2 Trade and Investment support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	4,115	I	(118)	'n	3,638	359	91.02 %	2,989	2,989
Social contributions	528	1	80	608	608	ı	100.00 %		515
	4,643		(38)) 4,605	4,246	359	92.20 %	3,504	3,504
Goods and services									
Administrative fees	15	•	(47)	. 28	28	'	100.00 %	31	31
Minor assets	2	'	(5		'	'	% -		•
Agency and support / outsourced	598	I	(151)) 447	447	•	100.00 %	21	21
Travel and subsistence	550	I	(40) 510	510	I	100.00 %		358
Venues and facilities	102	I	(22)) 80	80	'	100.00 %	158	158
	1,330	•	(265)) 1,065	1,065		100.00 %	263	568
Compensation of employees	4,643		(38)) 4,605		359	92.20 %	3,504	3,504
Goods and services	1,330	·	(265		1,065	'	100.00 %		568
Total current payments	5,973	•	(303)) 5,670	5,311	359	93.67 %	4,101	4,072
Total current payments	5,973		(303)) 5,670	5,311	359	93.67 %	4,101	4,072
Total	5,973	•	(303		5,311	359	93.67 %		4,072

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024	Appropriation Statement
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Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.3 Sector Development									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	7,685 804	, ,	(465) 465	7,220 1,269	6,402 1,269	818 -	88.67 % 100.00 %	6,698 1,246	6,351 1,246
	8,489	•	•	8,489	7,671	818	90.36 %	7,944	7,597
Goods and services Administrative fees	68		(30)	38			100.00 %	10	10
Catering: Departmental activities		I	155	155	155	'	100.00 %		'
Agency and support / outsourced	1,578	·	(1,250)			'	100.00 %	14	14
services Travel and subsistence	543	'	475	1.018	1.018		100.00 %	928	928
Operating payments	9			9		'	100.00 %		'
Venues and facilities	•	ı	48	48		'	100.00 %		ı
	2,195	•	(602)	1,593	1,593	1	100.00 %	952	952
Compensation of employees	8,489		•			818	90.36 %	7,	7,597
Goods and services	2,195	ı	(602)	1,593	1,593	'	100.00 %	952	952
Total current payments	10,684	•	(602)	10,082	9,264	818	91.89 %	8,896	8,549
Transfers and subsidies Public corporations and private enterprises									
Private enterprises Other transfers to private enterprises Private enterprises	2,020 2,020			2,020 2,020	2,020 2,020		100.00 % 100.00 %	2,010 2,010	2,010 2,010
Public corporations and private enterprises	2,020	'		2,020	2,020		100.00 %	2,010	2,010

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Figures in Rand thousand				2023/2024				2022	2022/2023
	Adjusted Appropriation	Shifting of Funds	Virement	Finai Appropriation E	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Variance Expenditure Final Actual as % of final Appropriation Expenditure appropriation
3.3 Sector Development (continued)									
Total current payments	10,684	I	(602)			818			
Total transfers and subsidies	2,020	'		- 2,020	2,020	•	100.00 %	2,010	2,010
Total	12.704	•	(602)			818			

Figures in Rand thousand				2023/2024				2022,	2022/2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.4 Strategic Intiatives									
Economic classification									
Current payments Compensation of employees Salaries and wages	1,435 206			1,435 206	1,182 183	253 23	82.37 % 88 83 %	1,455 197	1,143 178
	1,641			1,641	1,365	276	83.18 %		7
Goods and services Administrative fees Agency and support / outsourced	- 4		2 (41)	' 5	- 2		100.00 % -	1209	- 1209
services Travel and subsistence	267	ı	(120)	147	147	ı	100.00 %		121
	308		(159)	149	149		100.00 %	6 1,330	1,330
Compensation of employees Goods and services	1,641 308		- (159)	1,641	1,365 149	276 -	83.18 % 100.00 %	5 1,652 5 1,330	1,321 1,330
Total current payments	1,949	•	(159)	1,790	1,514	276	84.58 %	6 2,982	2,651
Transfers and subsidies Departmental agencies and accounts Departmental agencies (non-business entities)	16,656		·	16,656	5,756	10,900	34.56 %	6,606	9,294
Public corporations and private enterprises Private enterprises									
Other transfers to private enterprises Private enterprises	2,823 2,823	1 1		2,823 2,823	700 700	2,123 2,123	24.80 % 24.80 %	5 1,044	1,044 1,044
Departmental agencies and accounts	16,656	•	•	16,656	5,756	10,900	34.56 %	6,606	9,294

Department of Economic Development & Tourism

(Vote number 6) Financial Statements for the year ended March 31, 2024



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Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
3.4 Strategic Intiatives (continued) Public corporations and private enterprises	2,823	,	,	2,823	700	2,123	24.80 %	1,044	1,044
Total transfers and subsidies	19,479	•	•	19,479	6,456	13,023	33.14 %	650	10,338
Payments for capital assets									
Buildings and other fixed structures				'			% -		'
Buildings and other fixed structures	I	ı	I	ı	I	I	% -	4,462	I
Total current payments	1,949	1	(159)	1,790	1,514	276	84.58 %		
Total transfers and subsidies	19,479		` ı ,	-	6,456	13,023		7,650	10,338
Total payments for capital assets	•		'		•	•	% -		
Total	21,428	•	(159)	21,269	7,970	13,299	37.47 %	-	12,989

Mpumalanga: Department of Economic Development and Tourism - Vote 6

Appropriation statement	ent									
Figures in Rand thousand					2023/2024				2022/2023	2023
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4. Business Regulation and Governance	overnance									
Sub programme CD : Office Support PR4 Consumer Protection	4 4 4	2,164 14,925		(74) (147)	2,090 14,778 113 246	1,760 13,171 112 075	330 1,607	84.21 % 89.13 % 08.07 %	2,123 13,612 116,375	1,928 13,612 115,375
Subtotal	ç t	130,331		(217)	130,114	127,006	3,108	97.61 %	131,110	130,915
Economic classification Current payments										
Compensation of employees Salaries and wages Social contributions		12,928 6,819		1,539 (1,539)	14,467 5,280	14,238 2,401	229 2,879	98.42 % 45.47 %	13,643 2,441	13,497 2,392
		19,747			19,747	16,639	3,108	84.26 %	6 16,084	15,889
Goods and services Administrative fees		152		(06)	62	62		100.00 %	20	20
Advertising Caterino: Departmental activities		888 68		(43)	ω ((845 239	, I	100.00 %	656 656	1,301 656
Consultants: Business and advisory		503	I	(203)			'	% -		
services Travel and subsistence		1.706		334	2.040	2.040	'	100.00 %	1.631	1.631
Venues and facilities		222	I	(98)				. 100.00 %		55
		3,539	•	(217)	3,322	3,322	•	. 100.00 %	6 3,702	3,702
Compensation of employees		19,747		•	19,747	16,639	3,108			15,889
Goods and services		3,539		(217)	3,322	3,322	'	100.00 %	3,702	3,702
Total current payments		23,286	•	(217)	23,069	19,961	3,108	86.53 %	6 19,786	19,591

Transfers and subsidies

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Department of Economic Development & Tourism	/ote number 6)	inancial Statements for the year ended March 31, 2024
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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Departmental agencies and accounts									
Departmental agencies (non-business entities)	107,045	•	'	107,045	107,045	·	. 100.00 %	6 111,324	111,324
Departmental agencies and accounts	107,045	I	I	107,045	107,045	•	100.00 %	5 111,324	111,324
Total current payments	23,286	'	(217)		19,961	3,108			19,591
Total transfers and subsidies	107,045			107,045	107,045	•	. 100.00 %	6 111,324	111,324
Total	130,331	•	(217)		127,006	3,108			130,915

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(Vote number 6) Financial Statements for the year ended March 31, 2024

Appropriation Statement Figures in Rand thousand

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.1 CD : Office Support PR4									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	1,654	'	I	1,654	1,425	229	86.15 %	1,641	1,495
Social contributions	287		I	287	186	101	64.81 %	274	225
	1,941	1	•	1,941	1,611	330	83.00 %	1,915	1,720
Goods and services									
Administrative fees	26	ı	(20)	9	9	ı	100.00 %	12	12
Travel and subsistence	184	'	(80)			'	100.00 %		182
Venues and facilities	13	'	26	39	90 90	'	100.00 %	14	14
	223		(74)	149	149		100.00 %	208	208
Compensation of employees	1,941		1	1,941	1,611	330	83.00 %	1,915	1,720
Goods and services	223	'	(74)	149	149	'	100.00 %	208	208
Total current payments	2,164		(74)	2,090	1,760	330	84.21 %	2,123	1,928
Total current payments	2,164		(74)			330	84.21 %		1,928
Total	2,164	•	(74)	2,090	1,760	330	84.21 %	2,123	1,928

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.2 Consumer Protection									
Economic classification									
Current payments Compensation of employees									
Salaries and wages	7,685	ı	1,351	9,036		- 100	-		8,973
Social contributions	4,555	•	(1,351)		1,597	1,607	49.84 %	1,688	1,688
	12,240			12,240	10,633	1,607	86.87 %	10,661	10,661
Goods and services									
Administrative fees	89	ı	(4)			1	100.00 %		37
Advertising	888	'	(43)	845	845	1	100.00 %	£	1,301
Catering: Departmental activities	29	'	172			1	100.00 %	460	460
Consultants: Business and advisory	503	'	(203)	-	,	1	% -	'	'
services									
Travel and subsistence	994		383	-,0	-,0		100.00 %	1,112	1,112
Venues and facilities	182	'	(112)) 70	20		100.00 %	41	41
	2,685	1	(147)) 2,538	2,538	•	100.00 %	2,951	2,951
Compensation of employees	12,240			12,240	10,633	1,607	86.87 %	10,661	10,661
Goods and services	2,685	'	(147)) 2,538	2,538		100.00 %	2,951	2,951
Total current payments	14,925		(147)	14,778	13,171	1,607	89.13 %	13,612	13,612
Total current payments	14,925	'	(147)	14,778	13,171	1,607	89.13 %	13,612	13,612
Total	14,925	•	(147)	14,778		1,607	89.13 %	13,612	13,612

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024	Appropriation Statement
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Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.3 Regulation Services									
Economic classification									
Current payments Compensation of employees	c c L c		007						
sataries and wages Social contributions	3,369 1,977		(188)	3,777 1,789	3,777 618	- 1,171	34.54 %	3,U29 479	3,029 479
	5,566	•	•	5,566	4,395	1,171	78.96 %	3,508	3,508
Goods and services Administrative fees	37		(26)	1	1		100.00 %		
Catering: Departmental activities	30	'	(])	38	38	1	100.00 %	196	196
Travel and subsistence	528		31	559	559		100.00 %		
Venues and facilities	27	ı	I	27	27	I	100.00 %	'	ı
	631	•	4	635	635	•	100.00 %	543	543
Compensation of employees	5,566	•	•	5,566	4,395	1,171	78.96 %	3,508	3,508
Goods and services	631	'	4	635	635	I	100.00 %	543	543
Total current payments	6,197	•	4	6,201	5,030	1,171	81.12 %	4,051	4,051
Transfers and subsidies Departmental agencies and									
Departmental agencies (non-business	107,045	ı		107,045	107,045	·	100.00 %	111,324	111,324
Departmental agencies and accounts	107,045		·	107,045	107,045	·	100.00 %	111,324	111,324
Total current payments	6,197 107 015		4	6,201 107 045	5,030 107 045	1,171	81.12 %	4,051	4,051
	113,242		4	113,246	112,075	1,171	98.97 %		115,375
									I

Department of Economic Development & Tourism		March 31, 2024
Department of Economic	(Vote number 6)	Financial Statements for the year ended March 31, 2024

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Appropriation Statement

					1202 0202					240
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. Economic Planning										
Sub programme CD · Office Support PR5	с Т	1 938		(256)	1 682	1652	30	98 22 %	1 925	1 925
Economic Policy and Planning	5.2	4.173		8	4.181	4.160	21	99.50 %	4.272	4.062
Research & Development	5.3	1,134	,	(45)	1,089	1,019	102	93.57 %	975	955
Knowledge Management	5.4	4,821	'	(251)	4,570	4,570		100.00 %	4,102	4,101
Monitoring and Evaluation	5.5	3,099	'	218	3,317	3,317		100.00 %	3,530	3,142
Economic Analysis	5.6	4,477	ı	(298)	4,179	3,647	532	87.27 %	4,425	4,003
Subtotal		19,642		(624)	19,018	18,365	653	96.57 %	19,229	18,188
Salaries and wages Social contributions		13,754 3,219		425 (552)	14,179) 2,667	13,906 2,287	273 380	98.07 % 85.75 %	, 14,532 , 2,673	13,919 2,288
		16,973	1	(127)	16,846	16,193	653	96.12 %	17,205	16,207
Goods and services										
Administrative fees		124	1	96)) 28	28		100.00 %	38	24
Minor assets		16	'	(16				- ~	'	
Catering: Departmental activities		4	'	17	21	21	•	100.00 %		'
Computer services		921	'	(502		419		100.00 %		558
Agency and support / outsourced		167	I	(167	-	ı	1	% -	106	106
Consumable: Stationery, printing and	pu	თ	I	•	6	6	I	100.00 %	'	'
office supplies										
Travel and subsistence		1,380	1	275	1,6	1,655		100.00 %	1,280	1,273
Training and development		8	'	14		22	•	100.00 %		•
Operating payments		•	'	m		e	•	100.00 %		•
Venues and facilities		40	ı	(22)) 15	15		100.00 %	20	20
		2,669	•	(497)) 2,172	2,172	•	100.00 %	2,024	1,981

Annual Report 2023/2024 Mpumalanga: Department of Economic Development and Tourism - Vote 6

Department of Economic Development & Tourism	r 6)	Financial Statements for the year ended March 31, 2024
Department of	(Vote number 6)	Financial Statements fo

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final	Final Appropriation	Actual Expenditure
							appropriation		
5. Economic Planning (continued)									
Compensation of employees	16,973	•	(127)			653			16,207
Goods and services	2,669		(497)	2,172	2,172		100.00 %	6 2,024	1,981
Total current payments	19,642	•	(624)			653		6 19,229	18,188
Total current payments	19,642	1	(624)	19,018	18,365	653	96.57 %	6 19,229	18,188
Total	19,642	•	(624)			653			18,188

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. Economic Planning (continued)									
5.1 CD : Office Support PR5									
Economic classification									
Current payments Compensation of emplovees									
Salaries and wages	1,362		(38)	7	1,294	30	·	£	1,530
Social contributions	361	1	6/L)		182	' c	% 00.001		202
	1,723		(712)	1,506	1,476	30	98.01 %	1,/32	1,/32
Goods and services Administrative fees	22		(19) 3	3		100.00 %	-	-
Minor assets	16		(16	-	•	•	% -	'	•
Travel and subsistence	177		(4)	173	173		100.00 %	192	192
	215	•	(39)	176	176	•	100.00 %	193	193
Compensation of employees	1,723		(217)	1,506	1,476	30	98.01 %	1,732	1,732
Goods and services	215		(39)		176	'	100.00 %	193	193
Total current payments	1,938		(256)	1,682	1,652	30	98.22 %	1,925	1,925
Total current payments	1,938	'	(256)	1,682	1,652	30		1,925	1,925
Total	1,938	•	(256)	-	1,652	30	98.22 %		1,925

Department of Economic Development & Tourism	/ote number 6)	-inancial Statements for the year ended March 31, 2024	
Depart	(Vote numt	Financial S	

C				4707/0707				7777	CZUZIZUZ
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. Economic Planning (continued)									
5.2 Economic Policy and Planning									
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	3,128 497	, ,		3,128 497	3,122 482	ю т	99.81 % 06.08 %	3,203	3,024 484
	3,625	•		ŕ	3,604	2		°.	ю́.
Goods and services									
Administrative fees	37	'	(32)	9	2 2		100.00 %	11	10
Agency and support / outsourced	167	ı	(167)	-	'		% -	10	
Services Travel and enhance	000		с <i>с</i> с	542	542			575	EDE
Decrating payments			ο Υ Υ	5	ρ Υ Υ		100.00 %		
Venues and facilities	24	I	(19)) 5	5	ı	100.00 %	0	6
	548	•	8	556	556	•	. 100.00 %	555	554
Compensation of employees	3,625			3,625	3,604	21	99.42 %	3,717	3,508
Goods and services	548		Ø	556	556	I	100.00 %	555	554
Total current payments	4,173		8	4,181	4,160	21	99.50 %	4,272	4,062
Total current payments	4,173		8	4,181	4,160	21		4,272	4,062
Total	4,173	•	8		4,160	21	99.50 %		

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Appropriation Statement

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
6 Economic Dlanning (continued)									
5.3 Research & Development									
Economic classification									
Current payments Compensation of emplovees									
Salaries and wages	798	ı	I	798	789	6		767	767
Social contributions	232	ı	I	232		61	73.71 %		161
	1,030	•	•	1,030	096	70	93.20 %	928	928
Goods and services	c		Ĺ				00007		
AUTIITISU AUVE LEES	D	•	(c)				100.00		
Travel and subsistence	98	'	(40)) 58	58	1	100.00 %	34	27
	104	•	(45)	59	29		100.00 %	. 47	27
Compensation of employees	1,030	•		1,030	096	20	93.20 %	928	928
Goods and services	104	ı	(45)) 59	59	I	100.00 %	47	27
Total current payments	1,134	•	(45)	1,089	1,019	70	93.57 %	975	955
Total current payments	1,134		(45)	1,089	1,019	02		975	955
Total	1,134	•	(45)		-	20	93.57 %		

Department of Economic Development & Tourism (Vote number 6) Financial Statements for the year ended March 31, 2024

Adjusted Shifting of Funds g (continued) Funds g (continued) 5387 ement 3,387 ement 3,387 g (continued) 3,387 enent 3,387 fees 3,387 g (continued) 3,387 enent 3,387 fees 3,387 g (continued) 28 g (continued) 28 g (continued) 9 oriniting and 330 es 1,015 es 1,015	Figures in Rand thousand			2023/2024				2022/	2022/2023
Economic Planning (continued) Knowledge Management mit classification omic classification int payments onic classification int payments onic classification int payments int payments onic classification int payments intrant naturates intert naturates intert naturates intert naturates intert naturates intert naturates	Adjusted Appropriation	hifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Knowledge Management omic classification omic classification int payments on ic classification int payments and payments and payments and services interservices and services and servic	lanning (continued)								
yees 3,387	Management								
3,387	cation								
3,387	emplovees								
419 - 3,806 - 3,806 - 3,806 - nery, printing and 9 nce 330 nce 330 nce 3,806 nployees 1,015 serves 4,821		ı	I	3,387	3,224	163	95.19 %	3,090	3,090
3,806 - rvices 3,806 - fees 28 - fees 28 - fees 648 - fices 648 - stationery, printing and 9 - stationery, printing and 330 - of employees 3,806 - vices 1,015 - or employees 1,015 -		I	82	501	664	(163)	132.53 %		605
rvices 28 - fees 28 - fees 648 - fices 648 - fices 648 - stationery, printing and 9 - sistence 330 - of employees 3,806 - vices 1,015 - barments 4,824 -	3,806	•	82	3,888	3,888	•	100.00 %	3,696	3,695
fees 28 - ices 648 - ices 648 - Stationery, printing and 9 - Stationery, printing and 330 - sistence 330 - of employees 3,806 - vices 1,015 -	se								
ices 648 ices 548 Stationery, printing and 9 sistence 330 sistence 330 sistence 3306 vices 1,015 sistence 4821 sistence 4821 sistence 6480		'	(21)	7	7	'	100.00 %		5
stationery, printing and 9 stationery, printing and 330 asistence 330 1,015 of employees 3,806 vices 1,015 baviments 4,821		'	(498)	150	150	'	100.00 %	176	176
sistence 330	onery, printing and			6	ი		100.00 %	'	
1,015 806 1,015 4,871 -			186	516	516	'	100.00 %	225	225
ees 3,806 - 1,015 - 4,821 -	1,015		(333)	682	682	•	100.00 %	406	406
1,015 - 4821 -			82	3,888	3,888	1	100.00 %	3,696	3,695
4 821 -		I	(333)	682	682	I	100.00 %	406	406
	nents 4,821	•	(251)	4,570	4,570	•	100.00 %	4,102	4,101
Total current payments 4,821 - (2			(251)	4,570	4,570		100.00 %		4,101
4,821 -		•	(251)	4,570	4,570	•	100.00 %	4,102	4,101

Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. Economic Planning (continued)									
5.5 Monitoring and Evaluation									
Economic classification									
Current payments Compensation of employees Salaries and wardes	2 225	,	005			,	100 00 %	2 6N8	2 565 2
Social contributions	689		(373)	316	316	'	100.00 %		312
	2,914	•	217	3,131	3,131		100.00 %	3,265	2,877
Goods and services	:								
Administrative tees Caterino: Departmental activities	14	1 1	(8) 17) 6 17	6 17		100.00 % 100.00 %	ς, υ Γ	י מ
Agency and support / outsourced		'	: '		. '		% -	96	96
services Travel and subsistence	171		(18)	153	153		100.00 %	166	166
Venues and facilities	1	'	10		10		100.00 %		
	185	•	-	186	186		100.00 %	265	265
Compensation of employees	2,914	1	217	3,131	3,131		100.00 %	3,265	2,877
Goods and services	185		-	186	186	'	100.00 %		265
Total current payments	3,099		218	3,317	3,317		100.00 %	3,530	3,142
Total current payments	3,099	1	218	3,317	3,317		100.00 %	3,530	3,142
Total	3,099	I	218		3,317	I	100.00 %		3,142

Appropriation Statement Figures in Rand thousand

	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. Economic Planning (continued)									
5.6 Economic Analysis									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	2,854 1,021		(127) (82)) 2,727) 939	2,662 472	65 467	97.62 % 50.27 %	6 3,334 6 533	2,943 524
	3,875	•	(209)	3,666	3,134	532	85.49 %	6 3,867	3,467
Goods and services									
Administrative fees	17	'	(11)) 6	9	'	100.00 %	° 5	5
Catering: Departmental activities	4	'				•	100.00 %		·
Computer services	273	'	(4)			'	100.00 %	6 404	382
Travel and subsistence	284	'	(72)	212	212	'	100.00 %		138
Training and development	80	'	14			1	100.00 %	1	•
Venues and facilities	16	'	(16)	-		·	% -	6 11	11
	602	•	(68)) 513	513	1	100.00 %	6 558	536
Compensation of employees	3,875	'	(209)	3,666	ຕັ	532	85.49 %	6 3,867	3,467
Goods and services	602	'	(68)) 513	513	I	100.00 %	6 558	536
Total current payments	4,477		(298)) 4,179	3,647	532	87.27 %	6 4,425	4,003
Total current payments	4,477	•	(298)) 4,179		532		6 4,425	4,003
Total	4,477	•	(298)		3,647	532	87.27 %		

Appropriation Statement Figures in Rand thousand

		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
6. Tourism										
Sub programme Tourism	6.1	538,147		(81)	538,066	537,584	482	99.91 %	465,336	464,758
Economic classification										
Current payments Compensation of employees Salaries and wages		3.761		1	3.761	3.341	420	88.83 %		3.358
Social contributions		598	ı				61		903	
		4,359		•	4,359	3,878	481	88.97 %	4,466	3,888
Goods and services Administrative fees		16		49	65	65		100.00 %	40	40
Advertising		3		'	e		'	100.00 %	'	
Catering: Departmental activities		16		10			'	100.00 %	27	27
Agency and support / outsourced		2,575	•	85	2,660	2,660	·	100.00 %	2,637	2,637
services Travel and subsistence		1.085	'	(178	106	206		100.00 %		896
Venues and facilities		87	'	(47)				100.00 %	7	7
		3,782		(81)	3,701	3,701	•	100.00 %	3,607	3,607
Compensation of employees		4,359			4,359	3,878	481		4,466	3,888
Goods and services		3,782		(81)			'	100.00 %		3,607
Total current payments		8,141	•	(81)	8,060	7,579	481	94.03 %	8,073	7,495
Transfers and subsidies Departmental agencies and										
Departmental agencies (non-business	ess	530,006	ı	I	530,006	530,006	ı	100.00 %	457,263	457,263
entities) Departmental agencies and accounts	nts	530,006	,		530,006	530,006		100.00 %	457,263	457,263

2022/2023

2023/2024

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(Vote number 6) Financial Statements for the year ended March 31, 2024

#### Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total current payments	8,141	1	(81)	8,060		481			7,495
Total transfers and subsidies	530,006			530,006	530,006	'	100.00 %	457,263	457,263
Total	538,147	•	(81)	538,066		481			464,758

# Appropriation Statement

Figures in Rand thousand				2023/2024				2022/2023	2023
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
6.1 Tourism									
Economic classification									
Current payments Compensation of employees						Ş			
Salaries and wages Social contributions	3,761 598			3,761 598	3,340 537	421 61	88.81 % 89.80 %	3,563 903	3,358 530
	4,359			4,359	3,877	482	88.94 %	4,466	3,888
Goods and services	ŭ		0					Q,	Q,
Advertising	<u>5</u> w		י י ד	5 m	3 ო		100.00 %		· '
Catering: Departmental activities	16	'	10		^(N)	ı	100.00 %	27	27
Agency and support / outsourced	2,575	'	85	2,660	2,660		100.00 %	2,637	2,637
services Travel and subsistence	1.085	'	(178)	907	206		100.00 %	896	896
Venues and facilities	87		(47)		40	'	100.00 %	7	7
	3,782	•	(81)	3,701	3,701	•	100.00 %	3,607	3,607
Compensation of employees	4,359	1		4,359		482	88.94 %	4,466	3,888
Goods and services	3,782	I	(81)			'	100.00 %	3,607	3,607
Total current payments	8,141	•	(81)	8,060	7,578	482	94.02 %	8,073	7,495
Transfers and subsidies Departmental agencies and									
accounts Departmental agencies (non-business	530,006	ı	I	530,006	530,006	ı	100.00 %	457,263	457,263
entities)									
Departmental agencies and accounts	530,006	'		22	530,006		100.00 %	4	457,263
Total current payments	8,141		(81)		7,578	482	94.02 %		7,495
Total transfers and subsidies	530,006	'					100.00 %		457,263
Total	538,147	•	(81)	538,066		482	99.91 %	465,336	464,758

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Appropriation Statement

# 1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the financial statements.

# 2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 Annual appropriation to the financial statements.

# 3. Detail on payments for financial assets

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the financial statements.

# 4. Explanations of material variances from Amounts Voted (after Virement):

# 4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Administration	116,249	116,210	39	- %
Integrated Economic Development	742,441	740,428	2,013	0.3 %
Trade and Sector Development	40,991	26,515	14,476	35.3 %
Business Regulation and Governance	130,114	127,006	3,108	2.4 %
Economic Planning	19,018	18,365	653	3.4 %
Tourism	538,066	537,585	481	0.1 %



# Programme 2

# **Compensation of employees**

Compensation of Employees is underspending due to the vacant budgeted posts of Senior Managers that have not yet been filled.

# Goods and services

The overspending on Goods and Services was affected by a large account received from Department of Public Works Road and Transport for facility costs close to the end of financial year.

# Transfers and subsidies

Transfers to MEGA are made in line with the approved cashflow that was submitted by the entity and approved.

# Payments for Capital assets

The MIFPM is paid according to progress on site and the facility is almost complete with the budget made available.

# Programme 3

## **Compensation of employees**

The appointment of the Director: Sector Development has not yet been finalised.

# Goods and services

The Town Planner has submitted the required work, however Service Level Agreement validity period had to be extended from 4 months to 12 months (Process still ongoing)

# Transfers and subsidies

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The required Bids for the Nkomazi SEZ detailed designs were evaluated by the Bids Evaluation Committee and a report was prepared for the Bid Adjudication Committee, however these Bids were referred back by the Bid Adjudication Committee for possible amendments to the specifications. (Existing contract so Joint Ventures/Partnering was disallowed)



(Vote number 6)

Financial Statements for the year ended March 31, 2024

# 4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments	162.462	156.766	5.696	4 %
Compensation of employees Goods and services	79,316	79,316	5,090	4 % - %
<b>Transfers and subsidies</b> Provinces and municipalities Departmental agencies and accounts Public corporations and private enterprises Households	10 653,707 260,604 709	10 642,807 260,604 709	- 10,900 -	- % 2 % - % - %
Payments for capital assets Buildings and other fixed structures Machinery and equipment	422,068 5,878	420,055 5,840	2,013 38	- % 1 %
Payments for financial assets	2	2	-	- %

# Per economic classification

# **Compensation of employees**

The under-spend was due to the cost containment measures that were put in place, which led to the moratorium of recruitment until the Premier grants concurrence on the filling of vacant, funded posts.

# Goods and services

Goods and services were overspent due to large accounts received from AGSA for audit fees and PWRT for facility costs close to the end of the financial year.

# Transfers and subsidies

R13 023 000 appropriated in programme three for transfers to the Nkomazi SEZ were not spent due to incomplete procurement processes.

# **Payments for Capital assets**

An amount of R2 013 000 allocated in programme two for MIFPM was not spent as no further amount was payable in respect of the project. A small amount of R38 000 was underspent on the Capital assets budget for programme one, due to savings in the final invoice of the year.

# 4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure
Extended Public Works Programme	3,816	3,816

# **Statement of Financial Performance**

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Revenue			
Annual appropriation	1	1,586,879	1,583,847
Departmental revenue	2	859,320	586,230
Total revenue		2,446,199	2,170,077
Expenditure			
Current expenditure			
Compensation of employees	3	156,766	148,434
Goods and services	4	79,316	75,246
Total current expenditure		236,082	223,680
Transfers and subsidies			
Transfers and subsidies	6	904,130	816,876
Expenditure for capital assets			
Tangible assets	7	425,895	531,185
Payments for financial assets	5	2	-
Total expenditure		1,566,109	1,571,741
Surplus for the year		880,090	598,336
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		20,770	12,106
		20,770	12,106
Departmental revenue and NRF Receipts	12	859,320	586,230
Surplus for the year		880,090	598,336

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# Statement of Financial Position as at March 31, 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Assets			
Current Assets			
Cash and cash equivalents	8	20,612	61,174
Receivables	10	88	95
		20,700	61,269
Non-Current Assets			
Receivables	10	119	134
Total Assets		20,819	61,403
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	11	20,770	12,106
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	49	49,297
		20,819	61,403
Total Liabilities		20,819	61,403
		-	-

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# **Statement of Changes in Net Assets**

Figures in Rand thousand

Note 2023/2024 2022/2023





# **Cash Flow Statement**

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	1,586,879	1,583,847
Departmental revenue received	2	851,171	581,795
Interest received	2.3	7,985	4,399
		2,446,035	2,170,041
Net (increase)/ decrease in working capital		7	(63)
Surrendered to Revenue Fund		(920,674)	(587,028)
Current payments		(236,082)	(223,680)
Payments for financial assets		(2)	-
Transfers and subsidies paid		(904,130)	(816,876)
Net cash flow available from operating activities	13	385,154	542,394
Cash flows from investing activities			
Payments for capital assets	7	(425,895)	(531,185)
Proceeds from sale of capital assets	2.4	164	36
(Increase)/ decrease in non-current receivables	10	15	(22)
Net cash flows from investing activities		(425,716)	(531,171)
Net increase/ (decrease) in cash and cash equivalents		(40,562)	11,223
Cash and cash equivalents at beginning of year		61,174	49,951
Cash and cash equivalents at the end of the year	14	20,612	61,174



(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Accounting Policies**

# Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the , and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

# 1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

# 2. Going concern

The financial statements have been prepared on a going concern basis.

# 3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R'000) which is also the functional currency of the department.

# 4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand('000).

# 5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.

# 6. Comparative information

# 6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

# 6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

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(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Accounting Policies**

# 7. Revenue

# 7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

Appropriated funds are measured at the amounts receivable.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

# 7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

# 7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

# 8. Expenditure

# 8.1 Compensation of employees

# 8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

# 8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Accounting Policies**

# 8. Expenditure (continued)

## 8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

Donations made in-kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

## 8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

# 8.4 Leases

# 8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

The operating lease commitments are recorded in the notes to the financial statements.

## 9. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

## 10. Prepayments and advances

Prepayments and advances expensed before 1 April 2024 are recorded until the goods and services are received.

## 11. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

## 12. Investments

Investments are recognised in the statement of financial position at cost.

## 13. Payables

Payables recognised in the statement of financial position are recognised at cost.

## 14. Capital assets

# 14.1 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at -.R1

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at -R1

(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Accounting Policies**

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

# 14.2 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

# 15. Provisions and contingents

## 15.1 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

# 15.2 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

# 15.3 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

# 16. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

# 17. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: • irregular expenditure incurred in the current financial year.

# 18. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

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(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Accounting Policies**

# 18. Changes in accounting estimates and errors (continued)

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

# 19. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

# 19. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

# 20. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

# 21. Employee benefits

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The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand	Note	2023/2024	2022/2023

### 1. Annual appropriation

### 1.1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

Figures in Rand thousand	2023/	2024	2022/	2023
	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
Administration	116,249	116,249	109,750	109,750
Integrated Economic Development	742,441	742,441	826,033	826,033
Trade and Sector Development	40,991	40,991	32,389	32,389
Business Regulation and Governance	130,114	130,114	131,110	131,110
Economic Planning	19,018	19,018	19,229	19,229
Tourism	538,066	538,066	465,336	465,336
Total	1,586,879	1,586,879	1,583,847	1,583,847
Total grants received		27	3,816	4,599
Total grants received		27	3,816	4,599
Provincial grants included in total grants received			3,816	4,599
2. Departmental revenue				
Tax revenue			850,420	577,883
Sales of goods and services other than capital assets		2.1	105	87
Fines, penalties and forfeits		2.2	272	-
Interest, dividends and rent on land		2.3	7,985	4,399
Sales of capital assets		2.4	164	36
Transactions in financial assets and liabilities		2.5	374	3,825
Total revenue collected			859,320	586,230

The Department mainly receives revenue in the form of tax revenue from gambling, liquor licence fees, and horse racing collected by Mpumalanga Economic Regulator (MER) and paid through the Department, to the Provincial Revenue Fund.

### 2.1 Sales of goods and services other than capital assets

Sales by market establishment Other sales	32 73	16 71
Sales of goods and services produced by the department	105	87
2.2 Fines, penalties and forfeits		
Penalties	272	-
2.3 Interest, dividends and rent on land		
Interest	7,985	4,399

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
2. Departmental revenue (continued)			
2.4 Sales of capital assets			
Tangible assets Machinery and equipment		164	36
2.5 Transactions in financial assets and liabilities			
Receivables		3	3
Other receipts including recoverable revenue		371	3,822
Total	2	374	3,825

Other receipts are amounts related to previous financial expenditure as well as debt amounts recoverable through PERSAL deductions.

# 3. Compensation of employees

# 3.1 Salaries and wages

Basic salary	107,851	99,638
Performance award	-	85
Service based	149	76
Compensative/circumstantial	3,410	1,901
Other non-pensionable allowances	22,548	25,564
Total	133,958	127,264

Other Non-pensionable allowances includes subsidized vehicles, service bonuses and housing allowance.

# 3.2 Social contributions

Average number of employees	228	216
Total compensation of employees	156,766	148,434
Total	22,808	21,170
Insurance	361	443
Bargaining council	26	23
Medical	8,454	7,797
Employer contributions Pension	13,967	12,907

Included in the average number of employees are 11 Interns.



# Notes to the Financial Statements

Figu	ires in Rand thousand	Note(s)	2023/2024	2022/2023
4.	Goods and services			
Adm	ninistrative fees		599	54
Adv	ertising		3,038	2,26
Mino	or assets	4.1	18	15
	ering		761	1,12
	nmunication		4,256	4,35
	nputer services	4.2	802	1,65
	sultants: Business and advisory services		911	32
	al services tractors		2,950	8 1
	ncy and support / outsourced services		5,693	8,44
	lit cost - external	4.3	7,373	5,60
	et services	4.5	1,036	1,14
	sumables	4.4	2,497	3,42
	erating leases		23,267	21,61
	perty payments	4.5	3,644	4,25
	vel and subsistence	4.6	19,144	17,273
Ven	ues and facilities		1,174	993
Trai	ning and development		2,001	1,613
Othe	er operating expenditure	4.7	152	36
Tota	al		79,316	75,24
4.2	Computer services		383	15
	ernal computer service providers		419	558
Tota		4	802	1,65
4.3	Audit cost - external			
Reg	ularity audits		7,373	5,603
4.4	Consumables			
Unif	form and clothing		369	227
	isehold supplies		1,128	1,393
	onsumables		519	345
	nsumable supplies		2,016	1,965
	ionery, printing and office supplies	· · ·	481	1,456
Tota		4	2,497	3,421
4.5	Property payments			
Mun	nicipal services		3,584	4,251
Othe	•		60	7,20
Tota	al	4	3,644	4,251

Other operating payment are payments for new locks purchased and biometrics security.

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
4. Goods and services (continued)			
4.6 Travel and subsistence			
Local		19,144	16,833
Foreign		-	44(
Total	4	19,144	17,273
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		-	57
Resettlement costs		31	66
Other		121	237
Total	4	152	362
	or vehicles and subscription		
	5.1	2	
Theft		2	
Theft Irrecoverable debts were written off		2	
Theft Irrecoverable debts were written off 5.1 Details of theft		2	
Theft Irrecoverable debts were written off		2	
Theft Irrecoverable debts were written off 5.1 Details of theft Nature of theft Debtors written off.			
Theft Irrecoverable debts were written off 5.1 Details of theft Nature of theft Debtors written off. 6. Transfers and subsidies Provinces and municipalities			
Theft Irrecoverable debts were written off 5.1 Details of theft Nature of theft Debtors written off. 6. Transfers and subsidies Provinces and municipalities Departmental agencies and accounts	5.1	2 10 642,807	577,88
Theft Theft Trecoverable debts were written off Theft	5.1 Annexure 1B Annexure 1D	2 10 642,807 260,604	577,88 ² 237,843
Theft Irrecoverable debts were written off 5.1 Details of theft Nature of theft Debtors written off. 6. Transfers and subsidies Provinces and municipalities Departmental agencies and accounts Public corporations and private enterprises Households	5.1	2 10 642,807	577,881 237,843 1,144
Theft Irrecoverable debts were written off 5.1 Details of theft Nature of theft Debtors written off.	5.1 Annexure 1B Annexure 1D Annexure 1G	10 642,807 260,604 709	577,881 237,843 1,144 <b>816,876</b>

Machinery and equipment were donated to SMMEs



# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
7. Expenditure for capital assets			
Tangible assets			
Buildings and other fixed structures	25	420,055	528,736
Machinery and equipment	24	5,840	2,449
		425,895	531,185
7.1 Analysis of funds utilised to acquire capital assets - 2023/2024			
Figures in Rand thousand		Voted funds	Total
Tangible assets		400.055	400.055
Buildings and other fixed structures		420,055 5,840	420,055
Machinery and equipment		,	5,840
		425,895	425,895
7.2 Analysis of funds utilised to acquire capital assets - 2022/2023			
Figures in Rand thousand		Voted funds	Total
Tangible assets		500 700	500 700
Buildings and other fixed structures Machinery and equipment		528,736 2,450	528,736 2,450
		,	,
		531,186	531,186
8. Cash and cash equivalents			
Consolidated paymaster general account		28,857	61,772
Disbursements		(8,245)	(598)
Total		20,612	61,174

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(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
9. Prepayments and advances			
9.1 Prepayments (Expensed)			
Figures in Rand thousand	Note	Balance as at April 1, 2023	Balance as at March 31, 2024
Listed by economic classification Capital assets		33,783	33,783
Figures in Rand thousand	Note	Balance as at April 1, 2022	Balance as at March 31, 2023
Listed by economic classification Capital assets		33,783	33,783

An amount advanced to MEGA in relation to the MIFPM which has not yet been utilised for the project is disclosed as an advance payment. The advance was paid in terms of the memorandum of understanding entered into between DEDT and MEGA appointing MEGA as an implementing agent to establish and operationalize the MIFPM. Goods and Services and Capital assets not received at the reporting date relate to the operationalization of the MIFPM precinct in totality.

# 10. Receivables

Figures in Rand thousand			2023/2024			2022/2023	
	Note	Current	Non- current	Total	Current	Non- current	Total
Staff debt Other receivables	10.1 10.2	12 76	119 -	131 76	12 83	134 -	146 83
Total		88	119	207	95	134	229
Staff debt 10.2 Other receivab	les					131	146
Sal: Income tax						76	83
11. Voted funds to	be surrend	ered to the Reve	enue Fund				
Opening balance Transferred from state Paid during the year	ement of fina	ncial performanc	e (as restated)			12,106 20,770 (12,106)	14,090 12,106 (14,090)
Closing balance						20,770	12,106

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
11. Voted funds to be surrendered to the Revenue Fund (continued)			
11.1 Reconciliation of unspent conditional grants			
Total conditional grants received	1.2	3,816	4,599
Total conditional grants spent		(3,816)	(4,599)
Unspent conditional grants to be surrendered		-	-
12. Departmental revenue and NRF Receipts to be surrendered to the Reve	enue Fund		
Opening balance		49,297	36,005
Transferred from statement of financial performance (as restated)		859,320	586,230
Paid during the year		(908,568)	(572,938)
Closing balance		49	49,297
13. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		880,090	598,336
Add back non cash/ cash movements not deemed operating activities (Increase)/ decrease in receivables		7	(60
(Increase)/ decrease in prepayments and advances		-	(30)
Proceeds from sale of capital assets		(164)	(36
Expenditure on capital assets		425,895	531,185
Surrenders to Revenue Fund		(920,674)	(587,028
Not each flow we wanted by an eaching a sticking		385,154	542,394
Net cash flow generated by operating activities			
14. Reconciliation of cash and cash equivalents for cash flow purposes			
		28,857	61,772
14. Reconciliation of cash and cash equivalents for cash flow purposes		28,857 (8,245)	61,772 (598



(Vote number 6)

Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand		Note(s)	2023/2024	2022/2023
15. Contingent liabilities and contingent assets				
15.1 Contingent liabilities				
Liable to	Nature			
Claims against the department		Annexure 3B	97,697	97,697
Intergovernmental payables		Annexure 5	233	186
Total			97,930	97,883

# Nature of contingent liabilities

## Case number: 36064/2010

Claim for alleged damages incurred as a result of unfair dismissal. However, the department filed papers to oppose the claim. The plaintiff is deceased (2019) and claim remains dormant. The amount claimed totals R 1 217 165.03 and is reflected on the summons received.

# Case number: MRCC366/2014

The claim is for an injury on duty while performing his duties as a game ranger at MTPA. The MEC is cited solely on the basis that she is the responsible Executive Authority over MTPA, a separate legal entity having its own Accounting Authority (Board) as contemplated in section 49(2)(a) of the PFMA. The basis of the claim is that Plaintiff was shot at by poachers within the course and scope of his duties as a game ranger during December 2012. The amount claimed amounts to R 500 000 (Five Hundred Thousand Rand).

# Case number: 43536/2017

The claim is for an alleged non- payment to an appointed service provider for the installation of an automated liquor licence system on behalf of the then Mpumalanga Liquor Authority (MLA). However, the department disputes this assertion on the basis that phase 2 of the project was not implemented as per the signed service level agreement. The amount claimed is R 1 000 000.

# Case number: MRCC-271/2014

The claim relates to damages for an alleged breach of contract related to a Labour relations dispute, rendered but not paid for. The Plaintiff alleges that he conducted investigations into alleged misconduct by two Executive managers during December 2011. The amount claimed is R168 700 and R210 834 respectively of combined summons at a total of R 379 534,00

## Case number:JR768/2017

The claim is for an alleged unilateral change in conditions of employment. The plaintiff is suing the Department and Department of Education alleging that his conditions of employment were unilaterally changed when he was transferred from Office of the MEC to Communications Directorate. The plaintiff seeks a declaratory order setting aside his transfer dated 12 May 2014 and paying his non pensionable personal allowance from date of his transfer. However, the department disputes this allegation. The estimated amount of R349 000 is based on the PERSAL report from the date of transfer from the Department of Education to the Department of Economic Development and Tourism.

# Case number: 5257/2022

The dispute arising from variation orders related to the construction of the Mpumalanga International Fresh Produce Market (MIFPM). ENZA is seeking an order to compel approval of variation orders by DPWRT as the implementing agent and the total amount claimed in the summons is R94 251 341.42 as confirmed by the attorneys.

The contingent liabilities amounts listed above with the exception of Case number: 3663/2017/Z41 are as per summons received by the department. The department was unable to conduct best estimate on the basis that there are no similar cases instituted against the department.

# Notes to the Financial Statements

Figures in Rand thousand		Note(s)	2023/2024	2022/2023
15. Contingent liabilities and contingent assets (contin	ued)			
15.2 Contingent assets				
Nature of contingent asset				6.765
16. Capital commitments			_	0,700
Buildings and other fixed structures			75,091	349,433
17. Accruals and payables not recognised				
17.1 Accruals				
Figures in Rand thousand Listed by economic classification Goods and services	30 Days 884	2023/2024 30+ Days 714	Total 1,598	2022/2023 Total 1,664
Listed by programme level Administration Integrated Economic Development Trade and Sector Development Business Regulation & Governance Economic Planning Tourism			649 845 28 41 28 7	1,309 134 52 68 65 36
Total			1,598	1,664
17.2 Payables not recognised				
Figures in Rand thousand Listed by economic classification Goods and services	30 Days 93	2023/2024 30+ Days 19	Total 112	2022/2023 Total 404
Listed by programme level Administration Integrated Economic Development			104 8	91 313
Total			112	404
Included in the above totals are the following: Confirmed balances with other departments Confirmed balances with other government entities		Annexure 5 Annexure 5	- 4	467
Total			4	467

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
18. Employee benefits			
Leave entitlement		9,170	9,460
Service bonus		4,466	4,079
Capped leave		5,521	5,484
Other		131	77
Total		19,288	19,100

Other refers to an amount of R130 787 for Long Service Awards anticipated to be paid to officials in the next financial year. Long Service Awards was last revised by the DPSA on the 01 April 2020. Included in the leave entitlement above are negative leave credits amounting to R60 282.

# 19. Lease commitments

# 19.1 Operating leases

# 2023/2024

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7,227	2,519	9,746
Later than 1 year and not later than 5 years	31,758	6,576	38,334
Total lease commitments	38,985	9,095	48,080

# 2022/2023

Figures in Rand thousand Not later than 1 year Later than 1 year and not later than 5 years Later than five years	Buildings and other fixed structures 7,168 36,337 1.378	Total 7,168 36,337 1,378
Total lease commitments	44,883	44,883

The material leasing agreement that the department has entered into is with Blue Cloud Investments for the lease of office building located at Mbombela Square with a lease period from 01 June 2021 to 30 June 2029. The escalation clause is 7% annually and no restrictions are imposed to the department. Maintenance and repairs are the responsibility of the Landlord in this regard.

### 20. Accrued departmental revenue

Tax revenue Sale of capital assets	86,447 56	61,054 -
Total	86,503	61,054
20.1 Analysis of accrued departmental revenue		
Opening balance	61,054	38,889
Less: Amounts received	(61,054)	(38,889)
Add: Amounts recognised	86,447	61,054
Total	86,447	61,054

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
21. Unauthorised, Irregular and Fruitless and wasteful expenditure			
Irregular expenditure		13,010	14,070

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.



(Vote number 6)

Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Note(s)	2023/2024	2022/2023
	850,420 56	577,883 -
	850,476	577,883
	903,411	815,724
-		56 <b>850,476</b>

# 1. Tax Revenue

The Tax Revenue of R850 420 000 is revenue collected by the Mpumalanga Economic Regulator (MER) through it's regulation of the Gambling and Liquor industries. This include Casino taxes, Gambling in the Province that is related to horse racing and other sports betting, liquor licence application and annual renewal fees collected during the 2023/24 financial year.

# 2. Transfers

**Departmental Agencies** 

# Mpumalanga Economic Regulator - MER

The abovementioned is an entity of the Department established in terms of Mpumalanga Economic Regulator Act, 2017 (Act 2 of 2017) to regulate the Gambling and Liquor Industries in the Province in terms of The Gambling and Liquor Licensing Act respectively. An amount of R 107 045 000 has been transferred to the entity as at the end of 2023/24 financial year in order to fulfill its legislative mandate on behalf of the Department.

# Mpumalanga Economic Growth Agency - MEGA

MEGA is an entity of the Department established in terms of the MEGA Act 1 of 2010, mandated to drive growth in various sectors of the economy and to promote SMMEs, Cooperatives and foreign trade and investment in the Province. An amount of R 257 884 000 has been transferred to the entity as at the end of 2023/24 financial year in order to fulfill its legislative mandate on behalf of the Department.

## Mpumalanga Tourism and Parks Agency - MTPA

MTPA is an entity of the Department established in terms of the Mpumalanga Tourism and Parks Agency Act No. 5 of 2005, to provide for the sustainable management and promotion of tourism and nature conservation in the Province. An amount of R 530 006 000 was transferred to MTPA as at the end of 2023/24 financial year to enable the entity to fulfill its Legislative mandate on behalf of the Department.

# Nkomazi SEZ SOC

The Nkomazi SEZ entity is a registered state owned company designated as a multi –sectoral SEZ anchored by strong and viable agro –processing and logistical industrial sectors. It is located south of the N4 approximately 5km from the Lebombo Border post. The SEZ was established to facilitate economic growth and attract long-term investment into Mpumalanga Province. For the financial year 2023/24 an amount of R 5 756 000 was transferred to MEGA for the implementation of the interim phase for the Nkomazi SEZ.

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand

Note(s) 2023/2024 2022/2023

# 22. Related party transactions (continued)

Private enterprises

Mpumalanga Green Cluster Agency

The Department managed to conclude a Memorandum of Understanding with the newly established Mpumalanga Green Economy Cluster Agency which would promote, coordinate the rollout of the Green Economy Development Plan. The Green Economy Cluster Agency would greatly contribute to initiatives in the "Just Transition Programme" enabling moving to a cleaner energy producing environment within Mpumalanga. The Green Economy Cluster Agency would also ensure that deserving projects in the green economy space be executed in partnership with industry to promote the participation of local SMMEs in the green economy. No amount was transferred to the Green economy cluster for the 2023/24 financial year.

Mpumalanga Stainless Initiative - MSI

The MSI was established to promote youth and other SMME's to participate in steel fabrication. The Department has a Memorandum of Understanding with MSI. Various young people were trained and supported on stainless steel in order to obtain contracts from industry to take advantage of opportunities presented by the stainless steel industry. An amount of R 2 020 000 was transferred to the MSI for the 2023/24 financial year.

# Furniture Technology Incubator - FURNTECH

The Department has a Memorandum of Agreement with Furntech. Young people were trained in small scale furniture manufacturing and upholstery at Ehlanzeni District Municipality to increase the skills in this sector to support the planned Forestry Industrial Technology Park. An amount of R700 000 was transferred to Furntech during the 2023/24 financial year.

## 3. Year end balances

The receivable amount of R 86 447 000 is for revenue from Mpumalanga Economic Regulator collected up to 31 March 2024 which gets transferred to the Department in April 2024 after the end of financial year. Also included is a receivable amount of R33 783 000 from MEGA which relates to the Mpumalanga International Fresh Produce Market (MIFPM). The total receivable amount from related parties amounts to R120 230 000 as indicated above.

## 4. In kind goods and services received

Information Technology (ICT) services provided by Provincial Treasury.

The Department has entered into a memorandum of understanding for the rendering of ICT services with Mpumalanga Provincial Treasury. These services are provided by the Mpumalanga Provincial Treasury free of charge.

## 5. Other services received

Occupation and utilization of Government Buildings

The Department of Economic Development and Tourism occupies premises in building no. 4 (Nokuthula Simelane Building) and KwaMhlanga Government building as provided by the Department for Public Works, Roads and Transport free of charge. The Department is only liable for Municipal Services. The Department of Community Safety, Security and Liaison provides securty services for Building no. 4 which is occupied by our department also free of charge.



(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
23. Key management personnel			
Political office bearers (provide detail below) Level 15 to 16		2,098	2,256 104
Level 14 (incl. CFO if at a lower level)		9,031	8,997
Other		7,117	2,526
Total		18,246	13,883

During the period under review the HOD for Agriculture, Rural Development, Land and Environmental Affairs was appointed as Acting HOD at no cost to the department since the post of the HOD is vacant. Also included under 'Other' are officials who are below level 14 but were part of the Executive Committee of the department during the year under review.

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand

ousand	Note(s)	2023/2024	2022/2023

# 24. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended March 31, 2024

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment Transport assets	3,950	_	780	3,170
Computer equipment	7.125	3.943	1.447	9.621
Furniture and office equipment	11,807	1,695	650	12,852
Other machinery and equipment	1,848	202	491	1,559
	24,730	5,840	3,368	27,202

Included in the disposals above are two laptops written off, one laptop transferred to another department, four vehicles sold through auction while the rest were salvaged through Cooperatives.

# 24.1 Movement for 2022/2023

# Movement in movable tangible capital assets per asset register for the year ended March 31, 2023

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment Transport assets	4,041	-	91	3,950
Computer equipment	7,183	1,110	1,168	7,125
Furniture and office equipment	10,935	1,339	467	11,807
Other machinery and equipment	1,865	-	17	1,848
	24,024	2,449	1,743	24,730

# 24.2 Minor assets

# Movement in minor capital assets per the asset register for the year ended as at March 31, 2024

Additions     18       Disposals     312     3       Total minor capital assets     3,135     3,135       Figures in Rand thousand     Machinery and equipment     Total       Number of R1 minor assets     19	Total number of minor assets	1,464	1,464
Figures in Rand thousand     equipment       Opening balance     3,429     3,42       Additions     18     18       Disposals     312     3       Total minor capital assets     3,135     3,135       Figures in Rand thousand     Machinery and equipment     Total	Number of minor assets at cost	1,445	1,445
Figures in Rand thousand     equipment       Opening balance     3,429     3,42       Additions     18     18       Disposals     312     3       Total minor capital assets     3,135     3,135       Machinery and     Total	Number of R1 minor assets	19	19
Figures in Rand thousandequipmentOpening balance3,429Additions18Disposals312	Figures in Rand thousand		Total
Figures in Rand thousand     equipment       Opening balance     3,429     3,42       Additions     18     18	Total minor capital assets	3,135	3,135
Figures in Rand thousand     equipment       Opening balance     3,429     3,42	Disposals	312	312
Figures in Rand thousand equipment	Additions	18	18
	Opening balance	3,429	3,429
	Figures in Rand thousand	,	Total

(Vote number 6) Financial Statements for the year ended March 31, 2024

# **Notes to the Financial Statements**

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

# 24. Movable tangible capital assets (continued)

# Movement in minor capital assets per the asset register for the year ended as at March 31, 2023

Figures in Rand thousand	Other machinery and equipment	Total
Opening balance Additions Disposals	3,527 158 256	3,527 158 256
Total minor capital assets	3,429	3,429
Figures in Rand thousand	Other machinery and equipment	Total
Number of R1 minor assets Number of minor assets at cost	20 1,581	20 1,581
Total number of minor assets	1,601	1,601

# 24.3 Movable tangible capital assets written off

# Movable capital assets written off for the year ended as at March 31, 2024

Figures in Rand thousand	Machinery and To equipment	
Assets written off	42	42

Two laptops that were stolen. Approval was granted to remove them from the asset register.

# 25. Immovable Tangible Capital Assets

# 25.1 Capital Work-in-progress

# Capital Work-in-progress as at March 31, 2024

Figures in Rand thousand	Note	Opening balance April 1, 2023	Current Year WIP	Closing balance March 31, 2024
Buildings and other fixed structures		2,076,889	420,055	2,496,944
Capital Work-in-progress as at March 31, 2023				
Figures in Rand thousand	Note	Opening balance April 1, 2022	Current Year WIP	Closing balance March 31, 2023
Buildings and other fixed structures		1,548,153	528,736	2,076,889

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Notes to the Financial Statements

Figures in Rand thousand		Note(s)	2023/2024	2022/2023
26. Prior period errors				
26.1 Correction of prior period errors				
Figures in Rand thousand	Note	Amount bef error correction	2022/2023 Prior period error	Restated amount
Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
<ol> <li>Fruitless and wasteful expenditure</li> <li>Contingent asset- Case number: 6685/09/Z3</li> <li>Key management personnel</li> <li>Advance payment to MEGA</li> </ol>		2,712 14,774	6,765 (2,712) (891) 33,783	6,765 - 13,883 33,783
Net effect		17,486	<b>36,945</b>	<b>54,431</b>

1. The above relates to an investigation that was conducted to verify if expenditure in relation to the placement of unemployed youth by a service provider (Lulaway) was justified or not. A Legal opinion was sought during the 2023/24 financial year from the State Attorney to verify the correctness of the outcome from the investigation report. The opinion concluded that the expenditure was justified.

2. Case number: 6685/09/Z3 - The Department sought a legal opinion and was advised to remove the matter since it had prescribed in terms of the Prescription Act.

3. Key management personnel –the prior years disclosure on key management personnel incorrectly included subsistence travel costs paid to officials.

4. Advance payment made to MEGA for the implementation of the Mpumalanga International Fresh Produce Market (MIFPM).

Figures in Rand thousand	Note	2022/ Amount bef error correction	2023 Prior period error
Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)			
Contingent liability: Case number 34502/2010		1,078,000	(1,078,000)

Matter removed from the contingent liabilities - the Department is not a party to the dispute.

Department of Economic Development & Tourism	Vote number 6)	Financial Statements for the year ended March 31, 2024	
Dep	(Vote n	Financi	

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# Notes to the Financial Statements

Figures in Rand thousand

# 27. Statement of conditional grants received

Figures in Rand thousand	Grant allocation	cation	Ś	Spent	2022/2023	2023
	Division of Total	Total	Amount	Amount Amount spent Division of Amount spent	Division of	Amount spent
Name of grant	Revenue Act/ A Provincial Grants	Available	received by department	received by by department	Revenue Act by departn	by department
Expanded Public Works Programme (EPWP)	3,816	3,816	3,816	3,816	4,599	4,599
	3,816	3,816	3,816	3,816	4,599	4,599

# **Annexures to the Financial Statements - Unaudited**

Annexure 1A

# Statement of conditional grants and other transfers to municipalities

Figures in Rand thousand		Grant allocation		Transfer	2022/2023	023
	DoRA	Adjust-ments	Total	Actual	DoRA	Actual
	and other		available	transfer	and other	transfer
Name of municipality	transfers				transfers	
Department of Community Safety and Liaison	29	(19)	10	10	29	ω

# Annexures to the Financial Statements - Unaudited

# Annexure 1B

Statement of transfers to Departmental Agencies and Accounts

Figures in Rand thousand	Transfer allocation	llocation	Transfer	sfer	2022/2023	123
Departmental Agency/ Account	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
<u>Murimalanda Economic Badulator</u>	107 045	107 045	107 045	100 %	111 324	111 304
				0001	110,111	
Mpumalanga Tourism & Parks Agency	530,006	530,006	530,006	100 %	457,263	457,263
Mpumalanga Nkomazi SEZ SOC Ltd	16,656	16,656	5,756	35 %	6,606	9,294
Total	653,707	653,707	642,807	l	575,193	577,881

(Vote number 6) Financial Statements for the year ended March 31, 2024

# Annexures to the Financial Statements - Unaudited

# Annexure 1D

Statement of transfers/ subsidies to public corporations and private enterprises

Figures in Rand thousand

2022/2023

Expenditure

Transfer allocation

	Adjusted buildnet	Total	Actual transfer	% of Available	Final	Actual
Name of public corporations/ private enterprise				funds transferred		
Public corporations						
<b>Transfers</b> Mpumalanga Economic Growth Agency	257,884	257,884	257,884	100.0 %	234,789	234,789
<b>Subsidies</b> Mpumalanga Green Cluster Agency	4,843	4,843		~ '	394	394
Subtotal: Public corporations	262,727	262,727	257,884		235,183	235,183
Private enterprises						
Transfers Furntech	200	200	200	100.0 %	650	650
Mpumalanga Stainsteel Initiative	2,020	2,020	2,020	100.0 %	2,010	2,010
	2,720	2,720	2,720	Į	2,660	2,660
Total	265,447	265,447	260,604		237,843	237,843

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# Annexures to the Financial Statements - Unaudited

Annexure 1G

Statement of transfers to households

Figures in Rand thousand	Transfer allocation	location	Expenditure	diture	2022/2023	:023
	Adjusted budget	Total available	Actual transfer	% of Available funds	Final budget	Actual transfer
Households				transferred		
<b>Transfers</b> Leave Gratuity	709	209	209	100 %	1,187	1,144

# Annexures to the Financial Statements - Unaudited

# Annexure 1J

Statement of gifts, donations and sponsorships made

Figures in Rand thousand	2023/2024	2022/2023
Nature of gifts, donations and sponsorships made		
Made in kind		
Donations Machinery and equipment	0.074	
	2,274	



# Annexures to the Financial Statements - Unaudited

# Annexure 3B

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# Statement of contingent liabilities as at March 31, 2024

Figures in Rand thousand	Opening balance April 1, 2023	Closing balance March 31, 2024
Nature of liabilities		
Claims against the department		
36064/2010	1,217	1,217
MRCC366/2014	500	500
43536/2017	1,000	1,000
MRCC271/2014	380	380
JR768/2017	349	349
5257/2022	94,251	94,251
Subtotal	97,697	97,697

# Annexures to the Financial Statements - Unaudited

Annexure 5

Inter-government payables

Government entity	Confirmed balance outstanding	l balance nding	Unconfirmo	Unconfirmed balance outstanding	To	Total
Figures in Rand thousand	2023/2024		2023/2024	2022/2023 2023/2024 2022/2023	2023/2024	2022/2023
Departments						
<b>Current</b> Department of Public Works .Roads and Transport	I	1	1	186		186
Office of the Premier	1	104	I	I	I	104
Department of Agriculture, rural development, land & environmental affairs	'	363	193	1	193	
Subtotal	1	467	193	186	193	653

# Other government entity

Current						
SITA	4			ı	4	ī
Special Investigating Unit (SIU)	I	ı	40	ı	40	
Subtotal	4		40		44	•
Total Inter-government payables	4	467	233	186	237 64	53

# Annexures to the Financial Statements - Unaudited

Movement in capital work-in-progress

Movement in capital-work-in progress for the year ended March 31, 2024

Figures in Rand thousand	Opening balance	Current year Capital WIP	Closing balance
Buildings and other fixed structures			
Other fixed structures	2,076,889	420,055	2,496,944





# **Annexures to the Financial Statements**

Annexure 7 (continued)			
Movement in capital work-in-progress (continued)			
Movement in capital work-in-progress for the year ended March 31, 2023			
Figures in Rand thousand	Opening balance	Current year Capital WIP	Closing balance
Buildings and other fixed structures			
Other fixed structures	1,548,153	528,736	2,076,889



# Annexures to the Financial Statements - Unaudited

# Annexure 8A

# Inter-entity advances paid (note 9)

Entity	Confirmed balance outstanding		Total	
Figures in Rand thousand	2023/2024	2022/2023	2023/2024	2022/2023
Public entities				
Mpumalanga Economic Growth Agency	33,783	33,783	33,783	33,783



# NOTES

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