

Annual Report

2025/2026

economic development & tourism

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

MPUMALANGA
THE PLACE OF THE RISING SUN





ANNUAL REPORT

2025–2026 Financial Year

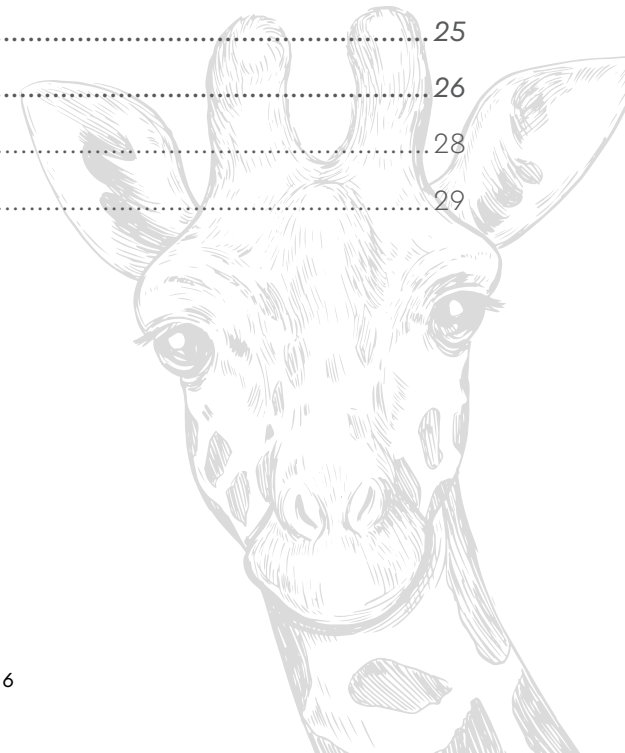
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

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Part A

General Information

1. DEPARTMENT GENERAL INFORMATION

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Telephone Number/S:	013 766 4004
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X:	@dedtmp

2. LIST OF ABBREVIATIONS/ACRONYMS

ACRONYM	FULL DESCRIPTION
AC	Audit Committee
AFS	Annual Financial Statement
AGSA	Auditor General South Africa
AIDS	Acquired Immunodeficiency Syndrome
AO	Accounting Officer
APP	Annual Performance Plan
BBBEE	Broad-Based Black Economic Empowerment
CCTV	Closed Circuit Television
CFO	Chief Financial Officer
CSI	Corporate Social Investment
COGHSTA	Cooperative Governance, Human Settlements and Traditional Affairs
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs
DEDT	Department of Economic Development and Tourism
DDM	District Development Model
DORA	Division of Revenue Act
DSBD	Department of Small Business Development.
DTIC	Department of Trade, Industry and Competition
EHWP	Employee Health and Wellness Programme
EXCO	Executive Committee
REMC	Risk and Ethics Management Committee
ENE	Estimates of National Expenditure
EE	Employment Equity
GDP	Gross Domestic Product
GEMS	Government Employees Medical Scheme
GIS	Geographical Information System

HDI	Historically Disadvantaged Individuals
HIV	Human Immunodeficiency Virus
HIRA	Hazard Identification and Risk Assessment
HOD	Head of Department
HR Plan	Human Resource Plan
IA	Internal Audit
IAF	Internal Audit Function
ICT	Information Communication Technology
IDP	Integrated Development Plan
LED	Local Economic Development
MANCO	Management Committee
MEC	Member of the Executive Council
MEDGP	Mpumalanga Economic Growth and Development Plan
MEGA	Mpumalanga Economic Growth Agency
MER	Mpumalanga Economic Regulator
MGCA	Mpumalanga Green Cluster Agency
MIFPM	Mpumalanga International Fresh Produce Market
MMS	Middle Management Services
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPSEP	Mpumalanga Provincial MSMEs Exporter Portal
MSMEs	Micro, Small and Medium Enterprises
MTDP	Medium Term Development Plan
MTPA	Mpumalanga Tourism and Parks Agency
NDP	National Development Plan
NGOs	Non-Governmental Organisations
NSEZ	Nkomazi Special Economic Zone
NYDA	National Youth Development Agency

OHS	Occupational Health and Safety
OPSC	Office of the Public Service Commission
ORW	Other Remunerative Work
OTP	Office of the Premier
PERSAL	Personnel and Salary Administration
PFMA	Public Management Finance Act, 1999 (Act No. 1 of 1999) as amended
PPPs	Public Private Partnerships
PSC	Public Service Commission
RTR	Red Tape Reduction
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SEDFA	Small Enterprise Development and Finance 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
SLP	Social and Labour Plans
STI	Sexually Transmitted Infection
TB	Tuberculosis
VAT	Value Added Tax
WSP	Workplace Skills Plan



Ms J Sidell (MPL)
MEC: Economic Development and Tourism

3. FOREWORD BY THE MEC

It is my distinct privilege and honour to present the Annual Report of the Mpumalanga Department of Economic Development and Tourism (DEDT) for the 2025/26 financial year.

This report details a pivotal period in our provincial development trajectory as we consolidate the work of the 7th Administration. Operating under the theme of sustainable, inclusive, and transformative growth, the 2025/26 financial year presented both significant macroeconomic challenges and remarkable opportunities for the people of Mpumalanga "The Place of the Rising Sun."

Despite global economic headwinds, trade policy uncertainties, and fluctuating commodity prices affecting traditional key sectors such as mining and manufacturing, Mpumalanga's economy demonstrated admirable resilience. Through targeted interventions aligned with Mpumalanga Economic Reconstruction and Recovery Plan (MERRP), our focused initiatives in emerging growth nodes-particularly in agriculture, green energy transition, local enterprise development, and tourism-have begun to yield measurable outcomes.

Our primary mandate remains the creation of sustainable economic opportunities and the reduction of poverty, inequality, and youth unemployment. During the 2025/26 financial year period, our interventions cantered on strengthening key economic infrastructure and expanding high-impact industrial projects:

- Mpumalanga International Fresh Produce Market: Unlocking agro-processing opportunities and securing inclusive value chains for local farmers.
- Industrial & Special Economic Zone: Accelerating industrial expansion, enhancing trade capabilities, and catalysing private sector investment in key corridors.
- Support for MSMEs & Cooperatives: Providing direct business incubation, regulatory compliance easing, and market access support to micro, small, and medium enterprises, which form the bedrock of our township and rural economies.

Tourism remains the vibrant heartbeat of Mpumalanga's brand and critical catalyst for job creation. In 2025/26, we moved decisively to restore operational stability and strategic alignment across our public entities.

Through the strengthening of governance structures at the **Mpumalanga Tourism and Parks Agency (MTPA) and the Mpumalanga Economic Growth Agency (MEGA)**, we re- anchored our strategy around world-class destination marketing, biodiversity conservation, and strategic public-private partnerships. From promoting iconic heritage assets like the Blyde River Canyon and the Kruger Lowveld, to supporting high-potential community tourism initiatives, we have positioned Mpumalanga as a premier destination for domestic and international travellers alike.

Clean governance, fiscal discipline, and administrative efficiency remain non-negotiable standards within the Department. I extend my appreciation to the Accounting Officer, the Head of Department, executive management, and every dedicated staff member of DEDT and its public entities for their commitment to fulfilling our strategic mandates.

I also express my gratitude to the Honourable Premier, my colleagues in the Executive Council, the Portfolio Committee on Economic Development and Tourism, and our industry and social partners. Your shared vision and collaboration are vital as we work to build an equitable economy where no one is left behind.

As we reflect on the achievements and lessons of the 2025/26 financial year, we remain firmly focused on transforming our province's rich natural resources and human potential into shared, lasting prosperity for all residents of Mpumalanga.

Indeed, Mpumalanga is A Province That Works for All!



MS J SIDELL (MPL)
MEC: ECONOMIC DEVELOPMENT AND TOURISM
31 JULY 2026





Ms FI Serakalala
HEAD: Economic Development and Tourism

4. REPORT OF THE ACCOUNTING OFFICER

This Executive Report presents a high-level account of the operations, performance results, financial performance, key achievements and challenges of the Department of Economic Development and Tourism for the 2025/2026 financial year. It seeks to promote accountability, transparency and public confidence, while detailing a balanced view on both the successes and shortcomings in the reporting period. The overall overview on the Department's operations and performance during the 2025/2026 financial year places the execution of the DEDT mandate on six core programmes.

The departmental Programmes include Administration; Integrated Economic Development; Trade and Sector Development; Business Regulation and Governance; Economic Planning; and Tourism. Whereas much of strategy execution was the responsibility of the Entities of the Department, and further collaborations with strategic partners. These programmes supported the Department's role in driving inclusive economic growth, strengthening economic planning, supporting enterprise development, promoting sector development, improving business regulation and advancing tourism development in Mpumalanga.

An overall 80% achievement is recorded on the organisational annual planned targets, with some instances of partially achieved targets. At the same time, the combined budget expenditure stood at 97.5%, including compensation of employees, procurement of goods and services, as well as transfers to the Entities. This demonstrates substantial utilisation of allocated resources in support of planned departmental outputs.

A highlight of key achievements on the Integrated Economic Development Services included business support to over 108 small business with tools of trade, equipment and financial assistance in the sectors of tourism, green economy, agro-processing, township manufacturing, spaza shops, hair salons and car washes. Numerous local municipalities were supported to identify sector opportunities, implement the Red Tape Reduction Strategy and conduct LED stakeholder engagements. Despite a few drawbacks, our work towards creating an enabling business empowerment environment for HDIs, over 8 black-owned tyre businesses benefited from our support with equipment and training as we sought to revitalize the township and rural economy.

Our efforts towards the promotion of trade and sector development achieved notable outputs, including workshops on Productivity and Improvement and BRICS+ Economic Partnership, stakeholder engagements resulting in the on-boarding of 50 MSMEs on the Takealot Township Initiative and other 50 onto the Mpumalanga Provincial MSMEs Exporter Portal. Further engagements led towards the finalisation of the reviewed Mpumalanga Trade and Investment Strategy document. Successes were also recorded on how over 80 youth benefitted from the rollout of our incubation programmes in the stainless steel fabrication, wood and furniture manufacturing, surface and underground mining, and business management.

The Department was successful in making sure that we experience a more equitable, socially responsible business environment in the Province, so that there could be fair trade through the protection of consumer rights. Over 400 consumer education and awareness campaigns were conducted, in addition to resolving all the reported consumer cases within specified timeframes. In this process, over R848 484.88 was recovered on behalf of aggrieved consumers. Our local municipalities also benefitted from the capacity building programme conducted to train them on the development and enforcement of business by-laws in a manner that eases doing business.

Our thought leadership expertise in economic policy and strategy formulation led to the compilation and communication of research reports on the mining and tourism sectors/industries, the Provincial Economic Review and Outlook and Socio-Economic Review and Outlook reports, as well updates of the geo-database of MEGDP priority projects. The process to review the MEGDP is progressing well, with indications that such will be completed in the next financial year.

The Department sought to position the Province as a destination of choice by, first, facilitating strategic tourism projects, including the Barberton Makhonjwa World Heritage Site, the Mariepskop Cable Car, and the Hazyview Water Waves despite some challenges. We succeeded to have critical stakeholder engagement, including the resuscitation of the Provincial Tourism Think Tank as mechanisms to unlock tourism growth in the Province. Over 6 tourism awareness programmes were implemented, including the Tourism Month, Festive and Easter season activations. These sought to promote enterprises and inclusivity in the tourism sector. Our highlight was hosting the G20 2025 Tourism Ministers meetings, with a world class traction.

Our contribution towards building a capable, ethical and developmental state meant that we strengthen our drive to becoming an ethical, well-coordinated, enabling and capable centre of business excellence. The Department maintained an in-house governance assurance structures, with support from, amongst others, the Internal Audit and Risk Management Units and continued engagement with MANCO, EXCO and the Audit Committee. To date, the Workplace Skills Plan was implemented 100%, in addition to 100% timely payment of creditors and reaching over 85% value of procurement from designated groups. However, the development of the ICT Governance policies and plans is at 50%, owing to ongoing Provincial developments that should our processes further. Unfortunately, our quest to reduce irregular expenditure did not yield the planned results.

Notwithstanding the progress made, the Department experienced a number of performance and operational challenges further than those highlighted above. For instance, the tyre outlets in Ehlanzeni District Municipality could not receive the planned training due to their outstanding credits with the service provider. Other critical initiatives affected include the opening of the township register for the Petro-Chemical Industrial Park, and conclusion of the bill of quantities for the Nkomazi Special Economic Zone bulk and internal services. Also, technical hitches were experienced in the development of feasibility studies/business case for the Mariepskop Cable Car and Hazyview Water Waves. This indicates that although overall performance was broadly positive, selected outputs require strengthened planning, implementation monitoring and corrective action.

Overview of the financial results of the Department: Departmental receipts

Departmental receipts	2024/2025			2025/2026		
	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						
Casino taxes	90 674	74 678	15 996	75 000	72 215	(2 785)
Horse racing taxes	909 334	1 339 147	(429 813)	1 425 000	1 833 542	408 541
Liquor licences	12 678	11 210	1 468	13 946	12 392	(1 554)
Sale of goods and services other than capital assets	215	110	105	225	119	(106)
Transfers received						
Fines, penalties and forfeits	-	-	-	-	279	279
Interest, dividends and rent on land	1 440	11 023	(9 583)	1 505	11 368	9 863
Sale of capital assets	256	91	165	267	-	(267)
Financial transactions in assets and liabilities	703	14 588	13 885	734	46	(689)
Total	**1 015 300**	**1 450 847**	**(435 547)**	**1 516 677**	**1 929 961**	**413 284**

The total revenue collected on behalf of the Department is R1,929,961,000 against target of R1,516,677,000. 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). License 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 periods by the ongoing legal processes which are not within the Department's control. No capital assets were sold during the year, obsolete items were disposed of by donation.

Programme Expenditure

Programme Name	2024/2025			2025/2026		
	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	126 178	121 123	5 055	139 327	135 818	3 509
Integrated Economic Development	604 886	578 153	26 733	448 597	442 959	5 638
Trade and Sector Development	39 119	39 011	108	105 257	88 458	16 799
Business Regulation and Governance	149 868	149 868	-	175 110	173 581	1 529
Economic Planning	19 560	19 513	47	21 182	20 155	1 027
Tourism	520 907	520 354	553	534 468	527 921	6 547
Total	**1 460 518**	**1 428 022**	**32 496**	**1 423 941**	**1 388 892**	**35 049**

In 2025/2026, the Department spent 97.5% of the adjusted budget, slightly less than the 97.8% recorded in the previous year. The Department's underspending in the 2025/26 financial year emanates from. Programme 3, Trade and Investment Development, mostly related to the Nkomazi Special Economic Zone (SEZ), on the development of the detailed designs, in the prior financial period. Programme 2 Integrated Economic Development underspent due to delays in completion of the Mpumalanga International Fresh Produce Market (MIFPM).

Virements/roll overs

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

The analysis of the budget and expenditure outcomes as at 31 March 2026 after the closure of the books of account for the year-end indicated overspending in compensation of employees R 1 652, 000 in programme 2 and overspending in goods and services in programme 1 R 1 173,000 in programme 3 R 1 439,000 in programme 4 R 1 336,000 and programme 6 R1 100,000, savings in compensation of employees of R 902,000 in programme 1, R 1 169,000 in programme 3 , R 2 668,000 in programme 4, R 1 947,000 in programme 5 and R 1 407,000 in programme 6, savings in goods and services, R 226,000 in programme 2 and R 204,000 in programme 5. Overspending in Capital assets R 1 804, 000 in programme 1 (machinery and equipment), savings R 3 706, 000 in programme 2 (Buildings and Other Fixed Structures), saving in transfers and subsidies Special Economic Zone (SEZ) R 16 747,000 in programme 3 and overspending of R 19,000 for leave gratuity.

The Department submitted a request for the roll-over of unspent funds amounting to R25 671 938 million from the 2025/26 financial year in respect of

- Capital Assets (Buildings and Fixed Structures)
- Goods and Services [Mpumalanga Economic Growth and Development Path (MEGDP), Feasibility studies and Tourism Awareness]
- Transfers and Subsidies Nkomazi Special Economic Zone (NSEZ)

Fruitless and wasteful expenditure

The Department has not incurred any unauthorised, in the 2025/2026 financial year

Strategic focus over the short to medium term period

Over the short to medium term, the Department will focus on driving inclusive and diversified economic growth, strengthening the tourism sector, and supporting key industries and Micro, Small, And Medium Enterprises (MSMEs) to create jobs and enhance economic resilience, while improving governance and institutional capacity.

Public Private Partnerships

- The Department has no Public Private Partnerships (PPP's) agreement

- **Discontinued key activities / activities to be discontinued**

There are no plans to discontinue any operations of the Department, and none have been discontinued during the 2025/2026 year of operations.

New or proposed key activities

There are no plans to engage in any new or proposed activities in the year ahead, and none were engaged in the 2025/2026 year.

Supply chain management

No unsolicited bid were received or concluded for the year under review.

Supply Chain Management (SCM) processes and systems are in place to prevent irregular expenditure

The Department has faced a situation where some tender and procurement processes were unsuccessful due to a lack of any bids which were correctly responsive to the requirements of the bid. The Department has expanded on the issues dealt with during compulsory briefing sessions in order to ensure that bidders are well prepared to respond to the technical and documentation requirements of each bid.

Gifts and Donations received in kind from non related parties

The Department utilized interns deployed by different Sector Education and Training Authorities (SETA) and their intermediaries at no cost to the Department. These services were essential for operational support and service delivery but have not been recognized as revenue or expenditure in the financial statements as their fair value could not be reliably measured.

Exemptions and deviations received from the National Treasury

The National Treasury approved a request to procure an official vehicle for the member of the executive outside of the price threshold of R800 000 set out in the National Treasury note 06 of 2019/2020. Approval was granted to procure a vehicle for a price limit not exceeding R1 100 000 including Value Added Tax (VAT). The approval was granted on 6 February 2025, and the vehicle was purchased in April of 2025. Subsequently the price threshold was increased by the National Treasury in National Treasury Instruction note 2 of 2025/2026 with an effective date of 11 July 2025.

Events after the reporting date

There are no events after the reporting date which require a mention, or any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

Other

Any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

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 Entities 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 is my conviction that the Annual Report fairly reflects the work of the Department for the financial year ended March 2026

Approval and sign off



MS FI SERAKALALA
ACCOUNTING OFFICER
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
DATE: 31 JULY 2026

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) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer (AO) is responsible for the preparation of the Annual Financial Statements (AFS) 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 2026.

Yours faithfully



MS FI SERAKALALA
ACCOUNTING OFFICER
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
DATE: 31 JULY 2026

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 recognize the ri ght 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 th 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 mandate from the Constitution of the Republic of South Africa, Act 108 of 1996.	• Schedule 4 and 5 of the Constitution make provisions for the following: • Trade and industry promotion • Consumer protection • Casino, racing, gambling, wagering and Liquor Licences • Provincial Public Enterprises • Tourism Promotion and • Nature Conservation

7.2 Legislative and Policy Mandates

The Departmental mandate is provided in the table below.

Departmental Mandate	Purpose
To stimulate economic growth and development towards creating sustainable and decent employment, economic transformation and alleviation of poverty.	• 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; • 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 through, among other things, fostering public private partnerships to increase trade and investment in the Province, and within the region, and leveraging on Spatial Development Initiatives such as the Maputo Development Corridor; • Position infrastructure delivery programme in a manner that enhances the development of SMME's, creates decent job opportunities and allows participation of the communities through the promotion of co-operatives; • Utilise Memorandum of Understanding (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 specific legislative and policy mandates that influence and affect operations of the Department are listed in the tables below.

Legislative Mandate	Purpose
Mpumalanga Economic Regulator Act, 2017 (Act 2 of 2017)	• To regulate the gambling industry in the Province, in terms of the Mpumalanga Gambling Act; • 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 ensure that the MER effectively and efficiently executes its mandate (given that the Department is the shareholder representative). • To oversee the preparation of Quarterly Reports, Annual Reports and Strategic Objectives.
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 residents and its visitors.
Mpumalanga Gambling Act, 1995 (Act 5 of 1995)	• To provide for control over gaming and matters connected therewith; • To ensure the Mpumalanga Gambling Board (now MER) executes effectively and efficiently its mandate which includes regulating gambling and sensitising the public against the dangers of excessive gambling; and • Overseeing Quarterly Reports, Annual Reports and Strategic Objectives.
Mpumalanga Liquor Licensing Act, 2007 (Act 5 of 2007)	• To provide for the regulation of the liquor industry in the Province; and for matter connected within;
National Gambling Act, 2004 (Act 59 of 2003)	• To provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and to provide for the continued regulation of those matter; • 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 Act, 1998 (Act 6 of 1998)	• To promote a fair accessible and sustainable marketplace for consumer products; • 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, 1996 (Act 2 of 1996)	• To consolidate and amend certain laws, in force in the Province regarding the licensing and carrying on of business.
National Small Business Enabling Act, 1996 (Act 102 of 1996)	• To provide for Small Businesses to enter the economic mainstream; • 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 Act.

Legislative Mandate	Purpose
Broad-based Black Empowerment Act, 2003 (Act 53 of 2003)	• To provide for the empowerment of the black owned companies to enter the mainstream of the economy; • To ensure black-owned companies have access to opportunities in the mainstream of the economy in an effort to transform the economy and reduce inequality; and • To ensure that the necessary support is provided to black enterprises plus 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.
The MTPA Act 5 of 2005	• To improve tourism industry in Mpumalanga; management of the natural resources of Mpumalanga.
Public Financial Management Act, 1999 (Act 1 of 1999)	• To promote sound financial management in the public sector; • To ensure every employee of the Department is enjoined that no fruitless/ irregular expenditure occurs within the area of responsibility
Public Service Act, 1994 (Act 103 of 1994)	• To regulate the public service in the country.
Basic Conditions of Employment Act, 1997 (Act 75 of 1997)	• To create a framework for employer-employee relations.
Labour Relations Act, 1995 (Act 66 of 1995)	• To protect the rights of the workers.

8. ORGANISATIONAL STRUCTURE



MEC
Ms J Sidell



HOD
Ms IF Serakalala



CFO
Ms H Thrush



Internal Audit
Ms TZ Ndlovu

Programmes

1 

Corporate Services
Dr MA Ramodibe

- **Human Resource Management** *Ms IN Phiri*
- **Legal Services** *Mr TN Fakude*
- **Communication** *Mr S Mhlaba (Acting)*
- **Strategic Planning Services** *Mr JM Ndima*

2 

Integrated Economic Development Services
Mr SS Mhaule (Acting)

- **Enterprise Development** *Mr S Mhaule*
- **Local Economic Development** *Ms HF Mokoena*
- **Economic Empowerment** *Mr C Mabelu (Acting)*
- **District Services Gert Sibande** *Mr PD Ndwandwe*
- **District Services Nkangala** *Mr VF Msiza (Acting)*
- **District Services Ehlanzeni** *Mr PP Maseko*

3 

Trade and Sector Development
Ms Z Makam (Acting)

- **Trade and Investment Promotion** *Ms Z Makam*
- **Sector Development** *Mr A Ngomane*
- **Strategic Initiatives** *Mr A Van Niekerk*

4 

Business Regulation and Governance
Ms LB Mabaso

- **Business Regulation** *Ms P Mundangepfupfu*
- **Consumer Protection** *(Vacant)*

5 

Economic Planning
Mr N Sebitso

- **Economic Policy and Planning** *Mr N Nkonyane*
- **Knowledge Management** *Mr MOP Kgaka*
- **Monitoring and Evaluation** *Ms N Mphathele (Acting)*
- **Economic Analysis, Research & Development** *Mr L Van Vuren*

6 

Tourism
Mr JD Mdluli (Acting)

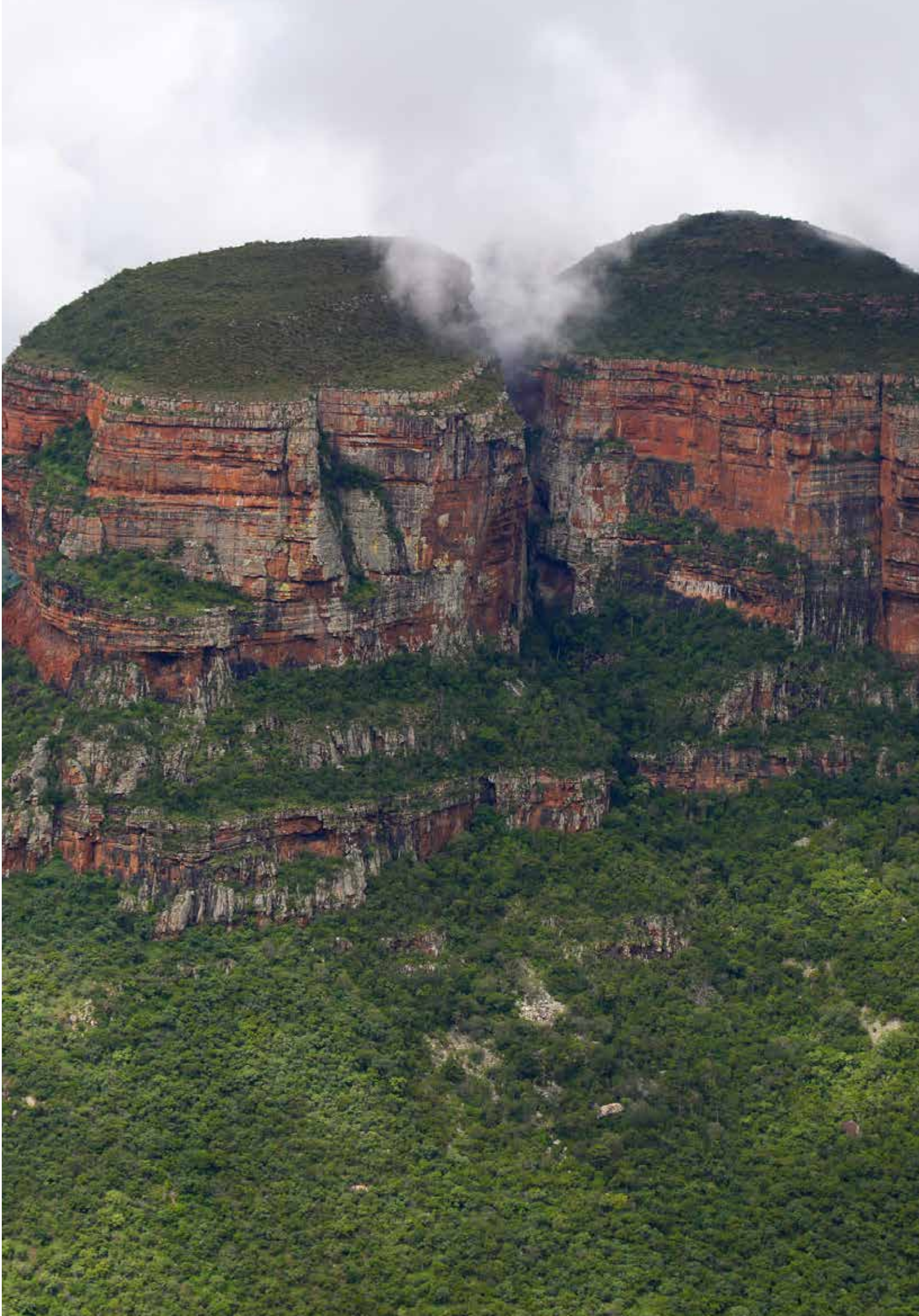
- **Tourism Planning** *(Vacant)*
- **Tourism Sector Transformation** *Ms B Nkalanga (Caretaker)*

9. ENTITIES REPORTING TO THE MEMBER OF EXECUTIVE COUNCIL (MEC)

The table below indicates the entities that report to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Mpumalanga Economic Growth Agency	To provide funding in respect of property development; approved enterprises; To focus on project management and development of immovable property To promote foreign trade and investment so as to ensure enterprise and agricultural	Transfer payments in line with the Shareholder's Compact.	• To promote trade and investment in Mpumalanga • To provide funding in respect of approved enterprise development focusing primarily on the disadvantaged individuals in Mpumalanga • To develop property including the granting of housing loans in Mpumalanga to deliver massive infrastructure in Mpumalanga
Mpumalanga Tourism and Parks Agency	To provide for the sustainable development and improvement of the tourism industry in Mpumalanga	Transfer payments in line with the Shareholder's Compact.	• Provide for effective management and conservation of biodiversity and eco-systems within the province. • Develop and ensure effective management of protected areas. • Foster, promote and sustainably develop and market tourism; and • 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 Economic Regulator	To regulate gambling and liquor industries in Mpumalanga	Transfer payments in line with the Shareholder's Compact.	• Continue to regulate the Gambling Industry as per its founding Act • Promote responsible gambling in the Province • Attempt to license the 4th Casino within the next 5 years • Provide for the regulation of the micro-manufacturing and retail sale of liquor • Regulate own revenue generation • Reduce the socio-economic and other related cost of alcohol abuse • Provide for public participation in the consideration of applicant for registration • Promote the development of a responsible and sustainable retails and micro-manufacturing liquor industry in a manner that facilitates the entry of new participants into the industry; diversity ownership in the industry and an ethos of social responsibility in the industry
Special Economic Zone	Transforming the Lowveld Region into a Sustainable and Productive Food and Agro-Processing Hub"	Transfer payments in line with the Shareholder's Compact.	• Developing an environmentally sustainable and highly productive agro-based industrial hub; • Enhancing the diversity and value of the region's value-added agricultural exports; • Broadening the economic participation of the region's populace by integrating MSMEs and emerging farmers into targeted value-chains; • Attracting both Foreign and Domestic Direct Investment into the region's agro-processing related businesses; • Improving the region's innovation and technological capability; • Enhancing the region's human and industrial capabilities in relation to agro-processing.







Part B

Performance Information

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General South Africa (AGSA) currently performs certain audit procedures on the performance information. The level of assurance provided may be reasonable (an opinion) or limited (a conclusion) or none (findings)as predetermined by the AGSA. Assurance in the form of an audit opinion or conclusion on the usefulness and reliability of the reported performance information is currently included in the management report. Material findings are reported in the auditor's report.

Refer to page 192 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The service delivery environment for the Department during the 2025/26 financial year was shaped by the strategic priorities of the 7th Administration, as articulated through the Medium-Term Development Plan (MTDP) 2024–2029, and reinforced, further, by national and provincial policy directives. Central to this policy direction are three overarching imperatives: driving inclusive economic growth and job creation, reducing poverty and the cost of living, and building a capable, ethical and developmental state.

Within this context, the Department resolved to operate as a key catalyst for economic transformation in Mpumalanga, with a mandate to stimulate sustainable growth, promote investment, and enhance economic participation across all sectors of society. The Department's service delivery environment is therefore characterized by a strong emphasis on inclusive growth, economic diversification, and governance improvement, in line with the National Development Plan (NDP) 2030 and Mpumalanga Vision 2030.

During the 2025/26 financial year, the Department's interventions were primarily focused on advancing an inclusive, diversified and growing provincial economy, while simultaneously strengthening a competitive and sustainable tourism sector. These priorities were complemented by continued efforts to enhance institutional capacity, strengthen governance systems, and ensure compliance with regulatory frameworks to support a capable state.

The service delivery landscape was further influenced by key structural and economic challenges, including high unemployment, persistent inequality, infrastructure constraints, and the ongoing need for industrial restructuring. In response, the Department intensified its focus on strategic economic sectors such as agriculture, manufacturing, mining, tourism, and emerging green industries, recognizing their potential to drive job creation and economic resilience.

To address these challenges and opportunities, the Department prioritized a set of integrated interventions aimed at accelerating industrialization, strengthening enterprise development, and enhancing investment promotion. Particular attention was placed on supporting MSMEs, as well as township and rural economies, with the purpose of broadening economic inclusion and unlocking localized growth.

In addition, tourism development remained a strategic priority, with targeted efforts to position Mpumalanga as a premier destination and to maximize the sector's contribution to transformation, employment and economic output. Concurrently, the Department advanced initiatives linked to the just energy transition, recognizing the province's central role in South Africa's energy landscape and the need to leverage emerging green economy opportunities.

Overall, the 2025/2026 service delivery environment reflects a deliberate shift towards accelerated implementation, enhanced coordination across spheres of government, and strengthened partnerships with the private sector and communities. These efforts are aimed at realizing a resilient, inclusive and globally competitive provincial economy, while contributing meaningfully to national development priorities and improving the socio-economic conditions of the people of Mpumalanga.

2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP). The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Consumer Protection Service	Consumers in the Province	60% cases resolved and advisory services provided. 370 consumer awareness and education programs conducted.	80% resolved consumers cases received, and advisory services provided. 400 consumer awareness and education programs conducted.	80% cases resolved and advisory services provided. 406 consumer awareness and education programs conducted.
Enterprise Development Service	Small businesses in the Province	60 MSMEs supported with tools of trade and machinery in the following sectors: Green Economy; Agro-processing; township manufacturing; spaza shops; car washes; and hair salons.	108 MSMEs supported with tools of trade and machinery in the following sectors: Green Economy; Agro-processing; township manufacturing; spaza shops; car washes; hair salons; and tourism.	108 MSMEs supported with tools of trade and machinery in the following sectors: Green Economy; Agro-processing; township manufacturing; spaza shops; car washes; hair salons; and tourism.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Regular engagements were conducted to understand stakeholder needs and expectations from the following structures: • Provincial Batho Pele Forum, • National Consumer Regulators; • National Consumer Protection Bodies; • Provincial Civic Organisations and Non-Governmental Organisations (NGOs) • Tribal Authorities, • Media Houses and • Members of the public.	To conduct regular engagements to understand stakeholder needs and expectations from the following structures: • National Consumer Regulators; • National Consumer Protection Bodies; • Provincial Civic Organisations and NGOs • Tribal Authorities, • Media Houses and • Members of the public.	Regular engagements were conducted to understand stakeholder needs and expectations from the following structures: • National Consumer Regulators; • National Consumer Protection Bodies; • Provincial Civic Organisations and NGOs • Tribal Authorities, • Media Houses and • Members of the public. • MSMEs and Cooperatives.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
370 consumer education and awareness campaigns conducted.	Conduct 400 consumer education and awareness campaigns.	406 consumer education and awareness 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.

2.3 Organisational environment

The current reporting period marks a significant milestone for the Department, as it represents the first full cycle under a permanently appointed Accounting Officer following several years of interim leadership. Despite transitions within the Executing Authority, the stability provided by the permanent appointment of the Accounting Officer has been instrumental in maintaining strategic focus and ensuring the successful attainment of annual performance targets.

Human capital remains a central pillar of our operational success. The appointment of four internal candidates to Senior Management Service (SMS) positions has significantly bolstered employee morale, demonstrating the Department's commitment to internal talent mobility and career progression. Furthermore, we have intensified our Employee Wellness interventions through strategic partnerships with DEDT Entities. These collaborative efforts are designed to foster greater cohesion between the Department and its implementing arms, ensuring a unified approach to service delivery.

Looking toward the future, the Department has finalized discussions regarding the proposed organizational structure, which has now been submitted for formal consultation. We anticipate that this structure will be approved before the conclusion of the 2026/27 financial year. This transition is a critical step in modernizing our operations, allowing the Department to migrate from the outdated 2007 framework to a contemporary structure aligned with our current strategic mandates.

2.4 Key policy developments and legislative changes

The were no major changes to relevant policies or legislation that affect the operations of the Department.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department succeeded to make meaningful contributions to the development agenda of the 7th Administration, guided by the 3 MTDP priorities and the impact and outcomes of the DEDT Strategic Plan (2025–2030). The work towards MTDP Strategic Priority 1: Drive inclusive growth and job creation was guided by 2 critical outcomes of the Department thriving towards an Inclusive, diversified and growing economy, and an Inclusive, competitive and sustainable tourism industry. The Department's Annual Performance Plan (APP) operationalized these priorities through sector-based interventions, enterprise development programmes, tourism promotion, economic planning, and governance strengthening, consistent with the provincial growth path and Vision 2030 trajectory.

Central to our thought leadership role in economic policy and strategy was the generation of credible, accurate and quality insights for decision making and governance. The Department succeeded to produce research reports on mining and tourism, in addition to producing and communicating Reports on the Socio-Economic Review & Outlook and the Provincial Economic Review & Outlook. Socio-Economic Profiles were also produced for all the municipalities in the Province in addition to reviewing the design of and updating the Geo-Database of MEGDP priority projects. Processes have advanced towards the review of the Mpumalanga Trade and Investment Strategy.

Working towards an inclusive, diversified and a growing economy involved creating a conducive environment for MSMEs to thrive, mostly those business owned by women, youth and persons with disability. The roll-out of the MSMEs and Cooperatives Development Support programme resulted in 78 MSMEs supported with equipment in key categories, including the green economy, agro-processing, spaza shops, hair-salon, car wash and township manufacturing and tyre initiative.

Our collaboration with the National Youth Development Agency (NYDA) led to additional 30 MSMEs receiving funding through vouchers. Through the Take-a-Lot initiatives, 100 MSMEs received training, resulting in 50 MSMEs getting on-boarded to the initiative. Other 15 MSMEs were supported to gain market access in tourism, with 10 more small business participating in 3 trade exhibitions (WoodEx Africa, Manufacturing Indaba, and Decorex) as an instrument to support them gain market access. The roll-out of the Incubation Programme, targeting the youth, benefited 25 SMMEs trained in Steel Fabrication and 30 others in wood and furniture manufacturing. Our partnership with Mintek resulted in 25 youth being trained in surface mining.

The Department continued to promote integrated regional and local economic development initiatives across districts, especially by supporting municipalities. This enabled them to identify opportunities in the identified key provincial sectors in order to improve the local economy as well as enhancing ease of doing business by implementing the Red Tape Reduction Strategy; as well as with their Local Economic Development (LED) stakeholder engagements.

Noting the significance of improved regulatory frameworks supporting business operations, it became necessary for the Department to capacitate municipalities on the implementation of business licencing frameworks. Joint inspections with law enforcement agencies were also conducted to ensure compliance with business legislation at local government space. This was complimented by our drive to promote and protect the rights of consumers in the Province towards a fair, safe, and a transparent market place. Consumer education and awareness campaigns were conducted, with over R8 million recovered on behalf of the consumers from unscrupulous business practices, in addition to providing governance oversight on the work performed by the Economic Regulator as they oversee and regulate the gambling and liquor industries within the Province.

In support of strategic initiatives, we continued with the refurbishment of the Mpumalanga Economic Growth Agency (MEGA) owned industrial building at Kabokweni in line with the needs of our MSME tenants in addition to facilitating and coordinating the implementation of high impact projects. Accordingly, the engineering designs of the Nkomazi SEZ were not fully done due to changes in the Layout Plan. A Conveyancer has since been appointed, although late, to oversee the Opening of a Township Register for the Petro-Chemical Industrial Technology Park. Whereas the Mpumalanga Green Cluster Agency (MGCA) was instrumental in conducting a feasibility study and concluding a business plan for the Energy SEZ.

The trade and investment promotion work has, amongst others, conducted stakeholder engagements on Bilateral and Multilateral trade agreements, as well as major successes recorded in the collaborative work of the Department, MEGA and the MGCA in hosting the 2025 Mpumalanga Mining and Investment Conference. Just over R242 billion in investment pledges were secured during the summit, and it focused heavily on driving inclusive growth, slashing regulatory "red tape," and positioning the region as a globally competitive investment hub.

We have also concluded the development of the Mpumalanga Provincial MSMEs Exporter Portal (MPSEP), resulting in 50 MSMEs being on-boarded into the portal. The work of the MGCA was crucial and instrumental in the roll-out the pillars of the Green Economy Development Plan as the Province transitions from coal-based economy into a low-carbon, resource-efficient, and inclusive growth path. As such, we continue to monitor the MGCA's performance on a regular basis, with reports generated.

The pursuit for an inclusive, competitive and sustainable tourism industry has progressed better, through the tourism planning work. Tourism stakeholders were engaged as we facilitate measures to unlock tourism growth in the Province, including the Enkambeni Project, Pilgrims Rest Royal hotel, the Local Government Tourism Peer Learning Network Session, and resuscitation of the Provincial Tourism Think Tank. Despite some challenges encountered, implementation of the Barberton Makhonjwa Mountain World Heritage Site continue to be monitored. There were process delays encountered towards the feasibility study/Business Case development for both the Mariepskop Cable Car and Hazyview Waves.

The promotion of tourism enterprises and inclusiveness in the Province is pivotal to the pursued outcome. Hence, the success in implementing tourism awareness programme through Tourism Month as well as Tourism Capacity Building programmes. These include successful hosting of the Tourism Awareness Day, the G20 Tourism Programme (including the G20 Ministerial meeting), the Annual Tourism Expo, and Explore Mpumalanga Parks through learning.

The Department continued to work harder in pursuit of the strategic outcome of becoming an ethical, well-coordinated, enabling and capable centre of business excellence. These augers well with government's aspiration, MTDP Priority 3: A capable, ethical and developmental state. The achievement of all planned targets and the achievement of a clean audit remained critical in improving the governance and management practices in the Department. Central to this has been the effective coordination of departmental governance and management structures, including the assurance providers like the Internal Audit (IA) and the Audit Committee (AC), Risk Management, Budget Committee, Loss Control Committee, to mention a few.

Through these structures, assisted by the relevant units, all regulatory compliance matters were promoted, especially in addressing issues in the Audit Action Plan, the timely payment of creditors, increasing percentage of procurement to designated groups, provision of skills development opportunities to staff members, learnerships and internship programmes, the governance of ICT and related enablers. Yet, there were drawbacks encountered, primarily the non-movement in the reduction of irregular expenditure.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Report against the originally tabled Annual Performance Plan until date of re-tabling

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

The purpose of the Programme is 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 Promotions
- Strategic Initiatives
- Sector Development

Sub-Programme: Strategic Initiatives			The purpose of the Programme is to position the industrial sector as a key contributor to economic growth and development						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	*Actual Achievement 2025/2026 until date of re-tabling	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Inclusive, diversified and growing economy	3 Infrastructure projects supported	Number of infrastructure projects supported	-	Pre-Feasibility Study on Energy SEZ completed by Mpumalanga Green Cluster Agency (MGCA)	3 Infrastructure projects supported: (i)Interim Phase of the Nkomazi SEZ finalised, focusing on the delivery of the detailed engineering designs	Detailed engineering designs for Nkomazi SEZ underway **Bulk Roads & Storm Water:** Road Master Plan **Bulk Water:** Inception Report completed **Bulk Sewerage:** Inception Report completed **Bulk Electrical:** Inception Report completed Concept & Viability Reports outstanding.	Some detailed engineering designs (Concept and Viability) are lagging due to redesign of Roads Master Plan	Nkomazi SEZ did appoint Town Planner to redesign layout plan and work is currently underway	The approved APP committed to support 3 infrastructure projects, yet only infrastructure projects were included during the review process. This then necessitates the inclusion of the target relating to the Industrial Technology Park in Govan Mbeki.

Sub-Programme: Strategic Initiatives			The purpose of the Programme is to position the industrial sector as a key contributor to economic growth and development						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	*Actual Achievement 2025/2026 until date of re-tabling	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
					Feasibility and Business Case for proposed Energy SEZ finalised through MGCA	Appointment of Service Provider has been finalised and work has commenced on Status Quo report and stakeholder consultation	None	None	
					Refurbishment of some industrial buildings of MEGA in Kabokweni for the utilisation by SMMEs	Need and space analysis of the prospective SMME tenants were identified in Kabokweni.	None	None	

Sub-Programme: Strategic Initiatives			The purpose of the Programme is to position the industrial sector as a key contributor to economic growth and development						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	*Actual Achievement 2025/2026 until date of re-tabling	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
					Partnership platform with Thaleda Implementing Agency established	The proposed Service Level Agreement (SLA) between DEDT and Thaleda Implementing Agency not finalised	Thaleda are experiencing governance issues that needs to be resolved	The Department is working with COGHSTA to resolve some of the governance issues in the entity	The target relating to the partnership with THALEDA and to be removed from the APP due to serious internal control deficiencies that were identified by AGSA and could not be resolved by the entity. The non-compliance with section 87(8) and 122(1) of the MFMA relating to incurring expenditure without budget and financial discrepancies, makes it risk to trade with such an institution, hence the removal of the target.

PROGRAMME 6: TOURISM

The purpose of the sub-programme is 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 and Sector Transformation

Sub-Programme: Tourism Sector Transformation			The purpose of the sub-programme: Transformation of the tourism sector						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	*Actual Achievement 2025/2026 until date of re-tabling	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Inclusive, competitive and sustainable tourism industry	To promote tourism enterprises and inclusivity in the Province	Number of tourism awareness programmes implemented to promote enterprises and inclusivity in the tourism sector	1 tourism awareness programme implemented through the Tourism Month	1 tourism awareness programme implemented through the Tourism Month	3x tourism awareness programme implemented through Tourism Month,Festive namely: • Provincial Tourism Awareness Day. G20 2025 Tourism Ministers Meetings. • Provincial Tourism Expo	Conclude a Service Level Agreement with Jakada Holding on the Fifth Mpumalanga Tourism Expo • Tourism Awareness Day implemented • G20 2025 Tourism programme implemented (convening of Ministers' meeting & Investment Summit, Ministers' Excursion) • 2025 Fifth Annual Mpumalanga • Tourism Expo hosted	Concluded a Service Level Agreement with Jakada Holding on the Fifth Mpumalanga Tourism Expo • Tourism Awareness Day implemented • G20 2025 Tourism programme implemented • Fifth Annual Mpumalanga • Tourism Expo hosted	None	Tourism obtained additional resources to implement the Tourism Festive and Easter Seasons Activation Programme. This activity is now additional to the tourism awareness initiatives aimed at promoting enterprises and inclusivity in the tourism sector

Report against the re-tabled Annual Performance Plan

PROGRAMME 1: ADMINISTRATION

The purpose of the Programme is 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
- Security Services
- Transversal Services

The Programme contributes to the institutional outcome of becoming an ethical, well-coordinated, enabling and capable center of business excellence.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme One, which incorporates the Office of the MEC, Office of the Head: Economic Development and Tourism, Financial Management (Office of the Chief Financial Officer) and Corporates Services, managed to provide (a) political policy directives, (b) overall administrative guidance and leadership towards implementing all political policy directives, (c) monitor and ensure that financial resources are utilised effectively, efficiently and prudently as dictated by the PFMA, and (d) provided all the required support services, ranging from the provision of human resources to the enabling ICT environment, during the year under review. Effective Internal Auditing and Risk and Ethics Management were also provided and assisted the Department to stay on track. As the Programme, in the main is mandated to provide a suite of support services to the entire Department, it was able to fulfil this function which is crucial in laying the foundation for the achievement of targets by all other five (5) Programmes of the Department. Through the provision of strategic planning service, financial, human and ICT resources, tools of trade, legal and communication services, Programme One managed to significantly contribute towards achieving the Department's expected Outcomes.

SUB-PROGRAMME: OFFICE OF THE HOD			PURPOSE OF THE SUB-PROGRAMME IS TO DRIVE AND REGULATE ECONOMIC DEVELOPMENT PLANNING.					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
An ethical, well coordinated, enabling and capable centre of business excellence	Improved departmental performance	% achievement of organisational planned performance targets	77%	80%	100%	80%	20%	20% of organisational planned targets not achieved due to the reasons stated under Programme 1,2,3 and 6.

Linking performance with budgets

The Head: Economic Development and Tourism was allocated an appropriation of R 12 213 which was spend on numerous items such as strategic planning sessions, an award ceremony, management committee meetings, stakeholder engagements, MINMECs numerous meetings with the departmental Public Entities i.e. MEGA, MTPA, MER, NSEZ and MGCA. The Head: Economic Development and Tourism also attended an international trip which included Ghana, South Africa Kenya Economic Governance School. The Head attended numerous meetings with national departments and Institutions such as the Trade, industry and Competition and National Department of Tourism. These meetings assisted to enhance good governance and establishment of collaborative agreements with national and Provincial Departments.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2025/2026		
	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
Senior Management (HOD)	9 524	9 073	451	12 213	10 973	1 240
Total	**9 524**	**9 073**	**451**	**12 213**	**10 973**	**1 240**

Strategy to overcome areas of under performance

Departments should provide the strategies to address under performance.

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-PROGRAMME: CORPORATE SERVICES			PURPOSE OF THE SUB-PROGRAMME IS TO RENDER CORPORATE SERVICES.					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
An ethical, well-coordinated, enabling and capable centre of business excellence	% implementation of Work Skills Plan	% implementation of Work Skills Plan	-	-	100% implementation of WSP	100%	None	None
	ICT Governance policies and plans developed	Number of ICT Policies and Plans developed	68%	3 ICT Policies updated: CGICT Policy ICT Strategy ICT Charter.	2 ICT Policies (ICT Security Policy and ICT Project Management Framework) 2 Plans developed (ICT Plan and Cloud Business Case)	Not achieved, however the following were developed. ICT Security Policy ICT Cloud Business Case	Dependency on another provincial government Department	The Departmental ICT Project Management Framework is dependent on the finalisation of the Provincial Framework which is still under development. The Departmental ICT Plan is dependent on the finalisation of the Provincial ICT Plan which is still under development.

Linking performance with budgets

The sub-Programme Corporate Services spent about 98 % or R47, 400.000.00 of its allocated final appropriated budget of R48, 401,000.00 in the 2025–2026 financial year, which resulted in under-expenditure of R1, 001,000.00 or two (2) %. Percentagewise, this is an improvement of four (4) % from the expenditure of the 2024–2025 financial year, during which R40, 033,000.00 was spent against the final appropriation of R42, 396,000.00, resulting in an under-expenditure of R2, 033,000.00. Although regrettable, the under-expenditure is within the acceptable range.

Accordingly, the expenditure has meaningfully contributed to the achievement of the planned outputs of the sub-Programme as it effectively rendered corporate services functions, crucial in supporting Programmes of the Department to achieve and fulfil their respective mandates and the overall legislative mandate of the Department. The corporate services functions rendered were Strategic Planning Services; Human Resource Management and Development; Legal Services; Communication; Security Services; Transversal Services, as well as Information Communication Technology, albeit not being on the current approved Organisational Structure of the Department. The ICT function is a crucial service towards the success of the Department.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2025/2026		
	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
Corporate Services	42 396	40 033	2 363	48 101	47 400	701
Total	**42 396**	**40 033**	**2 363**	**48 101**	**47 400**	**701**

Strategy to overcome areas of under performance

Underperformance under ICT will be resolved once the new Organisational Structure is approved and vacant posts are filled in the Unit.

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-PROGRAMME: FINANCIAL MANAGEMENT			PURPOSE OF THE SUB-PROGRAMME IS TO MANAGE FINANCIAL MATTERS OF THE DEPARTMENT.					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
An ethical, well-coordinated, enabling and capable centre of business excellence	Unqualified audit opinion without any emphasis	Improved Auditor-General audit outcome	Unqualified opinion with two emphasis of matters	Unqualified (with matters) Audit report finalised	Unqualified (no matters)	Clean Audit	None	None
		% reduction in irregular expenditure	69%	54%	100%	Not achieved	The 100% could not be achieved due to the irregular expenditure investigations cases that were referred during March 2026.	The matter will be resolved in the 2026/2027 financial year.
		% of creditor payments within 30 days of receipt of compliant invoice	99%	99%	100%	99%	The interphase between LOGIS and Invoice Tracking system caused the rejection of an invoice in the system and that required the invoice to be recaptured in the system	The information captured on LOGIS and the Invoice Tracking will be monitored constantly to avoid rejection of invoices and thus facilitate payment within 30 days
		% of the value of goods and services to be procured from designated groups as per PPP	85%	88%	85%	86%	None	None

Linking performance with budgets

The sub-programme was allocated R66 548 million and spent R62 548 million of the budget. The spending enabled the sub-programme to achieve its planned targets of procuring goods and services from designated groups, assets management and any other financial management related issues and further to that contributed to the achievements of the mandate of the Department.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2025/2026		
	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
Financial Management	56 830	55 412	1 418	63 895	64 548	1 347
Total	**56 830**	**55 412**	**1 418**	**63 895**	**64 548**	**1 347**

Strategy to overcome areas of under performance

The strategies implemented to achieve a clean audit report include, the development of a detailed audit action plan which is monitored by internal audit, and risk management, and reported on to Management Committee (MANCO), Audit Committee, MEC, AGSA and Provincial Treasury, the AGSA did a status of records review of the Q3 financial statements, and the financial statement preparation plan was amended to provide more time for governance structures to perform oversight and add value.

The strategies implemented to address the slow progress with reduction of irregular expenditure include ongoing provision of specialist training to members of the Loss Control Committee and officials preparing submissions for that committee, and to increase the use made of external parties to assist with the investigation of irregular expenditure. Standard formats for the submission of requests for condonation have been developed and are in use. In addition, strategies are put in place to eliminate the addition of new items to the irregular expenditure register, these include the development and improvement of checklist and standard operating procedures applicable to certain categories of transaction, internal memoranda to staff confirming procurement procedures, and letters to officials who have been identified as having violated prescripts.

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

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

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT

The purpose of the Programme is 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
- Regional & Local Economic Development

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Enterprise Development

The Department through Enterprise Development initiative provides both financial and non-financial support to MSMEs and cooperatives, facilitating access to equipment or tools of trade, training and after-care services. The Enterprise Development sub-programme made notable progress toward inclusive economic growth in Mpumalanga. Support was extended to 108 enterprises, featuring targeted interventions such as training and funding. 30 MTYF entities were supported through training in collaboration with Standard Bank. These activities directly fostered job creation, strengthened the regional economy, and promoted increased involvement of Historically Disadvantaged Individuals (HDIs) within the provincial economic landscape.

The programme prioritized designated groups: 55% of supported enterprises were women-owned, 35% were youth-led, and 1% were owned by individuals with disabilities, each receiving tailored assistance. These efforts are consistent with government strategic priorities around empowerment and inclusive growth.

Consequently, Programme 2 has substantially advanced resilience and inclusivity within the provincial economy, positioning Mpumalanga as a leader in enterprise development and empowerment.

Economic Empowerment

The programme has promoted empowerment policies and legislation to both the public and private sector to advance transformation and inclusive growth contributing positively towards national policy formulation. The unit supported 12 tyre businesses with essential equipment to enhance operational effectiveness. In partnership with Small Enterprise Development and Finance Agency (SEDFA) and National Youth Development Agency (NYDA), training and capacity-building were provided to these businesses. These initiatives contributed to revitalizing township and rural economies, improving accessibility to safe and quality tyre services within local communities.

The programme has put its emphasis on designated groups; however, due to the physically demanding nature of tyre services and the sector's specific needs, 17% of supported businesses were women-owned, 25% youth-led, and no enterprises owned by persons with disabilities were identified within the sector.

Regional & Local Economic Development

The Department has made significant progress in strengthening Local Economic Development (LED) across municipalities by creating an enabling environment for sustainable economic growth, investment attraction, and inclusive participation of designated groups. We successfully supported Six (6) local municipalities and two (2) additional local municipalities in identifying and unlocking economic opportunities within the Green Economy and Mining sectors. This support focused particularly on Social and Labour Plans (SLPs), Corporate Social Investment (CSI) programmes, and green economy initiatives aimed at enhancing sustainable local economic growth.

To strengthen intergovernmental collaboration and stakeholder partnerships, the Department partnered with various stakeholders, such as Mpumalanga Green Cluster Agency in partnership with GIZ. SME Business Training and Coaching Loop, Department of Mineral Resources and Energy, State Information Technology Agency (SITA) and Department of Small Business Development (DSBD). These interventions contributed directly to improving municipal capacity, reducing administrative barriers to investment, and promoting ease of doing business, thereby advancing the department's strategic objective of building resilient and economically competitive municipalities.

The Department further supported various municipalities in reviewing and aligning their LED Strategies with both National and Provincial Green Economy programmes. This alignment ensures that local planning frameworks are responsive to emerging economic opportunities and contribute meaningfully to economic transformation and sustainable development. This was done in collaboration with South African Local Government Association and Municipal Institute of Learning, Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) and National.

In advancing the implementation of the Red Tape Reduction (RTR) Strategy, the Department provided direct support to six (6) Local municipalities. This intervention improved municipal responsiveness to business challenges and enhanced investor confidence by addressing systemic bottlenecks affecting enterprise development, with the support of State Information Technology Agency. Over and above this 2 additional municipalities were supported on TRT.

To strengthen LED coordination and governance, technical support was provided to nine (9) municipalities, through LED stakeholder engagements and functional LED Forums. This ensured improved coordination, institutional accountability, and the integration of LED priorities into municipal development planning, and this support was increased by three (3) due to more support the Department needed to give municipalities and the Provincial LED Forum engagement.

These achievements contributed significantly toward the department's outcomes of inclusive economic growth, improved municipal planning, stronger stakeholder coordination, and increased investment readiness, which directly support government's broader strategic priorities of economic transformation, job creation, and poverty reduction.

Sub-Programme: Enterprise Development			Purpose of the sub-programme is to support and develop Business Enterprise.					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Improved MSMEs financial and non-financial support for 108 MSMEs growth and development	Number of MSMEs supported in key identified sectors with equipment/ stock	2 Youth and women-owned Waste Buy back Centres supported with machinery to capacitate supplies to large waste	6 waste management SMMEs supported with equipment and after-care service	12 MSMEs supported in green economy with equipment	12	None	None
			Support 2 Agro processing SMMEs with production inputs	6 Agro processing SMMEs supported with Equipment and after-care services	6 MSMEs supported in Agro processing with equipment	6	None	None
			Support 6 Township based manufacturing initiatives with production inputs	6 Township manufacturing SMMEs supported with equipment and after-care services	09 MSMEs supported in Township manufacturing with equipment	9	None	None
			12 Spaza shops supported tools of trade	12 Spaza shops supported with production inputs and after-care services	21 Spaza shops supported with equipment and stock	21	None	None

Sub-Programme: Enterprise Development			Purpose of the sub-programme is to support and develop Business Enterprise.					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
		Number of Youth owned tourism businesses supported with tools of trade to grow their business.	15 Car washes supported with equipment and chemical products	15 Car washes supported with Equipment and after-care services	15 Car washes supported with Equipment	15	None	None
			15 Hair Salons supported with equipment	15 Hair Salons supported with equipment and after-care services	15 Hair Salons supported with equipment	15	None	None
			-	-	30 Youth owned tourism businesses supported with tools of trade to grow their business	30	None	None

Linking performance with budgets

The Economic Enterprise Development was allocated a budget of R 400 368 million for the 2025/26 financial year, against which R 395 650 million was spent, resulting in a variance of R 4, 718 million. In the 2024/25 financial year, the sub-programme had a budget allocation of R 557 360 million, with actual expenditure of R 531 397 million, resulting in under expenditure of R 25, 963 million of the allocated budget.

The funds spent assisted the sub-programme to implement its planned activities to achieve its annual performance targets. With the allocated budget, the sub-programme supported the MSMEs in the green economy, agribusiness tourism and the retail business sector. These interventions supported the department's objective of promoting inclusive economic growth and revitalising the township and rural economy to create jobs

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Enterprise Development	557 360	531 397	25 963	400 368	395 650	4 718
Total	**557 360**	**531 397**	**25 963**	**400 368**	**395 650**	**4 7 18**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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-Programme: Economic Empowerment			Purpose of the sub-programme is to facilitate the process of empowerment and creation of an enabling business empowerment for PDIs					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Black owned tyre outlets supported in the Revitalization of Township and Rural economy	Number of black owned tyre outlets supported with equipment and training in the revitalization of township and rural economy	12 black-owned tyre outlets supported in the revitalization of township and rural economy	12 black-owned tyre outlets supported in the revitalisation of township and rural economy.	12 black owned tyre outlets supported with equipment and training in the revitalization of township and rural economy	8	4	The supported outlets did not honour their agreement with Sumitomo rubber to pay for tyres that they have collected, as a result, training could not take place at Ehlanzeni District Municipality

Linking performance with budgets

The Economic Empowerment was allocated a budget of R6 049 million for the 2025/26 financial year, against which R 5 911 million was spent, resulting in a variance of R 138 000.

The funds spent assisted the sub-programme to implement its planned activities to achieve its annual performance targets. With the allocated budget, the sub-programme supported the tyre initiative program, the activities of the Advisory Council and rendered advocacy on B-BBEE to both the public and private sector across all sectors. These interventions supported the department's objective of promoting inclusive economic growth and revitalising the township and rural economy to create jobs.

Training and local market facilitation did not take place at Ehlanzeni District Municipality due to the reluctance of Sumitomo Rubber SA to participate as a technical training partner. Memorandum of Agreement (MOA) with Auto Hubza to implement training and marketing for the tyre initiative in the first quarter of the 2026/27 financial year.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Economic Empowerment	5 234	5 234	-	6 049	5 911	138
Total	**5 234**	**5 234**	**-**	**6 049**	**5 911**	**138**

Strategy to overcome areas of under performance

The Department will ensure that it engage the relevant stakeholders on time to avoid delay in implementations of training programs and address the gabs that relate to insufficient huma resources for the subprogram.

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-Programme: Regional and Local Economic Development				Purpose of the sub-programme is to promote economic growth and development of local economies.				
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Municipalities supported in identified sectors and other LED initiatives to grow and sustain local economy	Number of Municipalities supported to identify opportunities in the identified sectors to improve the local economy	3 municipalities supported to identify opportunities in the mining sector to improve the local economy	3 municipalities supported to identify opportunities in the mining sector to improve the local economy eMalahleni LM Govan Mbeki LM Thaba Chweu LM	6 municipalities supported to identify opportunities in the identified sectors to improve the local economy	6	None	None
		Number of Municipalities supported in implementing Red Tape Reduction (RTR) Strategy	6 municipalities supported in implementing Red Tape Reduction (RTR) Strategy	6 municipalities supported in implementing Red Tape Reduction (RTR) Strategy Lekwa LM, Pixley ka Isaka Seme LM, Nkomazi LM, Chief Albert Luthuli LM , City of Mbombela and eMakhazeni LM	6 municipalities supported in implementing Red Tape Reduction (RTR) Strategy	6	None	None

Sub-Programme: Regional and Local Economic Development				Purpose of the sub-programme is to promote economic growth and development of local economies.				
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
		Number of Municipalities supported in LED Stakeholder engagements	9 municipalities supported in LED stakeholder engagements	9 municipalities supported in LED stakeholder engagements: (Thembisile Hani LM, Thaba Chweu LM, Dr JS Moroka, Victor Khanye, Chief Albert Luthuli, Nkomazi LM, Ehlanzeni DM, Nkangala District, Govan Mbeki LM)	9 Municipalities supported in LED Stakeholder engagements	9	None	None

Linking performance with budgets

The Regional and Local Economic Development (RLED) Sub-Programme was allocated a budget of R8.900 million for the 2025/26 financial year, against which R8.823 million was spent, resulting in a variance of R77 000. In the 2024/25 financial year, the sub-programme had a budget allocation of R6.695 million, with actual expenditure of R6.695 million, resulting in full expenditure of the allocated budget.

The funds expended enabled the sub-programme to successfully implement its planned activities and achieve its annual performance targets. Through the effective utilisation of the budget, the sub-programme strengthened support to municipalities, enhanced service delivery, and contributed to improving municipal performance in the areas of regional and local economic development. These interventions further supported the department's objective of promoting sustainable local economic growth and strengthening institutional capacity within municipalities.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Regional and Local Economic Development	6 695	6 695	-	8 900	8 822	78
Total	**6 695**	**6 695**	**-**	**8 900**	**8 822**	**78**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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

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

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

The purpose of the Programme is 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 Promotions
- Strategic Initiatives
- Sector Development

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Trade and Investment Promotion

Trade and Investment Promotion exposed a number of MSMEs to new market opportunities through export promotion programmes (trade exhibitions, TAKEALOT and MPSEP) where: 10 MSMEs were assisted to showcase product at local South African trade exhibitions, which took place in Gauteng Province. Out of these MSMEs, six (6) are female owned, four (4) male owned and five (5) youth owned companies. The on-boarding on TAKEALOT comprised twenty-six (26) are female owned, twenty-four (24) male owned and eleven (11) youth owned companies. On MPSEP-twenty-five (25) male, twenty-five (25) female and fifteen (15) youth owned companies were on-boarded. The number of youth owned enterprises was smaller than the other demographics. To address this challenge, the sub-directorate plans to engage more with National Youth Development Agency (NYDA) on export development. Further engagements with the Transversal Directorate will be undertaken to establish contacts with disabled persons.

Strategic Initiatives

The programme focus was on high impact projects prioritized in the MIDP, namely, the Nkomazi SEZ in Komatipoort; the Petrol-Chemical Industrial Technology Park in Govan Mbeki and the Energy SEZ in the Steve Tshwete Municipality. Overall, the work focused on the facilitating and coordinating the implementation of these projects because their impact on economic growth and job creation is important. Of critical importance is that the prioritized projects will not only contribute towards economic growth and job creation but also create more opportunities for small businesses, particularly for the youth and women enterprises. As far as the Nkomazi SEZ is concerned, the focus was on finalising the required engineering designs in order to initialize the Development Phase of the Nkomazi SEZ. This was however not fully implemented due to changes that had to be effected on the Layout Plan as per the recommendations contained in the Roads Master Plan. With regard to the Petro-Chemical Industrial Technology Park, the focus was on the opening of the Township Register to complete the planning phase of the project. Unfortunately the Conveyancer was appointed in the last quarter and this work is expected to be completed in the 1st quarter of the next financial year. With regard to Energy SEZ, the focus was on the development and outcome of the feasibility study and business plan, which was delivered through the collaboration of Mpumalanga Green Cluster Agency (MGCA)

Sector development

Under Sector Development, training of thirty-two (32) beneficiaries from Mkhondo Local Municipality twenty-six (26) youth and four (4) adults, twenty-three (23) females and nine (9) males in Wood and Furniture Manufacturing through FURNTECH Incubator was concluded, in addition to the funding allocated by the department Furntech sponsored two (2) additional (2) trainees. Post training workshop was arranged for government funding agencies to make presentations on business management, financial and non-financial support to the trainees. Twenty-five (25) youth, 13 females and 12 males from Nkangala District Municipality were enrolled in Steel Fabrication through Mpumalanga Stainless Initiative (MSI) Incubator. Further to this Twenty-five (25) youth (17 females and 8 males) were trained in Surface Mining in Thembisile Hani local municipality in partnership with MINTEK. It can also be mentioned that a small scale mining workshop was facilitated with key stakeholders such as Department of Minerals and Petroleum Resources, Small Enterprise Development and Finance Agency (SEDFA) and National Youth Development Agency (NYDA) to provide beneficiaries with more knowledge regarding mining permits application processes, funding opportunities available and non-financial support services that are offered by different institutions.

Programme 3: Trade and Investment Promotion			Purpose of the sub-programme is to facilitate, Trade, Export Promotion and Attract Investment					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	10 Small businesses supported to access new markets	Number of businesses assisted with trade promotion activities	A functional Provincial Trade and Investment Forum established to support export promotion	2 Small businesses supported to access new markets through the SAITEX Trade Exhibitions.	10 Small businesses supported to access new markets	10	None	None
	50 MSMEs on-boarded into the TAKEALOT township economy initiative	Number of MSMEs on-boarded into the TAKEALOT township initiative	-	-	50 MSMEs on boarded into the TAKEALOT Market place	50	None	None
	Development of the Mpumalanga Provincial MSMEs Exporter Portal (MPSEP) and 50 MSMEs on-boarded on MPSEP	Number of MSMEs on-boarded on MPSEP	-	-	Development of Mpumalanga Provincial MSMEs Exporter Portal (MPSEP) & 50 MSMEs on boarded on the MPSEP	50	None	None
	Trade and Investment Strategy reviewed	Number of policies reviewed	-	-	Review of the Mpumalanga Trade and Investment Strategy (MTIS) for potential Investment through MGCA	Mpumalanga Trade and Investment Strategy Reviewed (MTIS) for potential Investment through MGCA	None	None

Linking performance with budgets

The sub-programme managed to spend R11 604 million of its total budget of R 11 604 million that was allocated. The sub programme managed to review the Mpumalanga Trade and Investment Strategy (MTIS) for potential Investment through MGCA.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Trade and Investment Promotion	7 258	7 298	(40)	11 604	11 602	2
Total	**7 258**	**7 298**	**(40)**	**11 604**	**11 602**	**2**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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-Programme: Strategic Initiatives			Purpose of the sub-programme is to position the industrial sector as a key contributor to economic growth and development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	3 Infrastructure projects supported	Number of infrastructure projects supported	-	Pre-Feasibility Study on Energy SEZ completed by Mpumalanga Green Cluster Agency (MGCA)	3 Infrastructure projects supported: • Interim Phase of the Nkomazi SEZ finalised, focusing on the delivery of the detailed engineering designs • Refurbishment of some industrial buildings of MEGA in Kabokweni for the utilisation by MSME	3 Infrastructure projects supported: • Interim Phase of the Nkomazi SEZ: Detailed engineering designs for the Nkomazi SEZ are still underway • Refurbishment of factory building (as per tenant requirement) underway for occupation by identified MSME	Detailed engineering designs not yet finalised due to changes in the layout plan that delayed process None	Fast track the completion of the detailed engineering designs since layout plan has been finalised None

Sub-Programme: Strategic Initiatives			Purpose of the sub-programme is to position the industrial sector as a key contributor to economic growth and development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	3 Infrastructure projects supported	Number of Feasibility studies finalised	-	-	• Conveyancing and opening of township register for the Govan Mbeki Petrochemical Industrial Park • Feasibility and Business Case for proposed Energy SEZ finalised through MGCA	Not achieved Feasibility and Business Case for proposed Energy SEZ finalised through MGCA	Opening of township register not yet finalised. None	Conveyancer appointed in February 2026 and Opening of the township register will commence in 2026/27 financial year None

Linking performance with budgets

The funds earmarked towards the Nkomazi SEZ Entity was underspend by an amount of R 16 788 due the detailed engineering designs not yet being finalised due to the Roads Master Plan that required changes to the existing layout plan. This had an adverse effect on the Sub-Programme for Strategic Initiatives although the sub programme was able to spend its allocated funding. The sub programme would, together with the Nkomazi SEZ Entity fast tract the completion of the required detail engineering designs in order for the respective bulk and internal services can be installed.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Strategic Initiatives	15 196	15 088	108	77 477	60 689	16 788
Total	**15 196**	**15 088**	**108**	**77 477**	**60 689**	**16 788**

Strategy to overcome areas of under performance

The Nkomazi SEZ detailed engineering designs are not yet finalised due to the Roads Master Plan that required changes to the existing layout plan. The programme will fast track the completion of the detailed engineering designs since the required changes to the layout plan was effected and the appointed engineering companies can now complete the required detail designs for the respective bulk and internal services.

In as far as the Petrochemical Industrial Technology Park is concerned the required Conveyancer has been appointed and the required conveyancing documents are being prepared for submission to the Registrar of Deeds in order to finalise the planning phase of this project.

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-Programme: Sector Development			Purpose of the sub-programme is to position the industrial sector as a key contributor to economic growth and development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	2 Training incubation programmes supported	Number of incubates trained: • MSI and • FURNTECH	Financial support to MSI Incubation Programme on stainless steel fabrication provided. Financial support to Furntech on the wood and furniture manufacturing incubation programme provided	Training and incubation programme supported: • 25 trained on stainless steel fabrication • 13 trained in wood and furniture manufacturing	Training and incubation programme supported: • Enroll 25 Steel fabrication SMMEs from entry to tertiary level • 30 trained in wood and furniture manufacturing Furniture Manufacturing Hub supported- (Mkhondo Local Municipality)	Training and incubation programme supported: • 25 Steel fabrication SMMEs enrolled • 30 trained in wood and furniture manufacturing	None	None

Sub-Programme: Sector Development			Purpose of the sub-programme is to position the industrial sector as a key contributor to economic growth and development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Partnership platforms in mining industry established	Number of functional Partnership platforms established	3 Partnership platforms within mining established and their respective POA concluded i.e.: Mineral Councils; Mining Qualification Authority Platform for Junior miners	Mining Forum: • Partnership platform established and Eskom Business Connect & Mining Colloquium conducted • Mining Skills Forum: Partnership platform established and Training programme on mining skills in progress, with 90 people trained in Mining Surface Rights	2 partnership platforms in mining industry established: • Junior Miners Incubator Program • Mining & Energy Skills Development	2 partnership platforms in mining industry established: • Junior Miners Incubation Program concluded • Mining & Energy Skills Development concluded.	None	None

Sub-Programme: Sector Development			Purpose of the sub-programme is to position the industrial sector as a key contributor to economic growth and development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Implementation of the pillars of the Mpumalanga Green Economy Development Plan	Number of monitoring reports produced on the implementation of the pillars of the Mpumalanga Green Economic Development Plan.	-	-	4 monitoring reports on the implementation of the MOU between DEDT and the MGCA produced, focussing on: Capacitating of the MGCA; Green Economy interventions SMME development programmes.	4	None	None

Linking performance with budgets

The Sector Development sub-programme was able to spend R 14 075 million of the R 14 249 million total budget allocated to it. Regarding the Green Economy, the Department produced a feasibility study for the Energy Special Economic Zone (SEZ) working together with the Mpumalanga Green Cluster Agency (MGCA).

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Sector Development	14 782	14 742	40	14 249	14 075	174
Total	**14 782**	**14 742**	**40**	**14 249**	**14 075**	**174**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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

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

PROGRAMME 4: BUSINESS REGULATIONS & GOVERNANCE

The purpose of the Programme is 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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

As a programme, we advance compliance through developmental support and during the financial year under review, the Business Regulation Unit successfully conducted a total of twelve (12) business licensing workshops across key local municipalities.

These interventions were not isolated engagements, but part of a deliberate strategy to strengthen municipal capacity and ensure effective implementation of business licensing frameworks. As a result of these efforts 10 municipalities across the three districts were capacitated, over 367 officials and stakeholders were trained. Most participating municipalities now have fully operational and enforceable by-laws, while others are actively reviewing and strengthening their regulatory frameworks.

Furthermore, we intensified joint inspections with law enforcement agencies to ensure compliance with business legislation, including the Mpumalanga Business Act, 1996. At the same time, municipalities were guided to enforce regulations in a manner that avoids unnecessary red tape while promoting economic participation. In terms of safeguarding the rights of citizens, consumer protection remains central to our mandate of ensuring fair, safe, and transparent market practices. During the 2025/2026 financial year a total of 159 consumer cases were received, of these, 128 cases were successfully resolved, reflecting a strong resolution rate and effective dispute management.

The Department further conducted 46 inspections across the Province and 6 shops were closed due to non-compliance, including operating without valid licences and failure to meet health and safety standards. In cases where food quality was compromised, affected products were removed and safely disposed of in collaboration with municipal waste management units, thereby protecting public health.

Consumer education remains a critical pillar of our work. During the year under review Eight (8) radio awareness programmes were conducted to educate consumers on their rights and responsibilities. These interventions contributed to consumer savings amounting to R808,484.88, achieved through dispute resolution, advisory services, and corrective interventions. This demonstrates that informed consumers are empowered consumers capable of participating confidently and safely in the economy.

The Court remains a critical instrument for ensuring accountability and justice in consumer-related disputes and these courts continue to function effectively with two court sittings and two cases concluded successfully.

The achievements of the 2025/2026 financial year reflect in this regard indicate a balanced approach between enforcement and developmental support. We have strengthened compliance, built institutional capacity, protected consumers, and advanced inclusive economic participation.

Together, we are building a regulatory environment that is not only compliant, but enabling, inclusive, and developmental.

Sub-Programme: Consumer Protection		Purpose of the sub-programme is to promote and regulate matters related to consumers						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Protect Consumer against unfair business practices	% of consumer cases resolved within specified timeframes (90 business days excluding weekends and public holidays)	100%	60% Achieved within stipulated timeframe (90 days)	80%	80%	None	None
		Number of consumer awareness programs conducted	520	370	400	400	None	None

Linking performance with budgets

The programme had an approved budget of R 17 382 million for Consumer Protection program and spent R16 200 million. The programme underspent as a result of the failure to procure the automated case management system. The programme conducted 46 Joint Complaint inspections in the three districts as well as conducted an overall of 406 awareness programs in the three districts in the form of workshops, exhibitions and road shows. The Court Members were appointed in March 2025 and two court sittings were conducted in the Enhlazeni district. The actual budget catered for goods and services (Workshops, payment of court sittings, hire of venue and facilities, marketing and promotional materials) and the cost per head. The program also had the Provincial Consumer Rights Day Celebration and Spend wisely campaign.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Consumer Protection	15 652	14 532	1 120	17 404	16 199	1 205
Total	**15 652**	**14 532**	**1 120**	**17 404**	**16 199**	**1 205**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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-Programme: Business Regulation		Purpose of the sub-programme is to promote and maintain a business regulatory system						
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Municipality capacity building workshops conducted	Number of municipality capacity building workshops conducted	-	5	12	12	None	None
	Provide entity oversight through performance analyses	Number of compliance and oversight reports produced	1	4 MER oversight reports produced	4	4	None	None

Linking performance with budgets

The programme had an approved budget of R 155 620 million for Business Regulation and Governance sub program and spent R155 367 million. The actual budget was therefore used for Compensation of employees within the sub program and the development of the Informal Sector Policy for the Informal Sector. The budget also catered for goods and services (capacity building workshops for Municipalities and Informal traders, hire venue and facilities). The programme will require budget to Launch the Informal Sector Policy and also conduct capacity building workshops on the Informal Sector Policy in the three municipal districts. The programme to conduct inspections of Spaza Shops to ensure compliance with the Mpumalanga Business Act.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Business Regulation	132 294	133 387	(1 093)	155 620	155 368	252
Total	**132 294**	**133 387**	**(1 093)**	**155 620**	**155 368**	**252**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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

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

PROGRAMME 5: ECONOMIC PLANNING

The Purpose of the Programme: is responsible for provision of 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 & 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 the Medium-Term Development Plan (MTDP), especially Priority 1: Inclusive economic growth 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 annual PERO (Provincial Economic Review and Outlook) document, the Socio-Economic Review and Outlook (SERO) bi-annually, and relevant economic research reports on key economic sectors/industries, mining and tourism for example, as well as Socio-Economic Profiles (SEPs) of all 20 Municipalities were produced.

The Socio-Economic Profiles (SEPs) of Municipalities are utilised in the province for Integrated Development Plan (IDP), District Development Model (DDM) and LED purposes. Central point in the province of credible, accurate and quality socio-economic data/information for planning, policy and 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 relevant evaluation report, 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 Programme also started with the process to review the MEGDP, which will be completed in the next financial year. The active participation and role in provincial Department committees led by the Office of the Premier (OTP. Member of the provincial task team working closely with the OTP on the establishment of the Mpumalanga Research Innovation Institute (MRII) to address the research gaps in Provincial Government due to capacity, skills and budget constraints.

The Programme also chaired/moderated the panel on inclusive growth and job creation at OTP's Provincial Research Agenda (PRA) workshop during the financial year. The Economic Analysis and Research team is playing a leading role with this Committee.

Sub-Programme: Research and Development			Purpose of the sub-programme is to provide research reports to inform economic policy analysis process and strategy development					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Research projects to inform economic policy analysis process and strategy development	Number of research reports produced on key provincial industries/ sectors	2 research reports produced.	2 research reports produced.	2 research reports produced.	2	None	None

Linking performance with budgets

All targets were achieved, and the expenditure contributed to the achievement of outputs.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2025/2026		
	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
Research and Development	572	572	-	360	59	301
Total	**572**	**572**	**-**	**360**	**59**	**301**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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-Programme: Knowledge Management			Purpose of the sub-programme is to render knowledge management services					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Updated geo-database of MEGDP priority projects	Number of reports of MEGDP priority projects in Mpumalanga updated on geo-database	Updated geo-database of MEGDP priority projects in Mpumalanga	1X report of MEGDP priority projects in Mpumalanga updated on geo-database	1 report of MEGDP priority projects in Mpumalanga updated on geo-database	1	None	None

Linking performance with budgets

All targets were achieved, and the expenditure contributed to the achievement of outputs.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2025/2026		
	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
Knowledge Management	5 335	5 334	1	6 138	6 096	42
Total	**5 335**	**5 334**	**1**	**6 138**	**6 096**	**42**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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-Programme: Economic Analysis			Purpose of the sub-programme: Socio-economic research reports to inform the Departmental, Provincial and municipal planning policy, strategy and budget processes					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, diversified and growing economy	Socio-economic research reports to inform the departmental, provincial and municipal planning, policy strategy and budget processes	Number of Provincial Economic Review and Outlook (PERO) reports compiled	1 Provincial Economic Review and Outlook (PERO) report compiled	1 Provincial Economic Review and Outlook (PERO) report compiled	1 PERO report compiled	1	None	None
		Number of updated Socio-Economic Review and Outlook (SERO) reports completed and communicated	2 updated Socio-Economic Review and Outlook (SERO) reports completed and communicated	2 updated Socio-Economic Review and Outlook (SERO) reports completed and communicated	2 updated SERO reports completed and communicated	2	None	None

Linking performance with budgets

All targets were achieved, and the expenditure contributed to the achievement of outputs.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2025/2026		
	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
Economic Analysis	4 689	4 689	-	4 264	4 171	93
Total	**4 689**	**4 689**	**-**	**4 264**	**4 171**	**93**

Strategy to overcome areas of under performance

There were no areas of underperformance; all targets were achieved. Overall performance is 100%.

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

None of all planned targets are focused soley on the Department.

PROGRAMME 6: TOURISM

The purpose of the sub-programme is 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 and Sector Transformation

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The programme's performance is 3 out of 6 of achievement on its annual targets as outlined in the 2025/2026 Annual Performance Plan, thus achieving 50% performance overall. The non-achieved targets include the delivery of feasibility studies for Mariepskop Cable Car and Hazyview Waves projects under the sub-programme tourism planning due to the late appointment of service providers for both projects. However, the programme has finally appointed the service providers, and that these two projects have been prioritised in the next two quarters of the new financial year (2026/2027). The programme has nonetheless, significantly achieved on the stakeholder engagement indicator due to its demand driven nature. The programme also continued to strengthen the public – private stakeholder relations in that the Provincial Tourism Think Tank Forum was resuscitated during the year under review. Significant achievement can also be reported on the successful hosting of the G20 Ministerial meeting in the province. This has once more put Mpumalanga on the map as one of the key tourism destination of choice.

Throughout all these achievements, the programme responded positively in addressing the designated groups, such as women, youth and person with disability during the year under review. This has been achieved through their participation in the tourism careers expo, tourism awareness day and G20 as service providers procured to render services, but also through general business support services.

Sub-Programme: Tourism Planning			Purpose of the sub-programme is to ensure enhanced and sustainable tourism growth					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, competitive and sustainable tourism industry	To position Mpumalanga as a Destination of choice	Number of strategic tourism projects facilitated to enhance visitor experience	1 Feasibility Study Assessment on Mpumalanga 360-degree route project conducted	1 strategic tourism project was facilitated (BMM-WHS) and 4 quarterly reports produced	3x strategic tourism projects facilitated namely: • Barberton Makhonjwa World Heritage Site (BMM-WHS) • Marieskop Cable Care • Hazyview waves	1	2	Facilitation of the 2 projects (Marieskop Cable Care and Hazyview waves) is dependent on the finalisation of the feasibility study reports

Sub-Programme: Tourism Planning			Purpose of the sub-programme is to ensure enhanced and sustainable tourism growth					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
					2 Feasibility/ Business Case developed, namely: • Marieskop Cable Car Projects • Hazyview Waves	0	2	Late appointment of the service providers for Marieskop Cable Car and Hazyview Waves Projects, however the following milestone has been delivered to date: Cost benefit analysis reports
		Number of tourism stakeholder engagements facilitated and participated on to unlock tourism growth in the Province	4 monitoring reports on strategic tourism projects facilitated. Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS)	6 tourism stakeholder engagements facilitated to unlock tourism growth in the Province	5x tourism stakeholder engagements facilitated and participated on to unlock tourism growth in the Province	5	None	None

Strategy to overcome areas of under performance

Feasibility study/ Business Case for Mariepskop Cable Car Project developed

The target was not achieved due to late appointment of the service provider owing to none compliant bids received which led to the project re-advertisement in December 2025. The service provider has now been appointed and the project has been prioritised in the next financial year 2026/2027.

Feasibility study/ Business Case for Hazyview Waves developed

The target was not achieved; due to late appointment of the service provider owing to the amendments made to the TORs (Addendum), however, the service provider has now been appointed. The following milestones has been delivered to date:

- Inception report
- Site inspection
- Benchmarking
- Market and cost analysis reports

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-Programme: Tourism Sector Transformation			Purpose of the sub-programme: Transformation of the tourism sector					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Inclusive, competitive and sustainable tourism industry	To promote tourism enterprises and inclusivity in the Province	Number of tourism awareness programmes implemented to promote enterprises and inclusivity in the tourism sector	1 tourism awareness programme implemented through the Tourism Month	1 tourism awareness programme implemented through the tourism month	6x tourism awareness programme implemented through Tourism Month, Festive and Easter season activation: (i) Provincial Tourism Awareness Day. (ii) G20 2025 Tourism Ministers Meetings. (iii) Provincial Tourism Expo	3	3	The Department initially targeted for 3 programmes, however during the re-tabling of the 2025/26 APP, the programmes were increased to 6 but only 3 programmes were listed and implemented out of the 6.

Sub-Programme: Tourism Sector Transformation			Purpose of the sub-programme: Transformation of the tourism sector					
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	**Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
					3x Festive and Easter Season Awareness Campaigns/Activities aimed at driving domestic and regional travellers: Tourism Safety Initiatives Media advertisements (print, radio, TV, and outdoor) Entertainment events.	3	None	None
		Number of strategic tourism capacity building programmes implemented	1 tourism capacity building programme implemented through the Tourism Careers Expo	3 Tourism capacity building programmes implemented, Tourism Careers Expo conducted Walk and Learn on the wild side (renamed Explore Mpumalanga Parks through Learning). Tourism Safety Monitors	2x Tourism Capacity Building programmes implemented namely: Tourism Careers Expo Explore Mpumalanga Parks through learning	2	None	None

Linking performance with budgets

The Programme total budget allocation includes the transfers to the Mpumalanga Tourism and Parks Agency (MTPA). The economic classification budget allocated to the Tourism Programme of the Department and the actual expenditure thereof is in line with the original budget allocation. However, the Programme's budget was adjusted with 10 million in December 2025 with specific allocation for Tourism Awareness and Festive Season Activations. As a result of the late budget adjustment, the programme were able to spend 80 percent (%) of its budget with significant achievements in the Tourism Awareness programmes and Festive Season Activation within and outside of the Province. Overall, the programme was able to record significant achievement of outputs for the 2025/2026 financial year in line with both the original and adjusted budget.

Sub-programme expenditure

Programme Name	2024/2025			2025/2026		
	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
Tourism	520 907	520 354	553	534 468	527 921	6 547
Total	**520 907**	**520 354**	**553**	**534 468**	**527 921**	**6 547**

Strategy to overcome areas of under performance

The strategy to address under achievement is addressed in the 2026/2027 plan.

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

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

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Economic Growth Agency	• To promote trade and investment in Mpumalanga • To provide funding in respect of approved enterprise development focusing primarily on the disadvantaged individuals in Mpumalanga • To develop property including the granting of housing loans in Mpumalanga to deliver massive infrastructure in Mpumalanga	280 600	280 600	• Revitalization projects were identified and awarded to MSMEs in construction space. Value of total revitalization project amounts to R 21 million. This includes the following projects: • Installation of a 9 000m security fence along the Park perimeter at Ekandustria • Installation of perimeter fencing at Small Industrial Parks • Installation of control room monitored Closed Circuit Television (CCTV) cameras at Ekandustria • Refurbishment of the Park's office buildings • Renovation of ablution facilities at small industrial parks • Refurbishing the waste-water treatment plant at Ekandustria • Installation of smart (utility services consumption measurement) meters to ensure accurate billing • R 14 million spent on disbursements of MSMEs and Home loan clients • Implementation of an ERP system (R9.9 million)

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Tourism and Parks Agency	• Provide for effective management and conservation of biodiversity and eco-systems within the province. • Develop and ensure effective management of protected areas. • Foster, promote and sustainably develop and market tourism; and • 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.	505 161	505 161	• The Entity remained focused on advancing sustainable tourism growth, biodiversity conservation, socio-economic transformation, good governance, and institutional sustainability in support of the Province's economic development priorities. • The Entity continued to contribute towards the strategic impact of a sustainable and transformed tourism and biodiversity economy through the implementation of integrated tourism promotion, conservation management, infrastructure development, and governance strengthening initiatives. • Despite prevailing financial pressures, infrastructure backlogs, operational constraints, adverse weather conditions, and capacity limitations, the Entity demonstrated resilience and continued to deliver measurable progress against key strategic priorities and planned annual targets.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Tourism and Parks Agency				• Significant progress was achieved through the successful implementation of domestic, regional, and international destination marketing initiatives aimed at positioning Mpumalanga as a preferred tourism destination. The Entity successfully participated in major tourism exhibitions and marketing platforms, including the World Travel Market Africa, Africa's Travel Indaba, Meetings Africa, Tourism Month activities, and G20 Tourism engagements. These interventions strengthened destination visibility, enhanced tourism market access opportunities, promoted domestic tourism growth, and contributed towards improving the competitiveness of the province's tourism sector. • Additional progress was recorded through the implementation of tourism safety awareness campaigns, tourism stakeholder engagements, tourism skills development initiatives, and enterprise support programmes targeting MSMEs owned by Historically Disadvantaged Individuals. • The entity continued to contribute significantly towards the strategic outcome of sustainably managed protected areas and ecosystems to reduce wild-life crime and human-wildlife conflict. A major achievement recorded during the reporting period was the successful expansion of biodiversity stewardship sites, where more than 25 000 hectares were proposed for gazettal as protected areas against the planned annual target of 12 000 hectares. This achievement contributed substantially towards biodiversity conservation, protection of the ecosystem and the sustainable management of conservation land.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Tourism and Parks Agency				• The entity further strengthened biodiversity conservation management through the enforcement of compliance with environmental laws. Significant achievement was recorded in combating wildlife crime through strengthened law enforcement collaboration and completing environmental criminal investigations and handing them to the NPA for prosecution. These environmental law enforcement activities contributed positively towards strengthening environmental governance and protection of nature conservation and the ecosystem. • In support of institutional sustainability and improved governance outcomes the entity strengthened internal controls, compliance management such as the implementation of Risk Management Plan and Fraud Prevention Strategy, Internal Audit Plan, ICT cybersecurity enhancement measures, and Business Continuity Plan. • The entity also successfully implemented the employee skills development, occupational health and safety interventions and employee wellness programmes aimed at improving performance capability of the workforce, organisational performance, and service delivery effectiveness. • The entity further strengthened financial governance, financial reporting, audit readiness, expenditure management, and compliance with financial management legislation.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Tourism and Parks Agency				• Although revenue performance was impacted by reduced visitor numbers, poor conditions of tourism conservation infrastructure and adverse weather conditions, measures continued to be implemented to strengthen revenue management systems, improve financial controls, and enhance financial sustainability. • Hospitality tourism facilities were effectively maintained obtaining higher-level grading and quality assurance standards from the Tourism Grading Council of South Africa thereby enhancing visitor experiences and destination competitiveness.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Mpumalanga Economic Regulator	• Continue to regulate the Gambling Industry as per its founding Act • Promote responsible gambling in the Province • Attempt to license the 4th Casino within the next 5 years • Provide for the regulation of the micro-manufacturing and retail sale of liquor • Regulate own revenue generation • Reduce the socio-economic and other related cost of alcohol abuse • Provide for public participation in the consideration of applicant for registration • Promote the development of a responsible and sustainable retails and micro-manufacturing liquor industry in a manner that facilitates the entry of new participants into the industry; diversity ownership in the industry and an ethos of social responsibility in the industry	148 304	148 304	• 803 Investigations conducted. • 2 120 Employee registrations. • 111 Re-Investigations conducted. • 6 317 Licence renewals. • 7 271 Inspections conducted. • 14 709 Evaluations conducted. • 563 Gambling levy verifications conducted. • 36 Audits conducted. • 142 Public Awareness Campaigns were conducted. • Integrated IT System developed. • Eight Industry Analysis and Research Studies conducted.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Special Economic Zone	• Developing an environmentally sustainable and highly productive agro-based industrial hub; • Enhancing the diversity and value of the region's value-added agricultural exports; • Broadening the economic participation of the region's populace by integrating SMMEs and emerging farmers into targeted value-chains; • Attracting both Foreign and Domestic Direct Investment into the region's agro-processing related businesses; • Improving the region's innovation and technological capability; • Enhancing the region's human and industrial capabilities in relation to agro-processing.	62 451	45 704	• Filling the critical vacant posts • Signed lease with DP World a logistics company that will develop a rail siding inside the NSEZ. Estimated to create over a 1 000 jobs and R480m investment value • Completion of the feasibility study and submission of the Bulk Infrastructure funding application to the SEZ Fund • Development of the entity administration systems • Progress on the completion of the engineering designs • Attracted investments valued at over R11bn for the 2025/26 FY with estimated jobs of over 4000

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2025 to 31 March 2026

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 R'000	Reasons for the funds unspent by the entity
Furntech	Private enterprise	Wood and furniture training programme	Yes	1 240	1 240	N/A
Mpumalanga Stainless Steel Initiative	Non-profit institution	Stainless steel training programme	Yes	2 206	2 206	N/A
National Youth Development Agency	Departmental Agency	Youth development	Yes	3 000	3 000	N/A
Mpumalanga Green Cluster Agency	Non-profit institution	Advance the green economy	Yes	10 921	10 921	N/A
Local Municipalities	Local municipalities	Vehicle licences	Yes	10	10	N/A
Households	Private	Leave gratuity	Yes	928	928	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2025 to 31 March 2026, 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
N/A	N/A	N/A	N/A	N/A

All of the transfer payments which were budgeted for in the period 1 April 2025 to 31 March 2026 were paid out.

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 transferred	Mpumalanga Economic Growth Agency Mpumalanga Tourism and Parks Agency
Purpose of the grant	To create jobs within Expanded Public Works Programme (EPWP).
Expected outputs of the grant	Job creation and poverty reduction.
Actual outputs achieved	133 job opportunities were created
Amount per amended DORA R'000	3 853
Amount transferred R'000	3 853
Reasons if amount as per DORA not transferred	None
Amount spent by the department/ municipality R'000	3 853
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring Department	Monthly In-Year Monitoring Reports, Quarterly Reports, Annual Evaluation Report

6.2 Conditional grants and earmarked funds received

The Department of Economic Development and Tourism (DEDT) was identified as an important organisation to implement the Expanded Public Works Programme (EPWP) through two of its entities; namely, the Mpumalanga Tourism and Parks Agency (MTPA) and the Mpumalanga Economic Growth Agency (MEGA). A grant incentive of R 3 853 000.00 was allocated by National Department of Public Works and Infrastructure to assist with alleviation of poverty. A total 133 job opportunities were created from 28 projects that were funded by the grant.

Key summary of the achievements

- Maintenance and cleaning of nature reserves and industrial parks
- Safe and patrolled environments
- Controlled veld fires
- Alien plants removed in nature reserves
- Cleaned nature reserves and industrial parks
- Controlled soil erosion
- De-bushing
- Painting work

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

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2025 to 31 March 2026.

Conditional Grant: Expanded Public Works Programme (EPWP)

Department who transferred the grant	National Department of Public Works and Infrastructure
Purpose of the grant	To create jobs within Expanded Public Works Programme (EPWP).
Expected outputs of the grant	Job creation and poverty reduction.
Actual outputs achieved	133 jobs were created during the 2025/26 financial year.
Amount per amended DORA	3 853
Amount received (R'000)	R 3 853
Reasons if amount as per DORA was not received	None
Amount spent by the Department R'000	R 3 853
Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the receiving Department	Monthly In-Year Monitoring Reports, Quarterly Reports, Annual Evaluation Report

7. DONOR FUNDS

7.1 Donor Funds Received

During the reporting period, the Department did not receive any donor funds.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

- Progress made on implementing the capital, investment and asset management plan.
- The intention of developing the MIFPM is for it to become a key enabler of the broader fresh produce ecosystem in Mpumalanga and create a platform for greater value creation for stakeholders across the entire value chain.
- The facility location is the City of Mbombela where it is planned to provide local farmers with access to local, regional and international fresh produce markets.
- The Development of the Mpumalanga International Fresh produce market was initially conceptualized and Implemented by the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA)
- The Mpumalanga Economic Growth Agency (MEGA) has also been extensively involved in the implementation of the project prior its transfer to the Mpumalanga Department of Public Works, Roads and Transport in early 2021. The DPWRT was requested to facilitate finalisation of the construction phase of the project.
- The project is fully financed by the Provincial Government through the Department of Economic Development and Tourism. The operationalisation of the project is funded via DARDLEA
- The project consists of a market building with all its pertinent support facilities, an agro-processing building as well as all required access control facilities, roads, parking and related enabling facilities.
- Currently, the project construction area measures approximately 52 000m2 on a parcel of land exceeding 50 ha. The approved master plan however provides for future expansion of the facility by a further 30 000m2 of the market building if and when additional capacity becomes a requirement in the future.
- All planning and design activities as well as implementation of various projects related to provision of bulk infrastructure and services and well as construction and/or extension of the access road have been implemented in the past under the leadership of the DPWRT, DARDLEA as well as the MEGA.
- The Facility was handed over to the DEDT / DARDLEA to commence with its operationalisation plans on 31st July 2024. The Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA) finalised procurement processes and appointment of the Operator who was introduced to the project team during a meeting held on 4th July 2024.
- Occupation certificates for seventeen individual structures on 17 December 2025.
- The commissioning of the ammonia plant commenced in March 2026, shortly before the end of the 2025/2026 financial year.

- The final account was signed by the main contractor on 26 March 2026
- Calculation of the actual escalation due to the contractor is done using the gazetted indices as well as the base date of November 2017 as provided in the contract. The increase in the budget for escalation on the project is a result of the effects of project delays and contract disputes as well as high inflation rates during the period post covid-19
- The facility has a 5-year latent defects liability period, therefore the contractor will still be expected to attend to any defects as identified by facility users during this period.
- It is anticipated that the completed project will be transferred to DPWRT during the current financial year.

Infrastructure project of the Department.

Infrastructure projects	2024/2025			2025/2026		
	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	259 890	233 927	25 963	96 033	92 326	3707
Existing infrastructure assets	551	-	551	605	433	172
Upgrades and additions	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	551	-	551	605	433	172
Infrastructure transfer						
Current	18 956	15 074	3 331	19 325	15 675	3 650
Capital	259 890	233 927	25 963	96 033	92 326	3 707
Total	**276 846**	**249 001**	**278 846**	**115 963**	**108 434**	**7 529**





Part C

Governance

1. INTRODUCTION

The Department ensures that there are effective and efficient controls systems by maintaining financial and operational systems of internal control. An implementation of an effective compliance management system to address the issues of non-compliance and monitor compliance with laws and regulations is done on a regular basis.

2. RISK MANAGEMENT

The Department has a proactive system of Risk Management that is responsible to promote the risk culture across all programmes. This function accounts to the Head of the Department on all issues of risk management in the Department. All programmes report the activities of risk management and the implementation of risk treatment plans with evidence on quarterly basis.

The Department has an updated Risk Management Policy and Strategy for implementing the processes of risk management using a 4-year Risk Implementation Plan (2021/22 to 2025/26). The Risk Management Strategy focuses on a continuous identification of risks and opportunities in a changing environment. These risk management documents were communicated within the Department through departmental internal communication services, risk management workshops during the risk assessment.

Department conducts risk assessments annually to review the strategic risks linked to the outcomes (objectives) of the Department and operational risks aligned to the outputs as indicated in the Annual Performance Plan (APP) for the year under review. Emerging Risks are identified on a quarterly basis to ensure that management employs effective additional strategies and action plans to mitigate and/or to treat the risks. The reports were reviewed by the Risk and Ethics Management Committee (REMC) and recommended to the Accounting Officer for approval. The REMC also advises 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. Consequently, the risk universe covered in the year under review, focused on strategic risks addressing the key sectors, operational risks linked to the APP, Operational Plan, ICT, Ethics and Fraud risks.

Risk and Integrity Management function structure of the Department consist of two officials (i.e. Deputy Director and Assistant Director) with vast experience in Risk Management. Management of risk is the responsibility of the entire personnel of the Department, and it is entrenched in every responsibility manager. The risk mitigation reports are signed-off by every responsibility manager to ascertain the implementation of the risk mitigation for the reviewed quarter and submit to risk and integrity management with port-folio-of evidence.

The Department has established the Risk and Ethics Management Committee chaired by an external independent chairperson appointed by the Accounting Officer. The Chairperson of the REMC sits in the Audit Committee representing REMC. The Chairperson provides recommendations and advises on a regular basis regarding the implementation of the system of risk management processes, review the implementation of the risk mitigation strategies on quarterly basis, share the information related to material risks with the Audit Committee and provide the quarterly reports with recommendations to the Accounting Officer.

Quarterly risk management reports are presented to the Audit Committee with recommendations to address any identified deficiency on a regular basis by the Chairperson of the REMC.

The implementation of risk treatment plans and strategies for the financial year 2025/26 was as follows:

100% for strategic risks treatment plans implemented. 90% of the treatment plans for operational risks were implemented and 10% not implemented. The Department has reviewed the 2025/26 strategic and operational risks registers and new risks were identified for 2026/27. For the risk mitigation plans that were not implemented in 2025/26 the risks were reviewed and removed in the register and new risks were identified.

Quarterly risk management reports present a comparison between risk, expenditure and performance to highlight the alignment in reporting. 100% was achieved on the activities outlined in the Risk Management Implementation Plan. In the beginning of the financial year 2025/26 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 mitigation plans.

For the financial year 2025/26, Risk and Integrity Management Unit has conducted awareness in risk management and ethics to all employees through workshop and information sharing on the Department's communication process. 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 2024/25 financial year presents 99,4% (very good assessment) on the effectiveness of the Risk and Ethics Management Committee in the Department. This is a 2,28% improvement from previous financial year. The report also shows that an average of 54% attendance of all the 2024/25 financial year Risk Management Committee meeting by members.

3. FRAUD AND CORRUPTION

The department's fraud prevention plan and the progress made in implementing the fraud prevention plan.

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 PFMA.

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

- Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing – The need for officials to make confidential disclosure about suspect fraud and corruption.

There are various ways in which officials and members of the public should report any suspected fraudulent and corrupt activity, such as through the Presidential Hotline for service delivery issues; Office of the Public Service Commission (OPSC); Provincial Anti-Corruption Hotline in the Office of the Premier. All these methods, individual may report anonymously through a call, email, and/or a letter. The Department has developed Whistle-blowing Policy for reporting of any allegation of the fraud and corruption. Furthermore, individual may anonymously report directly to the Department through the office of the Head of Department or to the Risk and Integrity Management Unit.

How these cases are reported and what action is taken.

All reported allegations of fraud and corruption are received and recorded in the case management system (register) 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 made by the Integrity Management Unit to the Department, they are implemented and progress report is 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 to do 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

Ethics management in the Department is implemented in accordance with the public service regulations; 2016 chapter 2 to zminimise conflict of interest and other unethical conduct. The Department has developed an Ethics Management Strategy to guide in the management and implementation of ethics in the Department.

Gifts and donations

No sponsorship and donation were reported or declared and registered in the gifts and donations register for the financial year 2025/26, however one gift item to the value of more than R500 as a set limit has been declared and registered in the gifts register within the office ethics officer. This gift was rejected and it was returned to the gifter.

Other remunerative work (ORW)

Only one application for ORW was made in 2025/26 financial year and permission was granted. The permission was valid from 01 April 2025 to 31 March 2026. No other application was made during the financial year.

Financial disclosures

A total of 25 Senior Management Services (SMS) disclose their financial interests in the first quarter of the financial year for 2024/25 disclosure period on the eDisclosure system. The Department has achieved a 100% compliance on the submission of the disclosure of financial interests by SMS members. The financial disclosures were submitted to the Office of the Public Service Commission.

The Department had a total of 27 Middle Management Services (MMS). All 27 MMS submitted their financial disclosures for the 2024/25 disclosure period on the eDisclosure system; therefore, the Department achieved 100% compliance. The Ethics Officer verified all the financial disclosures submitted for approval by the HOD.

All 21 SCM/Finance-designated employees submitted their financial disclosures for the 2024/25 disclosure period on the eDisclosure system; therefore, the Department achieved 100% compliance. The Ethics Officer verified all the financial disclosures submitted for approval by the HOD.

5. CODE OF CONDUCT

In accordance with the Public Service Regulations, the Department has fully adopted and implemented the Code of Conduct for the Public Service. This Code serves as the primary ethical framework, providing clear directives on the standards of professional behavior expected of all employees—both in their individual capacities and in their professional interactions with stakeholders and the public.

Adherence to the Code is a cornerstone of our commitment to enhancing professionalism and fostering public confidence in the Department's integrity. To maintain these high standards, the Department maintains a policy of zero tolerance regarding ethical breaches. In instances where non-compliance was identified, formal disciplinary measures were instituted in strict alignment with the Disciplinary Code and Procedures for the Public Service. These actions ensure accountability and reinforce a culture of ethical excellence across all levels of the organization.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department prioritizes the creation of a safe and healthy work environment through robust compliance and risk management. To this end, the Department has fulfilled its statutory obligations under Sections 16 and 17 of the Occupational Health and Safety Act (Act 85 of 1993) by ensuring that Occupational Health and Safety (OHS) Representatives are appointed in all offices, supported by a designated Compliance Officer.

Key highlights for the period include:

- The implementation of Hazard Identification and Risk Assessment (HIRA) protocols, which served as the primary mechanism for identifying and managing workplace hazards.
- Substantial progress was achieved in resolving contravention notices issued by the Department of Employment and Labour, reflecting our commitment to rectifying identified gaps.
- While internal safety protocols have been strengthened, structural facility management issues remain a challenge. These are currently being escalated to the Department of Public Works, Roads and Transport, as the custodian of state buildings, to ensure our physical infrastructure aligns with safety standards.

7. PORTFOLIO COMMITTEES

The dates of the meeting:

- 17 March 2026
- 29 January 2026
- 04 December 2025
- 25 September 2025

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1	Auditor General Findings and Questions	(i) The Accounting Officer must investigate the causal factors resulting in the Department having recurring finding on restatement of corresponding figures. (ii) The Accounting Officer must determine the inefficiencies in the measures previously put to curb the restatement of corresponding figures. (iii) The Accounting Officer must develop internal controls, measures and tools intended to prevent the recurring of the finding on restaurant of corresponding figures. (iv) The Accounting Officer must facilitate capacity training for the finance section and governance structures especially the risk Committee and Audit Committee to prevent recurring findings on corresponding figures. (v) The Executive Authority must request the Premier to take disciplinary actions against the Accounting Officer for failure to implement resolution 5.1.1 (i) – (iv)	Despite all the efforts of the Department under the leadership of the accounting officer, there was a prior year adjustment to the balance of irregular expenditure. This was a response to an audit finding in the current year which shifted irregular expenditure in respect of leases negotiated by PWRT on behalf of the Department from DEDT to PWRT.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
2	Material underspending of the vote	(i) The Accounting Officer must develop mechanism and early warning systems to detect, identify and prevent material underspending of the budget of the Department. (ii) The Accounting Officer must facilitate training for officials in the finance section, Audit Committee, to detect and prevent material underspending of the budget of the Department. (iii) The Accounting Officer must develop adequate and appropriate systems to track the effective, meaningful, and reasonable implementation of House Resolutions born out of the Recommendations of the Portfolio Committee on Economic Development and Tourism (iv) The Accounting Officer must develop systems to enable the monitoring of expenditure management to avoid material underspending. (v) The Executive Authority must request the Premier to take disciplinary actions against the Accounting Officer for failure to implement resolution 5.2.1 (i) – (iv)	Despite all the efforts of the Department under the leadership of the accounting officer, the AGSA reports a material underspending in Programme 1 and Programme 2 Additional information is provided further on in this report.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
3	Restatement of Corresponding Figures and Financial Statements	(i) The Accounting Officer must provide a detailed report on the causal factors for failure of previous interventions or remedial actions to curb the finding on restatement of corresponding figures. (ii) The Accounting Officer must provide mechanisms to capacitate officials responsible for the preparation of financial statements. (iii) The Accounting Officer must develop adequate and appropriate internal control to detect, identify and prevent restatement of corresponding figures. (iv) The Accounting Officer must develop mechanism to capacitate the Audit Committee to quality assure financial statement and detect restatement of corresponding figures. The Accounting Officer must train finance officials on the National Treasury Instruction No. 4 of 2022/2023, PFMA Compliance and Reporting Framework (v) The Executive Authority must request the Premier to take disciplinary actions against the Accounting Officer for failure to implement resolution 5.3.1 (i) – (iv)	Despite all the efforts of the Department under the leadership of the Accounting Officer, there was a prior year adjustment to the balance of irregular expenditure. This was a response to an audit finding in the current year which shifted irregular expenditure in respect of leases negotiated by PWRT on behalf of the Department from DEDT to PWRT.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
4	Irregular, Fruitless and Wasteful Expenditure	(i) The Executive Authority must take necessary actions against the Accounting Officer for failure to comply with Section 38(1)(c)(ii) and section 51(1)(b)(ii) of the PFMA. (ii) The Accounting Officer must develop appropriate internal control and systems improvements to ensure that the Accounting Officer comply with Section 38(1)(c)(ii) and section 51(1)(b)(ii) of the PFMA. (iii) The Accounting Officer must develop systems and mechanisms that will detect and prevent the implementing agent, the Department of Public Works, Roads, and Transport from committing the Department into irregular transactions. (iv) The Accounting Officer must liaise with the Accounting Officer of the Department of Public Works to identify the officials who in law is liable for committing the Department of Economic Development and Tourism to incurring Irregular Expenditure and take necessary disciplinary actions. (v) The Accounting Officer provide the Committee with progress on the process initiated to recoup money from officials involved in the irregular expenditure relating to Twamande Trading, Lowveld media arena holding.	Irregular expenditure incurred as a result of property rental contracts procured and negotiated by PWRT has been shifted to PWRT following an audit finding in this regard. This has led to the restatement of prior year information referred to above.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		(i) The Accounting Officer provide progress or responses of the former CFO upon receiving letters of the Department relating to irregular expenditure related to Lowveld Office Automation, Emalahleni Xerox and Nashua (ii) The Accounting Officer develop interventional internal systems and mechanism to detect and prevent irregular expenditure and assess the impact of previous control implemented. (iii) The Accounting Officer must take disciplinary measures against officials who fail to pay service providers within 30 days and provide the Committee with evidence. (iv) The Executive Authority must request the Premier to take disciplinary actions against the Accounting Officer for failure to implement resolution 5.4.1 (i) – (viii)		
5	Mpumalanga International Fresh Produce Market	(i) The Executive Authority together with the Executive Council must develop plans to curb project delays due to protest and construction mafias in Mpumalanga.	We are not aware of any delays due to protest action in the 2024/2025 year.	
6	Internal Control Deficiencies	(i) The Accounting Officer identify the internal control deficiencies and improve the internal control environment of the Department. (ii) The Executive Authority must request the Premier to take disciplinary actions against the Accounting Officer for failure to implement resolution 5.6.1 (i)	The 2024/2025 outcome includes reference that the accounting officer did not exercise adequate oversight responsibility regarding performance reporting and related internal controls as well as monitoring of compliance with key legislation. The Department continues to implement improvements in this regard.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
7	Progress towards achieving a Clean Audit Opinion	(i) The Accounting Officer must strengthen internal controls and systems to ensure that the Department improves its audit opinion.	The audit outcome improved in that the submitted AFS were free from material misstatements and there was a reduction in the number of material compliance. paragraphs reported in the audit report from 4 paragraphs in the prior year to just 1 paragraph in the current year	

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

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
The Auditor General SA reported that she was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 31(1) (h) (iii) of the PMFA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure	2024/2025	Disciplinary steps have been taken against staff members, and formal letters have been addressed to staff members in connection with irregular expenditure in prior periods. Irregular expenditure included in the opening balance of the current financial year has been subject to investigation which was concluded in the 4th quarter of 2025/2026. The primary directive currently governing this process is National Treasury Instruction No. 04 of 2022/2023, also known as the PFMA Compliance and Reporting Framework is followed when dealing with matters related to unauthorised, irregular, fruitless and wasteful expenditure

10. INTERNAL CONTROL UNIT

The work performed by the internal control unit during the year involved the following:

On Irregular expenditure

The Department had an opening balance of R 14 684 000, and the confirmed irregular expenditure for the year amounted to R 7 085 000. In the fourth quarter, and investigation into irregular expenditure to the value of R14 890 000 was completed.

The facilitation of assurance providers:

Recommendations/action plans from internal and external assurance providers were implemented to address the control deficiency/root causes. Management responses were within the stipulated time frames, whereas internal controls were implemented to address and mitigate the identified risks within the stipulated time frames.

Financial reports:

The Department ensured that all Users have functions to relevant tasks, users, access rights reviewed maintenance of active users and reviewed exception reports, interface reports, and conduct appropriate systems maintenance.

Governance

The Delegation Framework is going through a process of review in order to create structured and efficient processes for assigning tasks and responsibilities (pertaining to financial management) within the Department.

11. INTERNAL AUDIT

Provide a brief description of the following:

Key activities and objectives of the internal audit function

Purpose and mandate

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.

Strategy of the internal audit function

Vision

Strengthen the Department of Economic Development and Tourism's ability to achieve its goals and objectives by providing independent risk-based objective assurance, advice, insight and foresight.

Strategy

To provide an innovative, responsive and effective value-added internal audit services to improve, governance processes, management of risks, and ensuring the adequacy and effectiveness of internal controls. This is achieved through the development and implementation of a three year rolling Internal Audit Strategic Audit plan, with the first year being the focus area in the period under review. These plans are implemented to provide reasonable assurance on the governance, risk management and internal controls per focus area covered in the Internal Audit Plan.

Charter, methodology and internal audit plans

The Internal Audit Activity's work is carried out as authorised by the Accounting Officer on the approved Internal Audit Charter and in line with the approved three year strategic Internal Audit plan with the one year operational plan being a focus area for the year under review. An Audit manual is applied in the audit process to ensure consistency and to comply with Global Internal Audit Standards.

The repositioned risk based internal audits directs internal audit to address strategic, operational, financial and sustainability issues in the quest to deliver value for the DEDT to achieve its objectives.

Independence and objectivity

The Internal Audit Function consisting of the Chief Audit Executive, with all Internal Audit personnel reports functionally to the Audit Committee and administratively to the Accounting Officer as outlined in the Internal Audit Charter. The Internal Audit team has maintained objectivity in the year under review and did not experience any impairment to independence or objectivity.

Internal audit modality

The DEDT had an in-house Internal Audit Activity for the year under review. The scope of work was performed by the in-house function. No part of the Audit Plan or any assignment was contracted out, co-sourced, or outsourced during the reporting period.

Staffing

The Departmental approved Internal Audit's structure comprises of five (5) positions, the manager's post was vacated in July 2025 and filled in March 2026. The current staff complement consists of the Chief Audit Executive, one Audit Manager, one Assistant Director and two Internal Auditors.

Stakeholder relationships

The Internal Audit stakeholders consist of employees, management, oversight committees, the regulators, other Audit Institutions, and the Office of the Auditor General. A constant communication with management is done through MANCO and EXCO committees, there is continuous Co-ordination with the Auditor general and other assurance providers such as Risk and Ethics Management and Internal Control.

Quality assurance and improvement program

An external quality assurance review was undertaken between March and May 2024, the Internal Audit Activity achieved a conformance status. The report of the External Quality Assurance Reviewer is used as a basis to develop a Quality Assurance and Improvement Programme and is monitored and reported on to the Audit Committee on a quarterly basis**.** The next external quality assessment is due in June 2029.

Limitations to the activities and objectives of the internal audit function

Internal Audit Activity carried out its responsibilities without limitation or interference, neither did the unit experience impairment to objectivity.

Value add of internal auditing

Proactive review of the Annual Performance Plan 2026/2027.

- Planned and completed audits
- Risk & Ethics management, and Governance Processes
- Review of Annual Financial Statements & Annual Report
- Information Communication Technology (Utilisation of automated systems)
- Enterprise Development
- Consumer Protection Services
- Sector Development and Strategic Initiatives
- Supply Chain & Asset Management
- Third Quarter Financial Statements & Performance Information
- Pro-active performance information review
- Transfer Payments
- Tracking of Internal Audit & AG (SA) Reports

Audits rolled over

- Transfer Payments
- Supply Chain & Asset Management
- Follow Up – Internal Audit and AG (SA) Report

Ad hoc projects

No ad-hoc assignment was conducted during the year under review.

Status of audit findings addressed

	Number of findings	Total Addressed	Not Yet Due	Total Not Addressed	No. of recurring findings Last 3 Financial Years
IAF Findings	64	42	22	0	0
AGSA Findings	51	43	8	0	0

12. AUDIT COMMITTEE

Provide a brief description of the following:

Key activities and objectives of the audit committee

Purpose and mandate

The Audit committee is established In terms of Section 38 of the Public Finance Management Act No.1 of 1999, which compels the Accounting Officer to establish an effective Internal Audit Function, and an Audit Committee to monitor the scope and effectiveness of the Internal Audit function in the DEDT. The Audit Committee of the DEDT is established and independently constituted in terms of section 38(1)(a)(ii) and 77 of the PFMA (Act 1 of 1999) and section 3.1 of the Treasury Regulations. The 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 include compliance with laws and regulations and oversight of Public Entities reporting to the Department.

Independence

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.

Protecting the independence of the internal audit function.

The Audit Committee had in camera meetings with the Internal Audit Function in the absence of management. During those in camera meetings the Audit Committee established if there are issues of impairment to independence and objectivity as well as scope limitation and the impact thereof.

Performance against statutory duties.

The Audit Committee conforms to the PFMA and Treasury Regulations as per its mandate. It has also conformed to its Audit Committee charter as approved for the period under review. The Audit Committee was evaluated according to the PFMA and the Treasury Regulations.

Composition of the audit committee

The Audit Committee consisted of three (3) Independent Members; all (3) three members including the Chairperson are appointed outside of the Public Service, for the period April 2025 to 31 October 2025. Five (5) members were appointed from November 2025, including the Chairperson that is appointed for the second term.

Meeting attendance

The Audit Committee had a schedule of 6 meetings committed in the beginning of the financial year. Meetings were held on teams, with 2 meetings being face to face. Resolutions were taken and monitored for implementation by Internal Audit. The Chairperson of the Audit Committee prepared and submitted reports to the Accounting Officer and the MEC to appraise them of the matters of concerns and resolutions made during the year.

Combined assurance

The DEDT has developed through Internal Audit and Risk and Ethics management collaboration, an objective based combined assurance framework, and has setup a plan to implement the framework in the 2026–2027 financial year. A combined assurance committee has been appointed to be fully effective in the 2026–2027 period.

Resolution of audit committee recommendations

The Audit Committee raised a total of 30 resolutions, for the reporting period, a total of 75% percent of resolutions had been implemented at the end of the reporting period.

Audit committee performance evaluation

The Audit Committee's performance was evaluated by Department of Economic Development and Tourism Accounting's Officer. The results were satisfactory for each component. The Committee was evaluated based on the following:

- Composition and quality.
- Understanding business and risks.
- Oversight of Internal and External Auditors.
- Processes and Procedures.
- Communication.
- Oversight on Internal control, Risk Management, Governance and Financial Reporting.

Audit Committee Composition and Attendance of audit committee meetings by audit committee members

(Tabular form) (To be completed by the Chief Audit Executive/AC Secretariat)

The table below discloses relevant information on the audit committee members:

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Ms Idah Thabsile Ranape	B. Tech Degree Public Management National Diploma Public Management National Diploma Government Finance	N/A	01-11-2022- 01-11-2025	31-10-2025 31-10-2028	3	3	Yes	No	3	0
Ms. Gaylene Anne Deiner	B. Compt. BA, Higher Education Diploma (Post Grad.) (HED)(PG)	SAIPA	01-11-2022-	31-10-2025	2	2	Yes	No	0	3

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Mr. Hopewell Bhekumuzi Mkhono Hlatswayo	Mcom,(SA) RA CA	SAICA	01-11-2022	31-10-2025	2	2	Yes	N/A	N/A	N/A
Ms Thembelihle Mbatha CA(SA),MBL	CA (SA) Master of Business Leadership accounting & B Compt Honours- B Compt Accounting Sciences	SAICA	01-11-2025	31-10-2028	2	2	Yes	Yes from November 2025	4	1

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Patience Ntuli	CA (SA) B Compt Honours- Bachelor of Accounting- National Diploma: Forensic Audit Leadership Programme	SAICA	01-11-2025	31-10-2028	1	2	Yes	No	6	1
Baloyi Norman Tinyiko	Certified Information Systems Auditor (CISA)	CISA	01-11-2025	31-10-2028	2	2	Yes	N/A	N/A	N/A
Advocate Shitlhelana Nhlamulo Ray	(Advocate) Bachelor of Laws(LLB) Masters in Labour Law Labour Dispute Resolution Purchasing & Supply	N/A	01-11-2025	31-10-2028	2	1	Yes	N/A	N/A	N/A

Remuneration of audit committee members

Rates

The current remuneration for the members of the Audit Committee of the DEDT is in accordance with paragraph 20.2.2 of the Treasury Regulation. These rates are reviewed annually by National Treasury and should be affected to the remuneration benefits of Audit Committee members.

One of the members of the Audit Committee was appointed by Mintek, an organ of the state in November 2025

The total audit committee expenditure for the reporting period amounted to R298 930.

13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2026.

Part 1: Audit Committee Reflections – 2026

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 committee functioned without limitations throughout the reporting period.

The Audit Committee is constituted to ensure its independence and comprises of external non-official members (appointed from outside the Public Service). 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 has internalised the Global Internal Audit Standards and continues to monitor its full implementation and conformance on a regular basis. The Committee has also ensured the review of Internal Audit strategic documents to align to the new standards that came to effect on January 2025. The department is encouraged to continuously develop and adequately resource the Internal Audit staff on topical requirement and ICT skills as per the new Global Internal Audit standards. The Internal Audit Strategy is developed in line with the DEDT strategic plans. There was no conflict of Interest declared during the period under review by the Members of the Audit Committee. The Committee was evaluated by the Provincial Treasury and the Accounting Officer, the results were discussed with the committee and areas of improvements identified and agreed upon. The Audit Committee made 30 resolutions during the review period and 75% of resolution recommendations were implemented.

Part 2: Audit Committee Composition and Meeting Attendance

The Audit Committee consisted of three (3) Independent Members; all (3) three members were appointed outside of the Public Service. The committee was adequately constituted with a mix of legal, finance, risk management and ICT skills collectively. The contracts of the three members expired on 31 October 2025. The Chairperson of the Audit Committee was re-appointed for the second term. Four (4) additional members were appointed for the period 1 November 2025 to 31 October 2028.

The committee details of the members and their attendance of scheduled and special Audit Committee meetings during the 2025/2026 financial year are as follows:

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Ms Idah Thabsile Ranape	B. Tech Degree Public Management National Diploma Public Management National Diploma Government Finance	N/A	01–11-2022- 01–11-2025	31–10-2025 31–10-2028	3	3	Yes	No	3	0

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Ms. Gaylene Anne Deiner	B. Compt. BA, Higher Education Diploma (Post Grad.) (HED)(PG)	SAIPA	01-11-2022-	31-10-2025	2	2	Yes	No	0	3
Mr. Hopewell Bhekumuzi Mkhono Hlatswayo	Mcom,(SA) RA CA	SAICA	01-11-2022	31-10-2025	2	2	Yes	N/A	N/A	N/A

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Ms Thembelihle Mbatha CA(SA),MBL	CA (SA) Master of Business Leadership accounting & B Compt Honours- B Compt Accounting Sciences	SAICA	01–11-2025	31–10-2028	2	2	Yes	Yes from November 2025	4	1

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Patience Ntuli	CA (SA) B Compt Honours- Bachelor of Accounting- National Diploma: Forensic Audit Leadership Programme	SAICA	01-11-2025	31-10-2028	1	2	Yes	No	6	1
Baloyi Norman Tinyiko	Certified Information Systems Auditor (CISA)	CISA	01-11-2025	31-10-2028	2	2	Yes	N/A	N/A	N/A

Name (Full name and Surname, including professional title)	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2026		Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date	Ordinary meetings	Special Meetings				
Advocate Shitlhelana Nhlamulo Ray	(Advocate) Bachelor of Laws(LLB) Masters in Labour Law Labour Dispute Resolution Purchasing & Supply	N/A	01-11-2025	31-10-2028	2	1	Yes	N/A	N/A	N/A

Part 3: Audit Committee Focus Areas

The following were reviewed during the year under review**:** *(Provide details and conclude on each focus area)*

Effectiveness of the internal control systems

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 use of automated systems such as E-Leave and the invoice tracking system, financial statements, reporting on pre-determined objectives, compliance with laws and regulations as well as elimination of irregular expenditure and consequence management.

Effectiveness of the Internal Audit Function (IAF)

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. There is room for improvement in assisting the department to achieve a clean audit.

Effectiveness of Risk Management

The Audit Committee is responsible for the oversight of risk & ethics management. The Risk Management and Ethics Management Committee reports to the Audit Committee on a quarterly basis on the governance and management of risk. The reports from the Risk Management and Ethics 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.

Adequacy, reliability, and accuracy of financial and performance information

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.

Adequacy and effectiveness of Information and Communication Technology (ICT) Governance

The ICT governance of the Department is currently handled by the Department of Finance. The Department have currently included the position of PGITO in the organisation structure.

Accounting and auditing concerns identified as a result of internal and external audits

Consequence management and elimination of irregular expenditure to be given much attention to encourage a culture of accountability.

Compliance with legal and regulatory provisions

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

The quality of the in-year management and monthly/quarterly reports submitted in terms of legislation

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 under the oversight work done by the Committee.

Combined Assurance

The DEDT has developed through Internal Audit and Risk and Ethics management collaboration, an objective based combined assurance framework, and has setup a plan to implement the framework in the 2026–2027 financial year. A combined assurance committee has been appointed to be fully effective in the 2026–2027 period.

Evaluation of the annual financial statements

The Audit Committee reviewed the Annual Financial Statement and Performance Information and recommended the reports for submission to AGSA on the 28th of May 2026 for audit, after taking into account the inputs of the Provincial Treasury as presented by the Department to the Audit Committee. The financial statements for 2025–2026 were adjusted to deduct interest paid from accumulated work in progress. All issues raised by the Auditor General were discussed with management and resolved prior to final audit engagement reporting.

The Auditor General presented the management letter and the audit report on the 24th of July 2026 entailing findings that were raised during the audit period including how management has responded to those findings. The Audit Committee reviewed the Auditor General's management letter and the Audit Report for 2025–2026. The committee appreciated the clean audit, however noted after the finalisation of the audit that interest paid in respect of the Mpumalanga Fresh Produce Market was erroneously capitalised to work in process, going forward the committee have emphasised that timeous submission of financial information for oversight role is key. The committee noted the change in accounting policy relating to the communication expenses, however appreciated the department for the accurate and complete disclosure in the financial statements.

The Audit Committee appreciates the hard work and the commitment shown by the Department to achieve the clean audit outcome, and has emphasised that risk and internal control, compliance, performance and irregular expenditure should be closely managed to maintain the clean audit outcome.

External Audit

The external auditors presented the audit strategy for the period under review. The CAE is tasked with co-ordination with other assurance providers. Ongoing communication between the Department and the AGSA is maintained. Where there is a need for the Audit Committee to discuss with management and the AGSA, an opportunity is presented during Audit Committee meetings.

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 extends 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
DATE: 31 JULY 2026

14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (BBBEE) requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition (DTIC).

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	Issuing of licences, concessions or other authorizations are dealt with by the Mpumalanga Economic Regulator (gambling, betting and liquor) and Mpumalanga Tourism and Parks Agency (conservation permits, tourism industry registrations and concessions)
Developing and implementing a preferential procurement policy?	Yes	The Department has identified target groups for procurement purposes.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	No state-owned enterprises are sold or expected to be sold.
Developing criteria for entering into partnerships with the private sector?	N/A	No PPP partnerships have been entered into with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	No awards were made by the Department







Part D

Human Resource Management

1 INTRODUCTION

This section outlines the principal organisational and human resource developments during the reporting period, with particular emphasis on leadership stability, institutional transformation, and performance management.

2. OVERVIEW OF HUMAN RESOURCES

The current reporting period represents the first full financial cycle under the leadership of a permanently appointed Accounting Officer. Following the conclusion of the recruitment process in the 2024/25 financial year, this appointment ended a period of interim leadership that had persisted since December 2020. The resulting stability has been a primary driver in maintaining organizational focus and ensuring the successful attainment of the Department's strategic targets.

Prioritizing the attraction of high-caliber talent remains central to our operations. During the period under review, the Department filled a total of 32 positions. Of these, 14 were internal promotions, a strategic achievement that has significantly boosted employee morale and demonstrated our commitment to rewarding internal excellence and career progression.

The Department remains committed to the national transformation agenda. Employment Equity (EE) at the Senior Management Service (SMS) level saw a marginal increase from 35% to 37%. While we are trending upward, we acknowledge that the representation of persons with disabilities currently stands at 1.8%. Management is actively refining recruitment strategies to ensure this statistic improves toward the 3% national target.

To ensure a high-performance culture, the Department achieved a 95% compliance rate regarding the signing of performance agreements. In line with our commitment to accountability, formal disciplinary measures were instituted against officials who failed to comply. Our objective for the forthcoming cycle is to reach 100% compliance through intensified internal monitoring.

Data-driven insights from Government Employees Medical Scheme (GEMS) reports have identified a high prevalence of stress-related and lifestyle diseases among our workforce. In a proactive response, the Department intensified its wellness interventions, placing a specific emphasis on physical health and health awareness sessions.

Notably, these interventions were executed in partnership with DEDT Entities. This collaborative approach was designed to ensure cohesion between the Department and its implementing arms, leveraging shared resources to foster a resilient, healthy, and unified organisational culture across the entire portfolio.

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2025 and 31 March 2026

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)
Administration	135 818	86 892	2 411	0	64	712
Integrated Economic Development Services	443 659	34 261	296	0	8	951
Trade and Sector Development	87 758	17 129	150	0	20	1 007
Business Regulation & Governance	173 581	19 610	136	0	11	726
Economic Planning	20 155	17 704	126	0	88	1 041
Tourism	527 921	3 898	37	0	1	974
Total	**1 388 892**	**179 494**	**3 156**	**0**	**13**	**797**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2025 and 31 March 2026

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)	4 201	2	17	247
Skilled (level 3–5)	4 485	2	17	263
Highly skilled production (levels 6–8)	46 102	26	78	591
Highly skilled supervision (levels 9–12)	81 115	45	89	911
Senior and Top management (levels 13–16)	35 142	20	24	1 464
Contract (level 1–2)	104	0	0	0
Contract (Level 3–5)	890	0	2	445
Contract (Level 9–12)	3 910	2	3	1 303
Contract (Level >=13)	3 459	2	3	1 153
Periodical Remuneration	86	0	11	7
Total	**179 494**	**93**	**236**	**760**

NB: The total number of employees is inclusive of the periodical employees remunerated (Board members appointed on PERSAL but were terminated during the course of the financial year)

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2025 and 31 March 2026

Programme	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
Administration	57 746	86	1 949	3	2 163	3	5 323	8
Integrated Economic Development Services	23 782	91	53	0	663	3	1 671	6
Trade and Sector Development	11 983	91	0	0	250	2	889	8
Business Regulation & Governance	13 944	89	113	1	551	4	1 034	7
Economic Planning	12 227	91	2	0	238	2	910	7
Tourism	2 527	90	33	1	43	2	191	7
Total	**122 209**	**88**	**2 150**	**2**	**3 908**	**3**	**10 018**	**7**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2025 and 31 March 2026

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)	2 589	67	62	2	401	10	835	21
Skilled (level 3–5)	3 113	76	120	3	274	7	572	14
Highly skilled production (levels 6–8)	27 029	80	983	3	1 819	5	3 834	11
Highly skilled supervision (levels 9–12	59 536	91	985	2	1 171	2	3 729	6
Senior management (level 13–16)	22 854	96	0	0	212	1	818	3
Contract (Levels 1–2)	51	69	0	0	8	11	15	20
Contract (Levels 3–5)	658	86	0	0	23	3	82	11
Contract (Levels 9–12)	3 351	99	0	0	0	0	51	1
Contract (Levels >= 13)	3 028	97	0	0	0	0	82	3
Periodical Remuneration	0	0	0	0	0	0	0	0
Total	**122 209**		**2 150**	**2**	**3 908**	**3**	**10 018**	**7**

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 2026

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	131	122	7	0
Integrated Economic Development Services	41	36	12	2
Trade and Sector Development	21	17	19	0
Business Regulation & Governance	28	27	4	0
Economic Planning	20	17	15	0
Tourism	5	4	20	0
Total	**246**	**223**	**9**	**2**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2026

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)	18	17	6	0
Skilled (3–5)	16	15	6	0
Highly skilled production (6–8)	85	78	8	0
Highly skilled supervision (9–12)	93	84	10	2
Senior management (13–16)	26	21	19	0
Contract (Levels 3–5), Permanent	2	2	0	0
Contract (Levels 9–12), Permanent	3	3	0	0
Contract (Levels >= 13), Permanent	3	3	0	0
Total	**246**	**223**	**9**	**2**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2026

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	6	5	17	2
Cleaners in offices workshop hospitals etc., permanent	19	18	5	0
Communication and Information related, permanent	14	13	7	0
Economists, permanent	28	25	11	0
Finance and economics related, permanent	0	0	0	0
Finance and related professionals, Permanent	7	7	0	0
Financial clerks and credit controllers, permanent	6	5	17	0
Food service aid and waiters, permanent	1	1	0	0
General legal administration & rel. Professionals, permanent	2	2	0	0
Historians and political scientists	1	1	0	0
Head of Department/ chief executive officer, permanent	1	1	0	0
House Keepers laundry and related workers, permanent	1	1	0	0
Human resource & organisational development & related professional, permanent	16	15	17	0
Human resource clerks, permanent	0	0	0	0
Human resource related, permanent	0	0	0	0
Industrial/ Labour Relations Officer	2	2	0	0
Information technology related, permanent	0	0	0	0
Internal Auditor, permanent	4	4	0	0
Legal related, permanent	2	1	50	0
Light vehicle drivers, permanent	4	4	0	0
Logistical support personnel, permanent	16	15	6	0
Messengers porters and deliverers, permanent	0	0	0	0
Other administration & related clerks and organisers, permanent	3	3	0	0
Registry and mailing clerk	7	7	0	0
Other occupations, permanent	29	25	14	0
Regulatory inspectors, permanent	5	5	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Risk management and security services, permanent	4	4	0	0
Secretaries & other keyboard operating clerks, permanent	22	21	5	0
Senior managers, permanent	27	22	19	0
Statisticians and related professionals, permanent	0	0	0	0
System Administrators	3	3	0	0
Trade/industry advisers & other related profession, permanent	16	13	19	0
Total	**246**	**223**	**9**	**2**

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

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.

Table 3.3.1 SMS post information as on 31 March 2026

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	1	100	0	0
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	81	4	19
Total	**29**	**24**	**83**	**5**	**17**

Table 3.3.2 SMS post information as on 30 September 2025

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	1	100	0	0
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	19	90	4	19
Total	**29**	**26**	**90**	**5**	**17**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2025 and 31 March 2026

SMS Level	Advertising	Filling of Posts	
	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	1	0	0
Salary Level 13	1	0	0
Total	**2**	**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 2025 and 31 March 2026

Reasons for vacancies not advertised within six months
The Department's ability to fill SMS vacancies within the prescribed six-month period was primarily impacted by the implementation of cost containment measures introduced in previous financial cycles. These fiscal constraints necessitated a temporary suspension of recruitment activities to align with provincial budgetary directives. Furthermore, the Department's commitment to maintaining high leadership standards resulted in the re-advertisement of several positions to ensure the appointment of the most suitably qualified candidates. These combined factors necessitated a more extended recruitment timeline than originally anticipated.

Reasons for vacancies not filled within twelve months
The failure to fill all SMS vacancies within the twelve-month period is a direct consequence of the cumulative impact of the recruitment moratoriums previously mentioned. The transition from cost containment back to active recruitment created a significant backlog; when coupled with the strategic necessity to re-advertise roles to attract the requisite leadership competencies, the recruitment lifecycle was naturally extended. Consequently, these systemic factors resulted in the entire cohort of SMS vacancies exceeding the twelve-month filling threshold during this reporting cycle.

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 within 12 months for the period 1 April 2025 and 31 March 2026

Reason for vacancies not advertised within six months
None.

Reasons for vacancies not filled within six months
None.

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.

3.4 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.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2025 and 31 March 2026

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1–2)	18	0	0	0	0	0	0
Skilled (Levels 3–5)	16	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	85	5	5	0	0	0	0
Highly skilled supervision (Levels 9–12)	95	10	9	2	5	0	0
Senior Management Service Band A	20	2	9	0	0	0	0
Senior Management Service Band B	6	1	14	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Contract (Levels 3–5)	2	0	0	0	0	0	0
Contract (Levels 9–12)	3	0	0	0	0	0	0
Contract Band A	1	0	0	0	0	0	0
Contract Band C	1	0	0	0	0	0	0
Total	**248**	**18**	**6**	**2**	**5**	**0**	**0**

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 period 1 April 2025 and 31 March 2026

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

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 2025 and 31 March 2026

Notes:

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 level determined by job evaluation	None

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 2025 and 31 March 2026

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

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

3.5 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).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2025 and 31 March 2026

Salary band	Number of employees at beginning of period-1 April 2025	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1–2)	17	2	0	0
Skilled (Levels3–5)	16	3	1	8
Highly skilled production (Levels 6–8)	79	3	1	1
Highly skilled supervision (Levels 9–12)	90	2	0	0
Senior Management Service Bands A	16	0	2	14
Senior Management Service Bands B	5	0	1	20
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	1	1	1	100
Contracts	12	7	11	100
Total	**225**	**18**	**17**	**8**

The total number of employees of 225 excludes the 12 employees who are on contract.

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2025 and 31 March 2026

Critical occupation	Number of employees at beginning of period-April 2025	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related, permanent	7	1	1	17
Cleaners in offices workshop hospitals etc., permanent	19	1	1	5
Communication and Information related, permanent	13	1	1	8
Economists, permanent	23	1	0	0
Finance and economics related, permanent	0	0	0	0
Finance and related professionals, Permanent	7	0	0	0
Financial clerks and credit controllers, permanent	6	0	0	0
Food service aid and waiters, permanent	1	1	2	200
General legal administration & rel. Professionals, permanent	2	0	0	0
Historians and political scientists	1	1	1	0
Head of Department/ chief executive officer, permanent	1	0	0	0
House Keepers laundry and related workers, permanent	1	2	1	100
Human resource & organisational development & related professional, permanent	0	0	0	0
Human resource clerks, permanent	0	0	0	0
Human resource related, permanent	14	1	0	0
Industrial/ Labour Relations Officer	2	0	0	0
Information technology related, permanent	0	0	0	0
Internal Auditor, permanent	4	0	0	0
Legal related, permanent	2	0	0	0
Light vehicle drivers, permanent	4	1	1	25
Logistical support personnel, permanent	13	0	1	8
Messengers porters and deliverers, permanent	0	0	0	8
Other administration & related clerks and organisers, permanent	4	0	0	8
Registry and mailing clerk	7	1	1	14
Other occupations, permanent	27	3	1	4
Regulatory inspectors, permanent	5	0	0	0
Risk management and security services, permanent	5	0	0	0
Secretaries & other keyboard operating clerks, permanent	19	3	2	11
Senior managers, permanent	22	1	4	9
Statisticians and related professionals, permanent	0	0	0	0
System Administrators	3	0	0	0
Trade/industry advisers & other related profession, permanent	13	0	0	0
Total	**225**	**18**	**17**	**8**

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 2025 and 31 March 2026

Termination Type	Number	% of Total Resignations
Death	0	0
Resignation	0	0
Expiry of contract	12	71
Dismissal – operational changes	0	0
Dismissal – misconduct	1	6
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	4	23
Transfer to other Public Service Departments	0	0
Other	0	0
Total	**17**	**100**
Total number of employees who left as a % of total employment		8

Table 3.5.4 Promotions by critical occupation for the period 1 April 2025 and 31 March 2026

Occupation	Employees 1 April 2025	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	7	0	0	5	83
Cleaners in offices workshop hospitals etc., permanent	19	0	0	1	5
Communication and Information related, permanent	13	1	7	7	54
Economists, permanent	23	0	0	8	35
Finance and economics related, permanent	0	0	0	0	0
Finance and related professionals, Permanent	7	0	0	6	86
Financial clerks and credit controllers, permanent	6	0	0	4	67
Food service aid and waiters, permanent	1	0	0	0	0
General legal administration & rel. Professionals, permanent	2	0	0	0	0
Historians and political scientists	1	0	0	0	0
Head of Department/ chief executive officer, permanent	1	0	0	0	0
House Keepers laundry and related workers, permanent	1	0	0	0	0
Human resource & organisational development & related professional, permanent	0	0	0	0	0
Human resource clerks, permanent	0	0	0	0	0
Human resource related, permanent	14	1	7	9	64
Industrial/ Labour Relations Officer	2	0	0	2	100
Information technology related, permanent	0	0	0	0	0
Internal Auditor, permanent	4	1	25	2	50
Legal related, permanent	2	0	0	0	0
Light vehicle drivers, permanent	4	0	0	0	0
Logistical support personnel, permanent	13	1	7	12	92
Messengers porters and deliverers, permanent	0	0	0	0	0
Other administration & related clerks and organisers, permanent	4	1	25	2	50
Registry and mailing clerk	7	0	0	4	57
Other occupations, permanent	27	1	4	8	30
Regulatory inspectors, permanent	5	0	0	1	17
Risk management and security services, permanent	5	0	0	3	60
Secretaries & other keyboard operating clerks, permanent	19	2	11	17	89
Senior managers, permanent	22	5	23	10	45
Statisticians and related professionals, permanent	0	0	0	0	0
System Administrators	3	0	0	3	100
Trade/industry advisers & other related profession, permanent	13	1	8	9	69
Total	**225**	**14**	**6**	**113**	**50**

Table 3.5.5 Promotions by salary band for the period 1 April 2025 and 31 March 2026

Salary Band	Employees 1 April 2025	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)	17	0	0	1	6
Skilled (Levels3–5)	12	2	17	8	67
Highly skilled production (Levels 6–8)	80	1	1	44	56
Highly skilled supervision (Levels 9–12)	85	6	7	51	60
Senior Management (Level 13–16)	20	5	25	9	40
Contract (Levels 1–2), Permanent	1	0	0	0	0
Contract (Levels 3–5), Permanent	4	0	0	0	0
Contract (Levels 9–12), Permanent	4	0	0	0	0
Contract (Levels > 13), Permanent	3	0	0	0	0
Total	**225**	**14**	**6**	**113**	**50**

2.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2026

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	13	0	0	2	7	1	0	1	24
Professionals	44	1	0	1	40	0	1	2	89
Technicians and associate professionals	22	0	0	0	54	0	0	2	78
Clerks	5	0	0	0	12	0	0	0	17
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	2	0	0	0	15	0	0	0	17
Total	**86**	**01**	**0**	**03**	**128**	**01**	**01**	**05**	**225**
Employees with disabilities	3	0	0	0	1	0	0	0	4

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	1	0	0	2
Senior Management	13	0	0	2	6	0	0	1	22
Professionally qualified and experienced specialists and mid-management	44	1	0	1	40	0	1	2	89
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	22	0	0	0	54	0	0	2	78
Semi-skilled and discretionary decision making	5	0	0	0	12	0	0	0	17
Unskilled and defined decision making	2	0	0	0	15	0	0	0	17
Total	**86**	**01**	**0**	**03**	**128**	**01**	**01**	**05**	**225**

Table 3.6.3 Recruitment for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	0	0	0	0	0	1	0	0	1
Senior Management, Permanent	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	0	0	0	2	0	0	0	3
Semi-skilled and discretionary decision making, Permanent	2	0	0	0	2	0	0	0	4
Unskilled and defined decision making, Permanent	3	0	0	0	3	0	0	0	6
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	2	0	0	0	1	0	0	0	3
Contract (Semi-skilled), Permanent	0	0	0	0	3	0	0	`0	3
Total	**6**	**0**	**0**	**0**	**11**	**1**	**0**	**0**	**18**
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management 15–16	0	0	0	0	0	0	0	0	0
Senior Management 13–14	3	0	0	0	2	0	0	0	5
Professionally qualified and experienced specialists and mid-management 9–12	1	0	0	0	2	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents 6–8	1	0	0	0	2	0	0	0	3
Semi-skilled and discretionary decision making 3–5	2	0	0	0	1	0	0	0	3
Unskilled and defined decision making 1–2	0	0	0	0	0	0	0	0	0
Total	**7**	**0**	**0**	**0**	**7**	**0**	**0**	**0**	**14**
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent 15–16	0	0	0	0	1	0	0	0	1
Senior Management, Permanent 13–14	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 9–12	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making, Permanent 6–8	0	0	0	0	1	0	0	0	1
Contract (Senior Management), Permanent 13–14	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent 9–12	2	0	0	0	2	0	0	0	4
Contract (Semi-skilled), Permanent 3–5	1	0	0	0	4	0	0	0	6
Contract (Unskilled), Permanent 1–2	0	0	0	0	1	0	0	0	1
Total	**6**	**0**	**0**	**0**	**11**	**0**	**0**	**0**	**17**
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2025 and 31 March 2026

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Sexual Harassment	1	0	0	0	0	0	0	0	1
Absenteeism	0	0	0	0	1	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2025 and 31 March 2026

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	0	0	1	4	0	0	1	14
Professionals	28	1	0	1	22	0	0	1	53
Technicians and associate professionals	12	0	0	0	30	0	0	1	43
Clerks	3	0	0	0	19	0	0	0	22
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	7	0	0	0	36	0	0	0	43
Total	**58**	**1**	**0**	**2**	**111**	**0**	**0**	**3**	**175**
Employees with disabilities	3	0	0	0	0	0	0	1	4

Signing of Performance Agreements by SMS Members

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.

3.5 Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2025

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	1	1	100
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	6	5	5	100
Salary Level 13	21	17	17	100
Total	**28**	**23**	**23**	**100**

NB: This figures exclude the EA as they do not administratively report to the Department in terms of signing of performance agreements

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 2025.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2026

Reasons
None

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 2026

Reasons
Not applicable

Notes

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

3.8 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).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2025 and 31 March 2026

Race and Gender	Beneficiary Profile			Cost	
African	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
Male	0	86	0	0	0
Female	0	127	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	1	0	0	0
White					
Male	0	3	0	0	0
Female	0	5	0	0	0
Total	**0**	**224**	**0**	**0**	**0**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2025 and 31 March 2026

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1–2)	0	17	0	0	0	0
Skilled (level 3–5)	0	15	0	0	0	0
Highly skilled production (level 6–8)	0	78	0	0	0	0
Highly skilled supervision (level 9–12)	0	86	0	0	0	0
Contract (Levels 3–5)	0	2	0	0	0	0
Contract (Levels 9–12)	0	3	0	0	0	0
Total	**0**	**201**	**0**	**0**	**0**	**0**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2025 and 31 March 2026

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related, permanent	0	7	0	0	0
Cleaners in offices workshop hospitals etc., permanent	0	18	0	0	0
Communication and Information related, permanent	0	13	0	0	0
Economists, permanent	0	26	0	0	0
Finance and economics related, permanent	0		0	0	0
Finance and related professionals, Permanent	0	7	0	0	0
Financial clerks and credit controllers, permanent	0	5	0	0	0
Food service aid and waiters, permanent	0	1	0	0	0
General legal administration & rel. Professionals, permanent	0	2	0	0	0
Historians and political scientists	0	0	0	0	0
Head of Department/ chief executive officer, permanent	0	1	0	0	0
House Keepers laundry and related workers, permanent	0	1	0	0	0
Human resource & organisational development & related professional, permanent	0	15	0	0	0
Human resource clerks, permanent	0	0	0	0	0
Human resource related, permanent	0	0	0	0	0
Industrial/ Labour Relations Officer	0	2	0	0	0
Information technology related, permanent	0	0	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Internal Auditor, permanent	0	4	0	0	0
Legal related, permanent	0	1	0	0	0
Light vehicle drivers, permanent	0	4	0	0	0
Logistical support personnel, permanent	0	15	0	0	0
Messengers porters and deliverers, permanent	0	0	0	0	0
Other administration & related clerks and organisers, permanent	0	3	0	0	0
Registry and mailing clerk	0	7	0	0	0
Other occupations, permanent	0	25	0	0	0
Regulatory inspectors, permanent	0	5	0	0	0
Risk management and security services, permanent	0	4	0	0	0
Secretaries & other keyboard operating clerks, permanent	0	21	0	0	0
Senior managers, permanent	0	21	0	0	0
Statisticians and related professionals, permanent	0	0	0	0	0
System Administrators	0	3	0	0	0
Trade/industry advisers & other related profession, permanent	0	13	0	0	0
Total	**0**	**224**	**0**	**0**	**0**

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;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2025 and 31 March 2026

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	17	0	0	0	0
Band B	0	5	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	0	0	0	0	0
Total	**0**	**23**	**0**	**0**	**0**	**0**

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

3.9 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 2025 and 31 March 2026

Salary band	01 April 2025		31 March 2026		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**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2025 and 31 March 2026

Major occupation	01 April 2025		31 March 2026		Change	
	Number	% of total	Number	% of total	Number	% Change
0	0	0	0	0	0	0
0	0	0	0	0	0	0

3.10 Leave utilisation

The Public Service Commission (PSC) 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 2025 to 31 December 2025

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)	43	86	5	4	9	30
Skilled (levels 3–5)	100	75	7	6	14	120
Highly skilled production (levels 6–8)	511	79	52	46	10	1 041
Highly skilled supervision (levels 9 -12)	368	81	41	36	9	1 319
Top and Senior management (levels 13–16)	44	91	9	8	5	230
Total	**1 066**	**80**	**114**	**100**	**9**	**2 741**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2025 to 31 December 2025

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)	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9–12)	1	100	1	100	1	5
Senior management (Levels 13–16)	0	0	0	0	0	0
Total	**1**	**100**	**1**	**100**	**1**	**5**

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 2025 to 31 December 2025

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1–2)	11	1	11
Contract (Levels 13–16)	2	1	2
Contract (Levels 3–5)	11	1	11
Contract (Levels 9–12)	4	1	4
Highly skilled production (Levels 6–8)	2 116	78	27
Highly skilled supervision (Levels 9–12)	2 087	86	24
Lower skilled (Levels 1–2)	322	17	19
Senior management (Levels 13–16)	479	21	23
Skilled (Levels 3–5)	241	13	19
Total	**5 273**	**219**	**24**

Table 3.10.4 Capped leave for the period 1 January 2025 to 31 December 2025

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 2026
Contract (Levels 13–16)	0	0	0	0
Contract (Levels 3–5)	0	0	0	0
Contract (Levels 9–12)	0	0	0	0
Highly skilled production (Levels 6–8)	0	0	0	45
Highly skilled supervision (Levels 9–12)	0	0	0	58
Lower skilled (Levels 1–2)	0	0	0	0
Senior management (Levels 13–16)	0	0	0	33
Skilled (Levels 3–5)	0	0	0	91
Total	**0**	**0**	**0**	**51**

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 January 2025 to 31 December 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-out for 2025/26 due to non-utilisation of leave for the previous cycle	81	1	81
Capped leave payouts on termination of service for 2025/26	116	3	39
Current leave payout on termination of service for 2025/26	812	14	58
Total	**1 009**	**18**	**56**

3.10 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 Director: Human Resource Management
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 an EHWP sub-directorate consisting of three (03) officials, and the budget allocated is R4 036 000 for compensation of employees 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 proactive and reactive Employee Health and Wellness Programmes (EPWP) as per the National Employee Health & Wellness Strategic Framework.
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 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,Ms IBH Simelane, Ms SZ Riba, Ms A Johnson, Ms N Mphathele, Mr B Mhlanga, Ms IN Phiri, Ms A Johnson, Mr T Mashego, Mr MD Mashaba and 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		Recruitment and Selection, Skills Development, Sports and Recreation Management, Bereavement and Prevention & Elimination of Harassment in the workplace policies were reviewed ensure that the designated groups including employees infected with HIV are not discriminated against.
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 a Prevention & Elimination of Harassment policy, HIV, TB & STI Management policy and continually implements education & awareness programmes that addresses 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, 47 employees (21%) utilized the services and employees were encouraged to undergo medical screenings on a regular basis.
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 reports and the health risk management reports on quarterly basis to monitor the impact of the health promotion programmes and develop relevant prevention measures.

3.11 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2025 and 31 March 2026

Subject matter	Date
None	Not applicable

Notes

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

Total number of Collective agreements	None

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 2025 and 31 March 2026

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	2	80
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	1	20
Not guilty	0	0
Case withdrawn	0	0
Total	**03**	**100**

Notes

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

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2025 and 31 March 2026

Type of misconduct	Number	% of total
Sexual harassment	1	50
Absenteeism	1	50
Total	**2**	**100**

Table 3.12.4 Grievances logged for the period 1 April 2025 and 31 March 2026

Grievances	Number	% of Total
Number of grievances resolved	2	40
Number of grievances not resolved	3	60
Total number of grievances lodged	**5**	**100**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2025 and 31 March 2026

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	11	100

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**

Table 3.12.7 Precautionary suspensions for the period 1 April 2025 and 31 March 2026

Number of people suspended	1
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	274
Cost of suspension(R'000)	R468 889

3.12 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 2025 and 31 March 2026

Occupational category	Gender	Number of employees as at 1 April 2025	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	6	0	6
	Male	16	0	12	0	12
Professionals	Female	18	0	19	0	19
	Male	26	0	23	0	23
Technicians and associate professionals	Female	23	0	25	0	25
	Male	20	0	19	0	19
Clerks	Female	65	3	18	0	21
	Male	25	3	4	0	7
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	19	0	16	0	16
	Male	3	0	5	0	5
Sub Total	Female	134	0	84	0	87
	Male	90	0	63	0	66
Total		**224**	**6**	**147**	**0**	**153**

Table 3.13.2 Training provided for the period 1 April 2025 and 31 March 2026

Occupational category	Gender	Number of employees as at 1 April 2025	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	5	0	5
	Male	16	0	8	0	8
Professionals	Female	18	0	22	0	22
	Male	26	0	28	0	28
Technicians and associate professionals	Female	23	0	30	0	30
	Male	20	0	14	0	14
Clerks	Female	65	3	16	0	19
	Male	25	3	3	0	6
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	19	0	36	0	36
	Male	3	0	7	0	7
Sub Total	Female	134	3	109	0	0
	Male	90	3	60	0	0
Total		**224**	**6**	**169**	**0**	**175**

3.13 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 2025 and 31 March 2026

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**1**	**100**

3.14 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 2025 and 31 March 2026

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of a service provider to conduct feasibility study for a waterpark featuring waves in the Hazyview Area situated at Mbombela Local Municipality in Mpumalanga Province- EDT/053/25/MP	One (1)	Six (6) months	1,676
Appointment of a service provider for the review of the Mpumalanga Economic Growth and Development Path (MEGDP).	One (1)	Ten (10) months	999
Appointment of a service provider for to conduct a feasibility study for Mariepskop cable car project situated in Bushbuckridge Local Municipality in Mpumalanga province EDT/054/25/MP	One (1)	Six (6) months	2,090
Mpumalanga International Fresh Produce Market (Commissioning of the Ammonia Plant) DPWRT/157/25MP	One (1)	One (1) month and three (3) weeks	6,214
Request for Conveyancing Services for the Proposed Petrochemical Industrial Technology Park in Secunda for the opening of the Townships Register for Secunda Extension 71 also known as the Proposed Petrochemical Industrial Technology Park in Govan Mbeki Local Municipality, Mpumalanga Province.	One (1)	4 months	49

Nkomazi Special Economic Zone (NSEZ) – internal & external bulk road and storm-water engineering & traffic impact assessment, external bulk potable water engineering services, external bulk sewer engineering services, internal roads, storm-water, potable water & sanitation engineering services, external & internal bulk electrical engineering services were appointed in the 2024/2025 financial year, however payments of R12,377,206.78 within the 2025/2026 financial year.

Mpumalanga International Fresh Produce Market- environmental consultants, project management consultant, architects and consulting engineers were appointed in the 2017/2018 financial year, however payments of R 30 081 341.08 were made within the 2025/2026 financial year.

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Five (5)	Five (5)	27 months and 3 weeks	11,028,

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of a service provider to conduct feasibility study for a waterpark featuring waves in the Hazyview Area situated at Mbombela Local Municipality in Mpumalanga Province- EDT/053/25/MP	100.00%	100.00%	01
Appointment of a service provider for the review of the Mpumalanga Economic Growth and Development Path (MEGDP).	54.95%	54.95%	01
Appointment of a service provider for to conduct a feasibility study for Mariepskop cable car project situated in Bushbuckridge Local Municipality in Mpumalanga province EDT/054/25/MP	100.00%	100.00%	01
Mpumalanga International Fresh Produce Market (Commissioning of the Ammonia Plant) DPWRT/157/25MP	100.00%	100.00%	01
Request for Conveyancing Services for the Proposed Petrochemical Industrial Technology Park in Secunda for the opening of the Townships Register for Secunda Extension 71 also Known as the Proposed Petrochemical Industrial Technology Park in Govan Mbeki Local Municipality, Mpumalanga Province.	51.00%	51.00%	01

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2025 and 31 March 2026

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

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

3.15 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2025 and 31 March 2026

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

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	14 684	40 073
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	7 085	6 924
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	- 32 313
Less: Irregular expenditure recoverable1	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	**21 769**	**14 684**

An irregular expenditure of R 7 084 858 was incurred during the year under review (2025–2026) an amount of R 21 768 819 is still reflecting as an irregular expenditure as at 31/03/3026. The Loss Control Committee approved a request for condonation of an amount of R 14 646 912. This request was subsequently withdrawn so that all transactions could be independently investigated, and during the fourth quarter an investigation into R14 889 715 was completed for processing by the Loss Control Committee in the first quarter of 2026/2027

b) Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure that was under assessment		-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	7 085	6 924
Total	**7 085**	**6 924**

c) Details of irregular expenditure (under assessment, determination, and investigation)

Description2	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure under assessment	476	1 730
Irregular expenditure under determination	1 730	-
Irregular expenditure under investigation	14 647	-
Total	**16 853**	**1 730**

1 Transfer to receivables

2 Group similar items

Items under assessment: Failing to comply with SCM Regulations. This amount is not included in the reconciliation of Irregular Expenditure, table 1.1 (a).

Items under determination: splitting of bids and failing to comply with capital SCM Regulations. This amount is not included in the reconciliation of Irregular Expenditure, table 1.1 (a).

Items under investigation: Closed biding was utilised instead of open tender, participating in a transversal contract not signed by the supplier and services rendered without approved contract. These items are included in the reconciliation of Irregular Expenditure, table 1.1 (a), prior year balance.

d) Details of irregular expenditure condoned

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure condoned	-	-
Total	**-**	**-**

None

e) Details of irregular expenditure removed – (not condoned)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	32 313
Total	**-**	**32 313**

None

f) Details of irregular expenditure recoverable

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure recoverable	_	_
Total	**-**	**-**

None

g) Details of irregular expenditure written off (irrecoverable)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

None

Additional disclosure relating to Inter-Institutional Arrangements

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)3

Description	2025/2026	2024/2025
	R'000	R'000
	-	-
Total	-	-

None

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

Disciplinary steps taken
Warning letters were issued to officials in connection with prior period irregular expenditure which is still under investigation.
The warning letters related to; Failure to ensure that the Department signed a participation agreement with Vodacom for the supply and delivery of mobile communications services to support the master transversal agreement. Failure to comply with the SCM contract management process to request participation in the contract of another arm of state

None

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	3 392	
Less: Fruitless and wasteful expenditure recoverable4	-3 392	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	**-**	**-**

None

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	3 392	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	3 392	-

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

4 Transfer to receivables

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

Description5	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	5 274	3 392
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	**5 274**	**3 392**

Interest amounts included in arbitration awards to the main contractor on the MIFPM. Awards still in process of appeal. Project implementation by PWRT and MEGA.

Prior year Fruitless and wasteful expenditure under assessment of R3 392 000 fully recovered for over payment to a contractor in respect of MIFPM.

c) *Details of fruitless and wasteful expenditure recoverable*

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	**-**	**-**

None

d) *Details of fruitless and wasteful expenditure not recoverable and written off*

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	**-**	**-**

None

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

Disciplinary steps taken
None

5 Group similar items

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2025/2026	2024/2025
	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	**-**	**-**

None

Reconciling notes

Description	2025/2026	2024/2025
	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	**-**	**-**

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

Description8	2025/2026	2024/2025
	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

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2025/2026	2024/2025
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	**-**	**-**

None

b) Details of other material losses

Nature of other material losses	2025/2026	2024/2025
	R'000	R'000
(Group major categories, but list material items)	-	-
Total		

None

c) Other material losses recoverable

Nature of losses	2025/2026	2024/2025
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	**-**	**-**

None

d) Other material losses not recoverable and written off

Nature of losses	2025/2026	2024/2025
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	**-**	**-**

None

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

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2 161	198 845
Invoices paid within 30 days or agreed period	2 153	196 458
Invoices paid after 30 days or agreed period	8	387
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

Banking details not updated by the supplier leading to system errors

Supplier changed physical address and had to be updated

The payment was wrongly captured as it was wrongly assigned and had to be recalled, re-start the process of payment.

Delayed capture or incorrectly captured on the system by the budget holder.

There was engagement with Vodacom to request that Vodacom contracts be transferred from DEDT to Legislature with officials who had been transferred.

3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

This constitute authorised deviations from standard competitive open bidding.

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Managing the Tourism EXPO in the Province in terms of a memorandum of Agreement with MTPA to deliver the same event.	Jakada Holdings (Pty) Ltd	Sole service provider	N/A Quotation	600
Subscription/ membership fee	Robert Edwin Conferences CC	Sole service provider	N/A Quotation	15
Training	Business Management Training College (Pty) Ltd	Sole service provider	N/A Quotation	10
Seminar, conference and venues	Leadership Academy for Guardians (Pty) Ltd	Sole service provider	N/A Quotation	9
Exhibitions	Reed Exhibitions (Pty) Ltd	Sole service provider	N/A Quotation	186
Hire exhibition area	Manufacturing Indaba (Pty) ltd	Sole service provider	N/A Quotation	150
Publication for the call of nominations for MTPA and MEGA Board members.	CTP T/A Lowveld Media (Ltd)	Sole service provider	N/A Quotation	42
Publication for the call of nominations for MTPA and MEGA Board members.	Arena Holdings (Pty) Ltd	Sole service provider	N/A Quotation	36
Publication for the call of nominations for MTPA and MEGA Board members.	Arena Holdings (Pty) Ltd	Sole service provider	N/A Quotation	36
Legal Services	Matsilele Attorneys (Pty) Ltd	Emergency Procurement	N/A Quotation	244
Training	Pro-Active Public Services College (Pty) Ltd	2 quotations received after numerous attempts and follow-made made to get third quotation. Pro-Active was the cheapest in price.	N/A Quotation	12
Legal Services	EB Mafoko T/A Advocate EB Mafoko	Emergency Procurement	N/A Quotation	176
Training	Regenesys Education (Pty) Ltd	Sole service provider	N/A Quotation	15

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of a service provider to render psycho social services.	Akeso Clinics (Pty) Ltd	One quotation received after several attempts to get three quotations	N/A Quotation	115
Supply and delivery of G20 sling bags.	Nic and Nic (Pty) Ltd	Limited bidding process	N/A Quotation	31
Supply and delivery of G20 uniform (White traditional shirts for ushers and liason officers)	Ntsakala Enterprise (Pty) Ltd	Limited bidding process	N/A Quotation	90
Designs, supply and delivery of swati and tsonga inspired attires	Mathoohs Bridal Collections (Pty) Ltd	Limited bidding process	N/A Quotation	23
Supply and delivery of Ndebele scarf without beads.	Maggs and Beads (Pty) Ltd	Limited bidding process	N/A Quotation	12
Supply and delivery of bucket hats with G20 Logo for ushers.	TM Embroideries (Pty) Ltd	Limited bidding process	N/A Quotation	33
Training in Management Development Programme offered by Wits in collaboration with the DTIC.	Witsplus (RF) (Pty) Ltd	Sole service provider	N/A Quotation	34
The Department has signed a Memorandum of Agreement (MoA) with TAKEALOT.com with specific projects which include the SMME Marketplace initiative, Personal Shopper programme, Last mile driver development programme and Franchise development initiative	TakeAlot Online (Pty) Ltd	Sole service provider	N/A Quotation	575
Renewal / upgrade of ARCGIS online user accounts	ESRI South Africa (Pty) Ltd	Sole service provider	N/A Quotation	101
Annual Institute of People Management Conference	Institute of People Management	Sole service provider	N/A Quotation	100
Membership fee	Association of Certified Fraud SA	Sole service provider	N/A Quotation	3
Training	Regenesys Management (Pty) Ltd	Sole service provider	N/A Quotation	15
Training	National School of Government	Sole service provider	N/A Quotation	12
Training	Regent Business School (Pty) Ltd	The official has enrolled with the institution. It is a continuation of studies.	N/A Quotation	32

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Training	National School of Government	Sole service provider	N/A Quotation	17
Publication for the call of nominations for MTPA and MEGA Board members.	Funduzi Media	2 quotations received	N/A Quotation	119
Membership Fees	South African Institute of Professional NPO	Sole service provider	N/A Quotation	10
Training	Regenesys Management (Pty) Ltd	The official has enrolled with the institution. It is a continuation of studies.	N/A Quotation	17
Training	Leadership Academy For Guardians (Pty) Ltd	Sole service provider	N/A Quotation	6
Training	Camblish (Pty) Ltd	Sole service provider	N/A Quotation	40
Training	Leadership Academy For Guardians (Pty) Ltd	Sole service provider	N/A Quotation	6
Training	Regenesys (Pty) Ltd	Sole service provider	N/A Quotation	64
Training	Regenesys (Pty) Ltd	The official has enrolled with the institution. It is a continuation of studies.	N/A Quotation	15
Training	Regenesys (Pty) Ltd	The official has enrolled with the institution. It is a continuation of studies.	N/A Quotation	16
Conference, Seminar, venues	Audit Roundtable (Pty) Ltd	Sole service provider	N/A Quotation	46
Induction of Board for Public Entities	National School of Government	Sole service provider	N/A Quotation	36
Annual Membership fees	Institute of Internal Auditor NPO	Sole service provider	N/A Quotation	18
Annual Membership fees	Ethics Institute of SA (Pty) Ltd	Sole service provider	N/A Quotation	1
Conference, Seminar, venues	Institute of Internal Auditor NPO	Sole service provider	N/A Quotation	33
Annual maintenance renewal of ARCGIS software package.	ESRI South Africa (Pty) Ltd	Sole service provider	N/A Quotation	145
Conference, Seminar, venues	Robert Edwin Conferences CC	Sole service provider	N/A Quotation	60
Verification of qualifications	LexisNexis Ltd	Sole service provider	N/A Quotation	6
Verification of qualifications	LexisNexis Ltd	Sole service provider	N/A Quotation	4

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Annual renewal of subscription fees	IHS Information and Insight (Pty) Ltd	Sole service provider	N/A Quotation	283
Training on skills development legislation policy	Thuto Communications (Pty) Ltd	Sole service provider	N/A Quotation	18
Training Managing Irregular Expenditure	National School of Government	Sole service provider	N/A Quotation	84
Training KHAEDU programme for Senior Managers	National School of Government	Sole service provider	N/A Quotation	43
Training KHAEDU programme for Senior Managers	National School of Government	Sole service provider	N/A Quotation	30
Conference, Seminar, venues Manufacturing Indaba Conference	Manufacturing Indaba (Pty) Ltd	Sole service provider	N/A Quotation	11
Training Compulsory Induction Programme	National School of Government	Sole service provider	N/A Quotation	6
Training compulsory induction programme	National School of Government	Sole service provider	N/A Quotation	13
Membership fee	South African Institute of Professional NPO	Sole service provider	N/A Quotation	8
Training Disability, Diversity, Equity and Inclusion Conference	Intelligence Transfer CC	Sole service provider	N/A Quotation	10
Training managing of Internal Audit activity	Leadership Academy for Guardians (Pty) Ltd	Sole service provider	N/A Quotation	6
Hire Exhibition stand	Zovicap (Pty) Ltd	Sole service provider	N/A Quotation	145
Conference, Seminar, venues Manufacturing Indaba Conference	Manufacturing Indaba (Pty) Ltd	Sole service provider	N/A Quotation	11
Procure space to market and promote Investment and Mining Conference	South African Broadcasting Corporation (SOC Ltd)	Sole service provider	N/A Quotation	132
Procure space to market and promote Investment and Mining Conference	South African Broadcasting Corporation (SOC Ltd)	Sole service provider	N/A Quotation	167
Procure space to market and promote Investment and Mining Conference	South African Broadcasting Corporation (SOC Ltd)	Sole service provider	N/A Quotation	288
Procure space to market and promote Investment and Mining Conference	South African Broadcasting Corporation (SOC Ltd)	Sole service provider	N/A Quotation	48
Provision of street market	The Gentlemen's Club 1365 (Pty) Ltd	Sole service provider	N/A Quotation	300
Implementing of a small-scale mining capacity building programme	Mintek SOE	Sole service provider	N/A Quotation	700
Conference, Seminar, venues	Institute of Internal Auditor NPO	Sole service provider	N/A Quotation	11
Psycho social services	Mkhabela Clinical Psychologists (Pty) Ltd	Sole service provider to respond	N/A Quotation	8
Radio Broadcast	MPUMALANGA NCRF HUB	Sole service provider	N/A Quotation	123
IIA SA Annual National Conference	The Institute of Internal Auditors NPO	Sole service provider	N/A Quotation	62

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Training -Breaking Barriers Induction Programme for interns	National School of Government	Sole service provider	N/A Quotation	163
Attending Institute of Risk Management of South Africa (IRMSA) officer certification programme	The Ethics Institute	Sole service provider	N/A Quotation	33
Attending the Institute of Risk South Africa annual conference 2025	The Institute of Risk Management	Sole service provider	N/A Quotation	80
Annual Membership fees	The Institute of Risk Management	Sole service provider	N/A Quotation	5
Conference for Economists	The Economic Society of South Africa(ESSA)	Sole service provider	N/A Quotation	4
Total				**6 158**

3.2 Contract variations and expansions

This constitute from contract variations and expansions formal amendments to existing agreements.

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
Procurement of Promotional Material	Tenele Projects (Pty) Ltd	Variation	N/A	224	N/A	235
Total						**235**





Part F

Annual Financial Statements



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Report of the auditor-general to 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 Mpumalanga Department of Economic Development and Tourism as set out on pages 200 to 280 which comprise the appropriation statement, statement of financial position as at 31 March 2026, 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 provincial department of Economic Development and Tourism as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as issued by National Treasury of South Africa, the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 2 of 2025 (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.

Underspending of the vote

7. As disclosed in the appropriation statement, the provincial department materially underspent the budget by R5,6 million on Programme 2: Integrated economic development.

8. As disclosed in the appropriation statement, the provincial department materially underspent the budget by R16,7 million on Programme 3: Trade and sector development.

9. As disclosed in the appropriation statement, the provincial department materially underspent the budget by R6,5 million on Programme 6: Tourism.

Irregular expenditure

10. As disclosed in note 22 to the financial statements, irregular expenditure of R7,08 million was incurred, as a proper procurement process was not followed.

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS as issued by National Treasury of South Africa the requirements of the PFMA; 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.

12. In preparing the financial statements, the accounting officer is responsible for assessing the provincial 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 provincial 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

13. 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.

14. 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 on page 200 forms part of my auditor's report.

Report on the audit of the annual performance report

15. 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.

16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2026. I selected programmes that measure the provincial 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	52-61	To stimulate economic growth through the promotion of Historically Disadvantaged Individuals (HDIs) and stimulate economic growth in the province.
Programme 6 : Tourism	83-89	To ensure tourism sector policy development, regulation and compliance and promotion of sector transformation in the province.

17. 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 provincial department's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the provincial department's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the provincial 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

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.'

20. I did not identify any material findings on the reported performance information for the selected programmes.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

23. The tables that follow provide information on the achievement of planned targets and list 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 40 to 89.

Programme 2: Integrated economic development

Targets achieved: 91% *Budget spent: 99%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of black-owned tyre outlets supported with equipment and training in the revitalisation of township and rural economy	12 black-owned tyre outlets supported with equipment and training in the revitalisation of township and rural economy	8

Targets achieved: 50% *Budget spent: 99%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of strategic tourism projects facilitated to enhance visitor experience	Three strategic tourism project facilitated namely: Barberton Mkhonjwa World Heritage Site (BMM-WHS), Mariepskop cable car projects, Hazyview waves	1
	Two feasibility / business case developed, namely: Marieskop cable car projects, Hazyview waves	0
Number of tourism awareness programmes implemented to promote enterprises and inclusivity in the sector	Six tourism awareness programmes implemented through Tourism Month, festive and Easter seasons activation: Provincial Tourism Awareness Day, G20 2025 Tourism ministers meetings and Provincial Tourism Expo	3

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 the intergrated economic development and tourism. Management subsequently corrected all the misstatements, and I did not include any material findings.

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 provincial 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 provincial 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. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

30. My opinion on the financial statements and my reports on the audit of the annual performance report and 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.

31. 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.

32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, 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

33. 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.

34. I did not identify any significant deficiencies in internal control.

Auditor General.

Mbombela

31 July 2026

AUDITOR-GENERAL
SOUTH AFRICA

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 provincial 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 provincial 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 provincial 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

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	Sections 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulations 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Regulations, 2004	Regulations 17; 25(7A); 25(9)(a); 25(10)
Division of Revenue Act 2 of 2025	Sections 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i);16(3)(a)(ii)(bb)
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraphs 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 2 of 2021/22	Paragraphs 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Regulation, 2022	Regulations 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulations 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)



Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Appropriation Statement

Figures in Rand thousand		2025/2026							2024/2025	
		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	1	137,534	-	1,793	139,327	135,818	3,509	97.48 %	126,178	121,123
INTEGRATED ECONOMIC DEVELOPMENT	2	447,171	-	1,426	448,597	442,959	5,638	98.74 %	604,886	578,153
TRADE AND SECTOR DEVELOPMENT	3	104,987	-	270	105,257	88,458	16,799	84.04 %	39,119	39,011
BUSINESS REGULATION AND GOVERNANCE	4	176,442	-	(1,332)	175,110	173,581	1,529	99.13 %	149,868	149,868
ECONOMIC PLANNING	5	23,032	-	(1,850)	21,182	20,155	1,027	95.15 %	19,560	19,513
TOURISM	6	534,775	-	(307)	534,468	527,921	6,547	98.78 %	520,907	520,354
Programme subtotal		**1,423,941**	**-**	**-**	**1,423,941**	**1,388,892**	**35,049**	**97.54 %**	**1,460,518**	**1,428,022**
Total		**1,423,941**	**-**	**-**	**1,423,941**	**1,388,892**	**35,049**	**97.54 %**	**1,460,518**	**1,428,022**
Reconciliation with										
Add:										
Departmental revenue					1,929,961				1,450,847	
Actual amounts per (total revenue)					**3,353,902**				**2,911,365**	
Add:										
Actual amounts per (total expenditure)						**1,388,892**				**1,428,022**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Appropriation Statement

Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	156,130	-	(2,255)	153,875	152,894	981	99.36 %	142,793	145,114
Social contributions	31,382	-	(4,062)	27,320	26,600	720	97.36 %	27,965	25,085
	187,512	**-**	**(6,317)**	**181,195**	**179,494**	**1,701**	**99.06 %**	**170,758**	**170,199**
Goods and services									
Administrative fees	1,251	-	(150)	1,101	1,013	88	92.01 %	1,258	896
Advertising	3,882	-	67	3,949	3,606	343	91.31 %	5,285	4,678
Minor assets	266	-	-	266	79	187	29.70 %	-	19
Audit costs: External	7,114	-	-	7,114	5,808	1,306	81.64 %	6,783	6,319
Catering: Departmental activities	900	-	108	1,008	916	92	90.87 %	1,026	669
Communication	4,230	-	1,437	5,667	5,668	(1)	100.02 %	5,223	5,097
Computer services	2,025	-	(665)	1,360	975	385	71.69 %	545	517
Consultants: Business and advisory services	1,516	-	15	1,531	540	991	35.27 %	643	558
Legal services	2,231	-	-	2,231	1,547	684	69.34 %	300	283
Contractors	442	-	-	442	9	433	2.04 %	148	77
Agency and support / outsourced services	41,443	-	1,161	42,604	35,508	7,096	83.34 %	11,611	11,292
Fleet services	1,260	-	-	1,260	839	421	66.59 %	1,097	986
Consumable supplies	2,712	-	195	2,907	2,766	141	95.15 %	1,628	2,009
Consumable: Stationery, printing and office supplies	1,847	-	-	1,847	1,048	799	56.74 %	182	745
Operating leases	18,692	-	(2,051)	16,641	16,641	-	100.00 %	20,381	19,984
Property payments	4,939	-	1,020	5,959	5,259	700	88.25 %	3,533	3,150
Travel and subsistence	18,595	-	2,437	21,032	22,290	(1,258)	105.98 %	24,035	21,291
Training and development	2,999	-	157	3,156	3,156	-	100.00 %	1,426	1,617
Operating payments	975	-	(8)	967	571	396	59.05 %	203	171
Venues and facilities	2,470	-	771	3,241	3,170	71	97.81 %	1,939	1,461

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Figures in Rand thousand	2025/2026							2024/2025	
	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)									
	119,789	**-**	**4,494**	**124,283**	**111,409**	**12,874**	**89.64 %**	**87,246**	**81,819**
Total current payments	**307,301**	**-**	**(1,823)**	**305,478**	**290,903**	**14,575**	**95.23 %**	**258,004**	**252,018**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	31	-	-	31	10	21	32.26 %	30	10
Departmental agencies and accounts									
Departmental agencies (non-business entities)	718,916	-	-	718,916	702,169	16,747	97.67 %	649,860	649,752
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	282,806	-	-	282,806	282,806	-	100.00 %	280,508	280,508
Private enterprises									
Other transfers to private enterprises	1,240	-	-	1,240	1,240	-	100.00 %	2,857	2,857
Public corporations and private enterprises subtotal	**284,046**	**-**	**-**	**284,046**	**284,046**	**-**	**100.00 %**	**283,365**	**283,365**
Non-profit institutions	10,921	-	-	10,921	10,921	-	100.00 %	5,000	5,000
Households									
Social benefits	908	-	19	927	928	(1)	100.11 %	579	175
Total transfers and subsidies	**1,014,822**	**-**	**19**	**1,014,841**	**998,074**	**16,767**	**98.35 %**	**938,834**	**938,302**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	96,033	-	-	96,033	92,327	3,706	96.14 %	259,890	233,927

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Figures in Rand thousand	2025/2026							2024/2025	
	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)									
Machinery and equipment									
Transport equipment	2,765	-	286	3,051	3,051	-	100.00 %	-	-
Other machinery and equipment	3,017	-	1,518	4,535	4,534	1	99.98 %	3,777	3,762
	5,782	**-**	**1,804**	**7,586**	**7,585**	**1**	**99.99 %**	**3,777**	**3,762**
Total payments for capital assets	**101,815**	**-**	**1,804**	**103,619**	**99,912**	**3,707**	**96.42 %**	**263,667**	**237,689**
Payments for financial assets	3	-	-	3	3	-	100.00 %	13	13
Total	**1,423,941**	**-**	**-**	**1,423,941**	**1,388,892**	**35,049**	**97.54 %**	**1,460,518**	**1,428,022**

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		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. ADMINISTRATION										
Sub programme										
Office of the MEC	1.1	14,940	-	178	15,118	14,897	221	98.54 %	17,428	16,605
Senior Management	1.2	12,884	-	(671)	12,213	10,973	1,240	89.85 %	9,524	9,073
Financial Management	1.3	62,548	-	1,347	63,895	62,548	1,347	97.89 %	56,830	55,412
Corporate Services	1.4	47,162	-	939	48,101	47,400	701	98.54 %	42,396	40,033
Subtotal		**137,534**	**-**	**1,793**	**139,327**	**135,818**	**3,509**	**97.48 %**	**126,178**	**121,123**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		76,013	-	(2,340)	73,673	73,624	49	99.93 %	69,686	69,680
Social contributions		12,132	-	1,137	13,269	13,268	1	99.99 %	12,420	12,420
		88,145	**-**	**(1,203)**	**86,942**	**86,892**	**50**	**99.94 %**	**82,106**	**82,100**
Goods and services										
Administrative fees		475	-	-	475	634	(159)	133.47 %	864	559
Advertising		3,391	-	-	3,391	3,048	343	89.88 %	4,945	4,397
Minor assets		220	-	-	220	79	141	35.91 %	-	19
Audit costs: External		7,114	-	-	7,114	5,808	1,306	81.64 %	6,783	6,319
Catering: Departmental activities		725	-	(30)	695	604	91	86.91 %	406	215
Communication		4,230	-	1,437	5,667	5,668	(1)	100.02 %	5,220	5,094
Computer services		1,189	-	(391)	798	446	352	55.89 %	235	79
Consultants: Business and advisory services		958	-	-	958	432	526	45.09 %	638	558
Legal services		2,231	-	-	2,231	1,547	684	69.34 %	300	283
Contractors		442	-	-	442	9	433	2.04 %	122	52
Agency and support / outsourced services		413	-	-	413	248	165	60.05 %	486	375
Fleet services		1,260	-	-	1,260	839	421	66.59 %	1,097	986
Consumable supplies		2,711	-	-	2,711	2,571	140	94.84 %	1,628	2,009

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	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 supplies	1,847	-	-	1,847	1,048	799	56.74 %	182	745
Property payments	-	-	-	-	-	-	- %	39	29
Travel and subsistence	10,231	-	-	10,231	11,672	(1,441)	114.08 %	14,027	10,755
Training and development	2,999	-	157	3,156	3,156	-	100.00 %	1,426	1,617
Operating payments	756	-	-	756	571	185	75.53 %	201	171
Venues and facilities	1,476	-	-	1,476	2,023	(547)	137.06 %	1,074	801
	42,668	**-**	**1,173**	**43,841**	**40,403**	**3,438**	**92.16 %**	**39,673**	**35,063**
Total current payments	**130,813**	**-**	**(30)**	**130,783**	**127,295**	**3,488**	**97.33 %**	**121,779**	**117,163**
Transfers and subsidies									
Provinces and municipalities	31	-	-	31	10	21	32.26 %	30	10
Households	908	-	19	927	928	(1)	100.11 %	579	175
Total transfers and subsidies	**939**	**-**	**19**	**958**	**938**	**20**	**97.91 %**	**609**	**185**
Payments for capital assets									
Machinery and equipment	5,782	-	1,804	7,586	7,585	1	99.99 %	3,777	3,762
Payments for financial assets	-	-	-	-	-	-	- %	13	13
Total	**137,534**	**-**	**1,793**	**139,327**	**135,818**	**3,509**	**97.48 %**	**126,178**	**121,123**

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	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	6,932	-	1,282	8,214	8,214	-	100.00 %	8,688	8,688
Social contributions	1,828	-	(813)	1,015	1,014	1	99.90 %	1,173	1,173
	8,760	**-**	**469**	**9,229**	**9,228**	**1**	**99.99 %**	**9,861**	**9,861**
Goods and services									
Administrative fees	200	-	-	200	138	62	69.00 %	282	210
Advertising	771	-	-	771	1,270	(499)	164.72 %	3,063	2,638
Minor assets	68	-	-	68	-	68	- %	-	-
Catering: Departmental activities	506	-	-	506	300	206	59.29 %	69	68
Communication	25	-	12	37	37	-	100.00 %	-	-
Contractors	129	-	-	129	-	129	- %	-	-
Consumable supplies	411	-	-	411	547	(136)	133.09 %	399	317
Travel and subsistence	3,321	-	-	3,321	2,848	473	85.76 %	3,578	3,435
Operating payments	-	-	-	-	-	-	- %	63	63
Venues and facilities	446	-	-	446	529	(83)	118.61 %	100	-
	5,877	**-**	**12**	**5,889**	**5,669**	**220**	**96.26 %**	**7,554**	**6,731**
Total current payments	**14,637**	**-**	**481**	**15,118**	**14,897**	**221**	**98.54 %**	**17,415**	**16,592**
Transfers and subsidies									
Households									
Social benefits	303	-	(303)	-	-	-	- %	-	-
Payments for financial assets	-	-	-	-	-	-	- %	13	13
Total	**14,940**	**-**	**178**	**15,118**	**14,897**	**221**	**98.54 %**	**17,428**	**16,605**

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	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	7,481	-	(706)	6,775	6,776	(1)	100.01 %	5,698	5,698
Social contributions	728	-	414	1,142	1,142	-	100.00 %	1,021	1,021
	8,209	**-**	**(292)**	**7,917**	**7,918**	**(1)**	**100.01 %**	**6,719**	**6,719**
Goods and services									
Administrative fees	53	-	-	53	136	(83)	256.60 %	79	58
Advertising	394	-	-	394	-	394	- %	259	244
Catering: Departmental activities	150	-	(30)	120	101	19	84.17 %	37	10
Computer services	897	-	(391)	506	-	506	- %	-	-
Consultants: Business and advisory services	873	-	-	873	299	574	34.25 %	448	425
Contractors	-	-	-	-	9	(9)	- %	122	52
Agency and support / outsourced services	36	-	-	36	36	-	100.00 %	294	204
Consumable supplies	500	-	-	500	338	162	67.60 %	539	389
Travel and subsistence	1,154	-	-	1,154	1,484	(330)	128.60 %	864	719
Training and development	-	-	42	42	42	-	100.00 %	-	-
Operating payments	18	-	-	18	38	(20)	211.11 %	-	-
Venues and facilities	600	-	-	600	572	28	95.33 %	163	253
	4,675	**-**	**(379)**	**4,296**	**3,055**	**1,241**	**71.11 %**	**2,805**	**2,354**
Total current payments	**12,884**	**-**	**(671)**	**12,213**	**10,973**	**1,240**	**89.85 %**	**9,524**	**9,073**
Total	**12,884**	**-**	**(671)**	**12,213**	**10,973**	**1,240**	**89.85 %**	**9,524**	**9,073**

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Figures in Rand thousand	2025/2026							2024/2025	
	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									
Salaries and wages	30,772	-	(1,626)	29,146	29,146	-	100.00 %	27,864	27,864
Social contributions	6,136	-	(255)	5,881	5,881	-	100.00 %	5,684	5,684
	36,908	**-**	**(1,881)**	**35,027**	**35,027**	**-**	**100.00 %**	**33,548**	**33,548**
Goods and services									
Administrative fees	113	-	-	113	150	(37)	132.74 %	211	129
Advertising	50	-	-	50	512	(462)	1,024.00 %	259	159
Minor assets	152	-	-	152	79	73	51.97 %	-	19
Audit costs: External	7,114	-	-	7,114	5,808	1,306	81.64 %	6,783	6,319
Catering: Departmental activities	15	-	-	15	49	(34)	326.67 %	98	39
Communication	4,205	-	1,424	5,629	5,630	(1)	100.02 %	5,220	5,094
Computer services	292	-	-	292	255	37	87.33 %	235	79
Consultants: Business and advisory services	85	-	-	85	133	(48)	156.47 %	190	133
Fleet services	1,260	-	-	1,260	839	421	66.59 %	1,097	986
Consumable supplies	1,800	-	-	1,800	1,686	114	93.67 %	625	1,238
Consumable: Stationery, printing and office supplies	1,600	-	-	1,600	1,048	552	65.50 %	177	715
Travel and subsistence	3,001	-	-	3,001	3,590	(589)	119.63 %	4,340	3,075
Operating payments	90	-	-	90	75	15	83.33 %	41	18
Venues and facilities	50	-	-	50	72	(22)	144.00 %	199	89
	19,827	**-**	**1,424**	**21,251**	**19,926**	**1,325**	**93.76 %**	**19,475**	**18,092**
Total current payments	**56,735**	**-**	**(457)**	**56,278**	**54,953**	**1,325**	**97.65 %**	**53,023**	**51,640**
Transfers and subsidies									
Provinces and municipalities	31	-	-	31	10	21	32.26 %	30	10

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Figures in Rand thousand	2025/2026							2024/2025	
	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)									
Payments for capital assets									
Machinery and equipment									
Transport equipment	2,765	-	286	3,051	3,051	-	100.00 %	-	-
Other machinery and equipment	3,017	-	1,518	4,535	4,534	1	99.98 %	3,777	3,762
	5,782	**-**	**1,804**	**7,586**	**7,585**	**1**	**99.99 %**	**3,777**	**3,762**
Total	**62,548**	**-**	**1,347**	**63,895**	**62,548**	**1,347**	**97.89 %**	**56,830**	**55,412**

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Figures in Rand thousand	2025/2026							2024/2025	
	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	30,828	-	(1,290)	29,538	29,488	50	99.83 %	27,436	27,430
Social contributions	3,440	-	1,791	5,231	5,231	-	100.00 %	4,542	4,542
	34,268	**-**	**501**	**34,769**	**34,719**	**50**	**99.86 %**	**31,978**	**31,972**
Goods and services									
Administrative fees	109	-	-	109	210	(101)	192.66 %	292	162
Advertising	2,176	-	-	2,176	1,266	910	58.18 %	1,364	1,356
Catering: Departmental activities	54	-	-	54	154	(100)	285.19 %	202	98
Communication	-	-	1	1	1	-	100.00 %	-	-
Computer services	-	-	-	-	191	(191)	- %	-	-
Legal services	2,231	-	-	2,231	1,547	684	69.34 %	300	283
Contractors	313	-	-	313	-	313	- %	-	-
Agency and support / outsourced services	377	-	-	377	212	165	56.23 %	192	171
Consumable supplies	-	-	-	-	-	-	- %	65	65
Consumable: Stationery, printing and office supplies	247	-	-	247	-	247	- %	5	30
Property payments	-	-	-	-	-	-	- %	39	29
Travel and subsistence	2,755	-	-	2,755	3,750	(995)	136.12 %	5,245	3,526
Training and development	2,999	-	115	3,114	3,114	-	100.00 %	1,426	1,617
Operating payments	648	-	-	648	458	190	70.68 %	97	90
Venues and facilities	380	-	-	380	850	(470)	223.68 %	612	459
	12,289	**-**	**116**	**12,405**	**11,753**	**652**	**94.74 %**	**9,839**	**7,886**

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Figures in Rand thousand	2025/2026							2024/2025	
	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)									
Households									
Social benefits	605	-	322	927	928	(1)	100.11 %	579	175
Total	**47,162**	**-**	**939**	**48,101**	**47,400**	**701**	**98.54 %**	**42,396**	**40,033**

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		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. INTEGRATED ECONOMIC DEVELOPMENT										
Sub programme										
CD : Office Support PR2	2.1	2,195	-	95	2,290	2,286	4	99.83 %	2,062	2,062
Enterprise Development	2.2	399,304	-	1,064	400,368	395,650	4,718	98.82 %	557,360	531,397
Local Economic Development	2.3	7,136	-	1,764	8,900	8,822	78	99.12 %	6,695	6,695
Economic Empowerment	2.4	7,273	-	(1,224)	6,049	5,911	138	97.72 %	5,234	5,234
Regional Directors	2.5	31,263	-	(273)	30,990	30,290	700	97.74 %	33,535	32,765
Subtotal		**447,171**	**-**	**1,426**	**448,597**	**442,959**	**5,638**	**98.74 %**	**604,886**	**578,153**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		27,758	-	1,571	29,329	29,329	-	100.00 %	27,428	27,427
Social contributions		4,851	-	81	4,932	4,932	-	100.00 %	4,617	4,618
		32,609	**-**	**1,652**	**34,261**	**34,261**	**-**	**100.00 %**	**32,045**	**32,045**
Goods and services										
Administrative fees		221	-	(72)	149	119	30	79.87 %	64	54
Minor assets		46	-	-	46	-	46	- %	-	-
Catering: Departmental activities		23	-	8	31	31	-	100.00 %	69	56
Consultants: Business and advisory services		5	-	15	20	20	-	100.00 %	-	-
Agency and support / outsourced services		7,287	-	(190)	7,097	6,586	511	92.80 %	2,412	2,058

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total current payments	**67,535**	**-**	**1,426**	**68,961**	**67,029**	**1,932**	**97.20 %**	**61,488**	**60,718**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	3,000	-	-	3,000	3,000	-	100.00 %	3,000	3,000
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	280,600	-	-	280,600	280,600	-	100.00 %	280,508	280,508
Total transfers and subsidies	**283,600**	**-**	**-**	**283,600**	**283,600**	**-**	**100.00 %**	**283,508**	**283,508**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	96,033	-	-	96,033	92,327	3,706	96.14 %	259,890	233,927
Payments for financial assets	3	-	-	3	3	-	100.00 %	-	-
Total	**447,171**	**-**	**1,426**	**448,597**	**442,959**	**5,638**	**98.74 %**	**604,886**	**578,153**

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	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	1,543	-	251	1,794	1,794	-	100.00 %	1,621	1,621
Social contributions	296	-	(106)	190	190	-	100.00 %	162	162
	1,839	**-**	**145**	**1,984**	**1,984**	**-**	**100.00 %**	**1,783**	**1,783**
Goods and services									
Administrative fees	16	-	-	16	15	1	93.75 %	-	3
Travel and subsistence	340	-	(50)	290	287	3	98.97 %	279	276
	356	**-**	**(50)**	**306**	**302**	**4**	**98.69 %**	**279**	**279**
Total current payments	**2,195**	**-**	**95**	**2,290**	**2,286**	**4**	**99.83 %**	**2,062**	**2,062**
Total	**2,195**	**-**	**95**	**2,290**	**2,286**	**4**	**99.83 %**	**2,062**	**2,062**

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Figures in Rand thousand	2025/2026							2024/2025	
	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	10,095	-	201	10,296	10,296	-	100.00 %	9,328	9,327
Social contributions	2,184	-	(77)	2,107	2,107	-	100.00 %	1,931	1,932
	12,279	**-**	**124**	**12,403**	**12,403**	**-**	**100.00 %**	**11,259**	**11,259**
Goods and services									
Administrative fees	58	-	-	58	42	16	72.41 %	12	12
Minor assets	46	-	-	46	-	46	- %	-	-
Agency and support / outsourced services	6,015	-	-	6,015	5,579	436	92.75 %	1,458	1,433
Consumable supplies	-	-	195	195	195	-	100.00 %	-	-
Travel and subsistence	680	-	745	1,425	1,425	-	100.00 %	1,233	1,258
Operating payments	96	-	-	96	-	96	- %	-	-
Venues and facilities	494	-	-	494	76	418	15.38 %	-	-
	7,389	**-**	**940**	**8,329**	**7,317**	**1,012**	**87.85 %**	**2,703**	**2,703**
Total current payments	**19,668**	**-**	**1,064**	**20,732**	**19,720**	**1,012**	**95.12 %**	**13,962**	**13,962**
Transfers and subsidies									
Departmental agencies and accounts	3,000	-	-	3,000	3,000	-	100.00 %	3,000	3,000
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	280,600	-	-	280,600	280,600	-	100.00 %	280,508	280,508
Total transfers and subsidies	**283,600**	**-**	**-**	**283,600**	**283,600**	**-**	**100.00 %**	**283,508**	**283,508**

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Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2 Enterprise Development (continued)									
Payments for capital assets									
Buildings and other fixed structures									
Buildings	96,033	-	-	96,033	92,327	3,706	96.14 %	259,890	233,927
Payments for financial assets	3	-	-	3	3	-	100.00 %	-	-
Total	**399,304**	**-**	**1,064**	**400,368**	**395,650**	**4,718**	**98.82 %**	**557,360**	**531,397**

Appropriation Statement

Figures in Rand thousand	2025/2026							2024/2025	
	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	5,787	-	1,165	6,952	6,952	-	100.00 %	5,365	5,365
Social contributions	645	-	533	1,178	1,178	-	100.00 %	946	946
	6,432	**-**	**1,698**	**8,130**	**8,130**	**-**	**100.00 %**	**6,311**	**6,311**
Goods and services									
Administrative fees	24	-	(8)	16	14	2	87.50 %	13	10
Catering: Departmental activities	-	-	1	1	1	-	100.00 %	-	-
Agency and support / outsourced services	100	-	(25)	75	-	75	- %	-	-
Travel and subsistence	580	-	98	678	677	1	99.85 %	371	374
	704	**-**	**66**	**770**	**692**	**78**	**89.87 %**	**384**	**384**
Total current payments	**7,136**	**-**	**1,764**	**8,900**	**8,822**	**78**	**99.12 %**	**6,695**	**6,695**
Total	**7,136**	**-**	**1,764**	**8,900**	**8,822**	**78**	**99.12 %**	**6,695**	**6,695**

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Figures in Rand thousand	2025/2026							2024/2025	
	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	4,229	-	(809)	3,420	3,420	-	100.00 %	3,846	3,846
Social contributions	950	-	(376)	574	574	-	100.00 %	642	642
	5,179	**-**	**(1,185)**	**3,994**	**3,994**	**-**	**100.00 %**	**4,488**	**4,488**
Goods and services									
Administrative fees	71	-	(23)	48	38	10	79.17 %	17	17
Catering: Departmental activities	23	-	7	30	30	-	100.00 %	-	-
Consultants: Business and advisory services	5	-	15	20	20	-	100.00 %	-	-
Agency and support / outsourced services	1,172	-	(165)	1,007	1,007	-	100.00 %	-	-
Travel and subsistence	635	-	-	635	622	13	97.95 %	640	690
Operating payments	123	-	(8)	115	-	115	- %	-	-
Venues and facilities	65	-	135	200	200	-	100.00 %	89	39
	2,094	**-**	**(39)**	**2,055**	**1,917**	**138**	**93.28 %**	**746**	**746**
Total current payments	**7,273**	**-**	**(1,224)**	**6,049**	**5,911**	**138**	**97.72 %**	**5,234**	**5,234**
Total	**7,273**	**-**	**(1,224)**	**6,049**	**5,911**	**138**	**97.72 %**	**5,234**	**5,234**

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Figures in Rand thousand	2025/2026							2024/2025	
	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 employees									
Salaries and wages	6,104	-	763	6,867	6,867	-	100.00 %	7,268	7,268
Social contributions	776	-	107	883	883	-	100.00 %	936	936
	6,880	**-**	**870**	**7,750**	**7,750**	**-**	**100.00 %**	**8,204**	**8,204**
Goods and services									
Administrative fees	52	-	(41)	11	10	1	90.91 %	22	12
Catering: Departmental activities	-	-	-	-	-	-	- %	69	56
Agency and support / outsourced services	-	-	-	-	-	-	- %	954	625
Operating leases	18,692	-	(2,051)	16,641	16,641	-	100.00 %	20,381	19,984
Property payments	4,939	-	1,020	5,959	5,259	700	88.25 %	3,494	3,121
Travel and subsistence	700	-	(71)	629	630	(1)	100.16 %	411	763
	24,383	**-**	**(1,143)**	**23,240**	**22,540**	**700**	**96.99 %**	**25,331**	**24,561**
Total current payments	**31,263**	**-**	**(273)**	**30,990**	**30,290**	**700**	**97.74 %**	**33,535**	**32,765**
Total	**31,263**	**-**	**(273)**	**30,990**	**30,290**	**700**	**97.74 %**	**33,535**	**32,765**

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		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										
Sub programme										
CD: Office Support PR3	3.1	2,185	-	(258)	1,927	1,392	535	72.24 %	1,883	1,883
Trade and Investment Support	3.2	10,921	-	683	11,604	12,302	(698)	106.02 %	7,258	7,298
Sector Development	3.3	14,302	-	(53)	14,249	14,075	174	98.78 %	14,782	14,742
Strategic Initiatives	3.4	77,579	-	(102)	77,477	60,689	16,788	78.33 %	15,196	15,088
Subtotal		**104,987**	**-**	**270**	**105,257**	**88,458**	**16,799**	**84.04 %**	**39,119**	**39,011**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		15,915	-	(1,230)	14,685	14,635	50	99.66 %	13,898	13,899
Social contributions		2,883	-	61	2,944	2,494	450	84.71 %	2,436	2,437
		18,798	**-**	**(1,169)**	**17,629**	**17,129**	**500**	**97.16 %**	**16,334**	**16,336**
Goods and services										
Administrative fees		186	-	(79)	107	51	56	47.66 %	119	84
Catering: Departmental activities		104	-	78	182	182	-	100.00 %	159	120
Communication		-	-	-	-	-	-	- %	3	3
Agency and support / outsourced services		6,757	-	1,338	8,095	8,664	(569)	107.03 %	4,944	5,018
Travel and subsistence		2,212	-	70	2,282	2,217	65	97.15 %	2,401	2,458
Operating payments		-	-	-	-	-	-	- %	2	-
Venues and facilities		112	-	32	144	144	-	100.00 %	165	108
		9,371	**-**	**1,439**	**10,810**	**11,258**	**(448)**	**104.14 %**	**7,793**	**7,791**
Total current payments		**28,169**	**-**	**270**	**28,439**	**28,387**	**52**	**99.82 %**	**24,127**	**24,127**
Transfers and subsidies										

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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)	62,451	-	-	62,451	45,704	16,747	73.18 %	7,135	7,027
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	2,206	-	-	2,206	2,206	-	100.00 %	-	-
Private enterprises									
Other transfers to private enterprises	1,240	-	-	1,240	1,240	-	100.00 %	2,857	2,857
Public corporations and private enterprises subtotal	**3,446**	**-**	**-**	**3,446**	**3,446**	**-**	**100.00 %**	**2,857**	**2,857**
Non-profit institutions	10,921	-	-	10,921	10,921	-	100.00 %	5,000	5,000
Total transfers and subsidies	**76,818**	**-**	**-**	**76,818**	**60,071**	**16,747**	**78.20 %**	**14,992**	**14,884**
Total	**104,987**	**-**	**270**	**105,257**	**88,458**	**16,799**	**84.04 %**	**39,119**	**39,011**

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	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									
Salaries and wages	1,208	-	(202)	1,006	956	50	95.03 %	1,510	1,509
Social contributions	631	-	(56)	575	124	451	21.57 %	207	208
	1,839	**-**	**(258)**	**1,581**	**1,080**	**501**	**68.31 %**	**1,717**	**1,717**
Goods and services									
Administrative fees	44	-	(32)	12	6	6	50.00 %	3	3
Communication	-	-	-	-	-	-	- %	3	3
Travel and subsistence	302	-	-	302	273	29	90.40 %	160	160
Venues and facilities	-	-	32	32	33	(1)	103.13 %	-	-
	346	**-**	**-**	**346**	**312**	**34**	**90.17 %**	**166**	**166**
Total current payments	**2,185**	**-**	**(258)**	**1,927**	**1,392**	**535**	**72.24 %**	**1,883**	**1,883**
Total	**2,185**	**-**	**(258)**	**1,927**	**1,392**	**535**	**72.24 %**	**1,883**	**1,883**

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Figures in Rand thousand	2025/2026							2024/2025	
	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	5,304	-	(425)	4,879	4,879	-	100.00 %	4,540	4,541
Social contributions	961	-	(229)	732	732	-	100.00 %	716	716
	6,265	**-**	**(654)**	**5,611**	**5,611**	**-**	**100.00 %**	**5,256**	**5,257**
Goods and services									
Administrative fees	56	-	(27)	29	28	1	96.55 %	62	47
Catering: Departmental activities	-	-	-	-	-	-	- %	153	116
Agency and support / outsourced services	3,653	-	1,327	4,980	5,680	(700)	114.06 %	701	790
Travel and subsistence	835	-	37	872	872	-	100.00 %	1,006	997
Venues and facilities	112	-	-	112	111	1	99.11 %	80	91
	4,656	**-**	**1,337**	**5,993**	**6,691**	**(698)**	**111.65 %**	**2,002**	**2,041**
Total current payments	**10,921**	**-**	**683**	**11,604**	**12,302**	**(698)**	**106.02 %**	**7,258**	**7,298**
Total	**10,921**	**-**	**683**	**11,604**	**12,302**	**(698)**	**106.02 %**	**7,258**	**7,298**

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	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	8,000	-	(499)	7,501	7,501	-	100.00 %	6,581	6,582
Social contributions	1,159	-	285	1,444	1,445	(1)	100.07 %	1,325	1,325
	9,159	**-**	**(214)**	**8,945**	**8,946**	**(1)**	**100.01 %**	**7,906**	**7,907**
Goods and services									
Administrative fees	74	-	(20)	54	10	44	18.52 %	29	19
Catering: Departmental activities	104	-	78	182	182	-	100.00 %	6	4
Agency and support / outsourced services	2,059	-	(19)	2,040	1,909	131	93.58 %	3,733	3,713
Travel and subsistence	700	-	122	822	822	-	100.00 %	948	971
Operating payments	-	-	-	-	-	-	- %	2	-
Venues and facilities	-	-	-	-	-	-	- %	47	17
	2,937	**-**	**161**	**3,098**	**2,923**	**175**	**94.35 %**	**4,765**	**4,724**
Total current payments	**12,096**	**-**	**(53)**	**12,043**	**11,869**	**174**	**98.56 %**	**12,671**	**12,631**
Transfers and subsidies									
Public corporations and private enterprises	2,206	-	-	2,206	2,206	-	100.00 %	2,111	2,111
Total	**14,302**	**-**	**(53)**	**14,249**	**14,075**	**174**	**98.78 %**	**14,782**	**14,742**

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Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.4 Strategic Initiatives									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1,403	-	(104)	1,299	1,299	-	100.00 %	1,267	1,267
Social contributions	132	-	61	193	193	-	100.00 %	188	188
	1,535	**-**	**(43)**	**1,492**	**1,492**	**-**	**100.00 %**	**1,455**	**1,455**
Goods and services									
Administrative fees	12	-	-	12	7	5	58.33 %	25	15
Agency and support / outsourced services	1,045	-	30	1,075	1,075	-	100.00 %	510	515
Travel and subsistence	375	-	(89)	286	250	36	87.41 %	287	330
Venues and facilities	-	-	-	-	-	-	- %	38	-
	1,432	**-**	**(59)**	**1,373**	**1,332**	**41**	**97.01 %**	**860**	**860**
Total current payments	**2,967**	**-**	**(102)**	**2,865**	**2,824**	**41**	**98.57 %**	**2,315**	**2,315**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	62,451	-	-	62,451	45,704	16,747	73.18 %	7,135	7,027
Public corporations and private enterprises	1,240	-	-	1,240	1,240	-	100.00 %	746	746
Non-profit institutions	10,921	-	-	10,921	10,921	-	100.00 %	5,000	5,000
Total transfers and subsidies	**74,612**	**-**	**-**	**74,612**	**57,865**	**16,747**	**77.55 %**	**12,881**	**12,773**
Total	**77,579**	**-**	**(102)**	**77,477**	**60,689**	**16,788**	**78.33 %**	**15,196**	**15,088**

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		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										
Sub programme										
CD: Office Support PR4	4.1	2,136	-	(50)	2,086	2,014	72	96.55 %	1,922	1,949
Consumer Protection	4.2	17,562	-	(158)	17,404	16,199	1,205	93.08 %	15,652	14,532
Regulation Services	4.3	156,744	-	(1,124)	155,620	155,368	252	99.84 %	132,294	133,387
Subtotal		**176,442**	**-**	**(1,332)**	**175,110**	**173,581**	**1,529**	**99.13 %**	**149,868**	**149,868**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		14,900	-	1,826	16,726	16,726	-	100.00 %	12,801	15,363
Social contributions		7,378	-	(4,494)	2,884	2,884	-	100.00 %	5,133	2,571
		22,278	**-**	**(2,668)**	**19,610**	**19,610**	**-**	**100.00 %**	**17,934**	**17,934**
Goods and services										
Administrative fees		208	-	25	233	141	92	60.52 %	110	96
Advertising		491	-	67	558	558	-	100.00 %	340	281
Catering: Departmental activities		48	-	51	99	98	1	98.99 %	377	272
Consultants: Business and advisory services		553	-	-	553	88	465	15.91 %	5	-
Contractors		-	-	-	-	-	-	- %	26	25
Agency and support / outsourced services		2,980	-	(503)	2,477	1,588	889	64.11 %	594	678
Consumable supplies		1	-	-	1	-	1	- %	-	-
Travel and subsistence		1,395	-	1,092	2,487	2,482	5	99.80 %	2,304	2,423
Venues and facilities		184	-	604	788	712	76	90.36 %	393	374
		5,860	**-**	**1,336**	**7,196**	**5,667**	**1,529**	**78.75 %**	**4,149**	**4,149**
Total current payments		**28,138**	**-**	**(1,332)**	**26,806**	**25,277**	**1,529**	**94.30 %**	**22,083**	**22,083**

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	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)	148,304	-	-	148,304	148,304	-	100.00 %	127,785	127,785
Total	**176,442**	**-**	**(1,332)**	**175,110**	**173,581**	**1,529**	**99.13 %**	**149,868**	**149,868**

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	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	1,498	-	63	1,561	1,561	-	100.00 %	1,520	1,519
Social contributions	313	-	(113)	200	200	-	100.00 %	168	196
	1,811	**-**	**(50)**	**1,761**	**1,761**	**-**	**100.00 %**	**1,688**	**1,715**
Goods and services									
Administrative fees	27	-	-	27	8	19	29.63 %	7	7
Catering: Departmental activities	-	-	-	-	-	-	- %	5	2
Consumable supplies	1	-	-	1	-	1	- %	-	-
Travel and subsistence	250	-	-	250	245	5	98.00 %	222	225
Venues and facilities	47	-	-	47	-	47	- %	-	-
	325	**-**	**-**	**325**	**253**	**72**	**77.85 %**	**234**	**234**
Total current payments	**2,136**	**-**	**(50)**	**2,086**	**2,014**	**72**	**96.55 %**	**1,922**	**1,949**
Total	**2,136**	**-**	**(50)**	**2,086**	**2,014**	**72**	**96.55 %**	**1,922**	**1,949**

Appropriation Statement

Figures in Rand thousand	2025/2026							2024/2025	
	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	8,715	-	1,160	9,875	9,875	-	100.00 %	9,399	9,816
Social contributions	4,518	-	(2,654)	1,864	1,864	-	100.00 %	3,273	1,736
	13,233	**-**	**(1,494)**	**11,739**	**11,739**	**-**	**100.00 %**	**12,672**	**11,552**
Goods and services									
Administrative fees	97	-	25	122	122	-	100.00 %	77	73
Advertising	491	-	67	558	558	-	100.00 %	340	281
Catering: Departmental activities	-	-	42	42	41	1	97.62 %	372	270
Consultants: Business and advisory services	476	-	-	476	88	388	18.49 %	5	-
Contractors	-	-	-	-	-	-	- %	26	25
Agency and support / outsourced services	2,480	-	(78)	2,402	1,586	816	66.03 %	366	578
Travel and subsistence	677	-	676	1,353	1,353	-	100.00 %	1,532	1,451
Venues and facilities	108	-	604	712	712	-	100.00 %	262	302
	4,329	**-**	**1,336**	**5,665**	**4,460**	**1,205**	**78.73 %**	**2,980**	**2,980**
Total current payments	**17,562**	**-**	**(158)**	**17,404**	**16,199**	**1,205**	**93.08 %**	**15,652**	**14,532**
Total	**17,562**	**-**	**(158)**	**17,404**	**16,199**	**1,205**	**93.08 %**	**15,652**	**14,532**

Department of Economic Development and Tourism

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Figures in Rand thousand	2025/2026							2024/2025	
	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									
Salaries and wages	4,687	-	603	5,290	5,290	-	100.00 %	1,882	4,028
Social contributions	2,547	-	(1,727)	820	820	-	100.00 %	1,692	639
	7,234	**-**	**(1,124)**	**6,110**	**6,110**	**-**	**100.00 %**	**3,574**	**4,667**
Goods and services									
Administrative fees	84	-	-	84	11	73	13.10 %	26	16
Catering: Departmental activities	48	-	9	57	57	-	100.00 %	-	-
Consultants: Business and advisory services	77	-	-	77	-	77	- %	-	-
Agency and support / outsourced services	500	-	(425)	75	2	73	2.67 %	228	100
Travel and subsistence	468	-	416	884	884	-	100.00 %	550	747
Venues and facilities	29	-	-	29	-	29	- %	131	72
	1,206	**-**	**-**	**1,206**	**954**	**252**	**79.10 %**	**935**	**935**
Total current payments	**8,440**	**-**	**(1,124)**	**7,316**	**7,064**	**252**	**96.56 %**	**4,509**	**5,602**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	148,304	-	-	148,304	148,304	-	100.00 %	127,785	127,785
Total	**156,744**	**-**	**(1,124)**	**155,620**	**155,368**	**252**	**99.84 %**	**132,294**	**133,387**

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Figures in Rand thousand		2025/2026							2024/2025	
		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	5.1	1,790	-	46	1,836	1,835	1	99.95 %	1,731	1,731
Economic Policy and Planning	5.2	5,686	-	232	5,918	5,385	533	90.99 %	3,694	3,648
Research & Development	5.3	490	-	(130)	360	59	301	16.39 %	572	572
Knowledge Management	5.4	6,175	-	(37)	6,138	6,096	42	99.32 %	5,335	5,334
Monitoring and Evaluation	5.5	3,720	-	(1,054)	2,666	2,609	57	97.86 %	3,539	3,539
Economic Analyis	5.6	5,171	-	(907)	4,264	4,171	93	97.82 %	4,689	4,689
Subtotal		**23,032**	**-**	**(1,850)**	**21,182**	**20,155**	**1,027**	**95.15 %**	**19,560**	**19,513**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		16,556	-	(1,252)	15,304	15,202	102	99.33 %	15,021	15,021
Social contributions		3,097	-	(394)	2,703	2,502	201	92.56 %	2,427	2,425
		19,653	**-**	**(1,646)**	**18,007**	**17,704**	**303**	**98.32 %**	**17,448**	**17,446**
Goods and services										
Administrative fees		111	-	(24)	87	29	58	33.33 %	25	42
Computer services		836	-	(274)	562	529	33	94.13 %	310	438
Agency and support / outsourced services		1,226	-	(418)	808	317	491	39.23 %	22	-
Travel and subsistence		1,162	-	512	1,674	1,576	98	94.15 %	1,537	1,470
Venues and facilities		44	-	-	44	-	44	- %	218	117
		3,379	**-**	**(204)**	**3,175**	**2,451**	**724**	**77.20 %**	**2,112**	**2,067**
Total current payments		**23,032**	**-**	**(1,850)**	**21,182**	**20,155**	**1,027**	**95.15 %**	**19,560**	**19,513**
Total		**23,032**	**-**	**(1,850)**	**21,182**	**20,155**	**1,027**	**95.15 %**	**19,560**	**19,513**

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Figures in Rand thousand	2025/2026							2024/2025	
	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 employees									
Salaries and wages	1,463	-	19	1,482	1,482	-	100.00 %	1,359	1,359
Social contributions	194	-	7	201	200	1	99.50 %	188	188
	1,657	**-**	**26**	**1,683**	**1,682**	**1**	**99.94 %**	**1,547**	**1,547**
Goods and services									
Administrative fees	24	-	(21)	3	3	-	100.00 %	-	5
Travel and subsistence	109	-	41	150	150	-	100.00 %	184	179
	133	**-**	**20**	**153**	**153**	**-**	**100.00 %**	**184**	**184**
Total current payments	**1,790**	**-**	**46**	**1,836**	**1,835**	**1**	**99.95 %**	**1,731**	**1,731**
Total	**1,790**	**-**	**46**	**1,836**	**1,835**	**1**	**99.95 %**	**1,731**	**1,731**

Appropriation Statement

Figures in Rand thousand	2025/2026							2024/2025	
	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	3,721	-	315	4,036	4,036	-	100.00 %	2,993	2,993
Social contributions	449	-	127	576	576	-	100.00 %	417	417
	4,170	**-**	**442**	**4,612**	**4,612**	**-**	**100.00 %**	**3,410**	**3,410**
Goods and services									
Administrative fees	21	-	-	21	5	16	23.81 %	1	1
Agency and support / outsourced services	1,226	-	(418)	808	317	491	39.23 %	22	-
Travel and subsistence	243	-	208	451	451	-	100.00 %	261	237
Venues and facilities	26	-	-	26	-	26	- %	-	-
	1,516	**-**	**(210)**	**1,306**	**773**	**533**	**59.19 %**	**284**	**238**
Total current payments	**5,686**	**-**	**232**	**5,918**	**5,385**	**533**	**90.99 %**	**3,694**	**3,648**
Total	**5,686**	**-**	**232**	**5,918**	**5,385**	**533**	**90.99 %**	**3,694**	**3,648**

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Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. ECONOMIC PLANNING (continued)									
5.3 Research & Development									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	248	-	(147)	101	-	101	- %	417	417
Social contributions	200	-	-	200	-	200	- %	89	88
	448	**-**	**(147)**	**301**	**-**	**301**	**- %**	**506**	**505**
Goods and services									
Administrative fees	8	-	(3)	5	5	-	100.00 %	4	5
Travel and subsistence	34	-	20	54	54	-	100.00 %	62	62
	42	**-**	**17**	**59**	**59**	**-**	**100.00 %**	**66**	**67**
Total current payments	**490**	**-**	**(130)**	**360**	**59**	**301**	**16.39 %**	**572**	**572**
Total	**490**	**-**	**(130)**	**360**	**59**	**301**	**16.39 %**	**572**	**572**

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Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
5. ECONOMIC PLANNING (continued)									
5.4 Knowledge Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4,862	-	(401)	4,461	4,460	1	99.98 %	3,914	3,914
Social contributions	458	-	395	853	853	-	100.00 %	767	766
	5,320	**-**	**(6)**	**5,314**	**5,313**	**1**	**99.98 %**	**4,681**	**4,680**
Goods and services									
Administrative fees	22	-	-	22	5	17	22.73 %	-	7
Computer services	544	-	(274)	270	246	24	91.11 %	40	168
Travel and subsistence	289	-	243	532	532	-	100.00 %	614	479
	855	**-**	**(31)**	**824**	**783**	**41**	**95.02 %**	**654**	**654**
Total current payments	**6,175**	**-**	**(37)**	**6,138**	**6,096**	**42**	**99.32 %**	**5,335**	**5,334**
Total	**6,175**	**-**	**(37)**	**6,138**	**6,096**	**42**	**99.32 %**	**5,335**	**5,334**

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Figures in Rand thousand	2025/2026							2024/2025	
	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 wages	2,715	-	(648)	2,067	2,067	-	100.00 %	2,889	2,889
Social contributions	754	-	(406)	348	348	-	100.00 %	374	374
	3,469	**-**	**(1,054)**	**2,415**	**2,415**	**-**	**100.00 %**	**3,263**	**3,263**
Goods and services									
Administrative fees	17	-	-	17	5	12	29.41 %	12	11
Travel and subsistence	234	-	-	234	189	45	80.77 %	210	238
Venues and facilities	-	-	-	-	-	-	- %	54	27
	251	**-**	**-**	**251**	**194**	**57**	**77.29 %**	**276**	**276**
Total current payments	**3,720**	**-**	**(1,054)**	**2,666**	**2,609**	**57**	**97.86 %**	**3,539**	**3,539**
Total	**3,720**	**-**	**(1,054)**	**2,666**	**2,609**	**57**	**97.86 %**	**3,539**	**3,539**

Appropriation Statement

Figures in Rand thousand	2025/2026							2024/2025	
	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 Analyis									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	3,547	-	(390)	3,157	3,157	-	100.00 %	3,449	3,449
Social contributions	1,042	-	(517)	525	525	-	100.00 %	592	592
	4,589	**-**	**(907)**	**3,682**	**3,682**	**-**	**100.00 %**	**4,041**	**4,041**
Goods and services									
Administrative fees	19	-	-	19	6	13	31.58 %	8	13
Computer services	292	-	-	292	283	9	96.92 %	270	270
Travel and subsistence	253	-	-	253	200	53	79.05 %	206	275
Venues and facilities	18	-	-	18	-	18	- %	164	90
	582	**-**	**-**	**582**	**489**	**93**	**84.02 %**	**648**	**648**
Total current payments	**5,171**	**-**	**(907)**	**4,264**	**4,171**	**93**	**97.82 %**	**4,689**	**4,689**
Total	**5,171**	**-**	**(907)**	**4,264**	**4,171**	**93**	**97.82 %**	**4,689**	**4,689**

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Figures in Rand thousand	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
6. TOURISM									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4,988	-	(830)	4,158	3,378	780	81.24 %	3,959	3,724
Social contributions	1,041	-	(453)	588	520	68	88.44 %	932	614
	6,029	**-**	**(1,283)**	**4,746**	**3,898**	**848**	**82.13 %**	**4,891**	**4,338**
Goods and services									
Administrative fees	50	-	-	50	39	11	78.00 %	76	61
Catering: Departmental activities	-	-	1	1	1	-	100.00 %	15	6
Agency and support / outsourced services	22,780	-	934	23,714	18,105	5,609	76.35 %	3,153	3,163
Travel and subsistence	660	-	41	701	702	(1)	100.14 %	832	824
Venues and facilities	95	-	-	95	15	80	15.79 %	-	22
	23,585	**-**	**976**	**24,561**	**18,862**	**5,699**	**76.80 %**	**4,076**	**4,076**
Total current payments	**29,614**	**-**	**(307)**	**29,307**	**22,760**	**6,547**	**77.66 %**	**8,967**	**8,414**
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	505,161	-	-	505,161	505,161	-	100.00 %	511,940	511,940
Total	**534,775**	**-**	**(307)**	**534,468**	**527,921**	**6,547**	**98.78 %**	**520,907**	**520,354**

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Figures in Rand thousand	2025/2026							2024/2025	
	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									
Salaries and wages	4,988	-	(830)	4,158	3,378	780	81.24 %	3,959	3,724
Social contributions	1,041	-	(453)	588	520	68	88.44 %	932	614
	6,029	**-**	**(1,283)**	**4,746**	**3,898**	**848**	**82.13 %**	**4,891**	**4,338**
Goods and services									
Administrative fees	50	-	-	50	39	11	78.00 %	76	61
Catering: Departmental activities	-	-	1	1	1	-	100.00 %	15	6
Agency and support / outsourced services	22,780	-	934	23,714	18,105	5,609	76.35 %	3,153	3,163
Travel and subsistence	660	-	41	701	702	(1)	100.14 %	832	824
Venues and facilities	95	-	-	95	15	80	15.79 %	-	22
	23,585	**-**	**976**	**24,561**	**18,862**	**5,699**	**76.80 %**	**4,076**	**4,076**
Total current payments	**29,614**	**-**	**(307)**	**29,307**	**22,760**	**6,547**	**77.66 %**	**8,967**	**8,414**
Transfers and subsidies									
Departmental agencies and accounts	505,161	-	-	505,161	505,161	-	100.00 %	511,940	511,940
Total	**534,775**	**-**	**(307)**	**534,468**	**527,921**	**6,547**	**98.78 %**	**520,907**	**520,354**

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 annual 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 annual 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 annual 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	139,327	135,818	3,509	2.5 %
INTEGRATED ECONOMIC DEVELOPMENT	448,597	442,959	5,638	1.3 %
TRADE AND SECTOR DEVELOPMENT	105,257	88,458	16,799	16.0 %
BUSINESS REGULATION AND GOVERNANCE	175,110	173,581	1,529	0.9 %
ECONOMIC PLANNING	21,182	20,155	1,027	4.8 %
TOURISM	534,468	527,921	6,547	1.2 %

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	181,195	179,494	1,701	1 %
Goods and services	124,283	111,490	12,793	10 %
Transfers and subsidies				
Provinces and municipalities	31	10	21	68 %
Departmental agencies and accounts	718,916	702,169	16,747	2 %
Public corporations and private enterprises	281,840	281,840	-	- %
Non-profit institutions	13,127	13,127	-	- %
Households	927	928	(1)	- %
Payments for capital assets				
Buildings and other fixed structures	96,033	92,327	3,706	4 %
Machinery and equipment	7,586	7,585	1	- %
Payments for financial assets	3	3	-	- %

Notes to the Appropriation Statement

Programme 1

Goods and Services

The areas of underspending relate to audit costs and some travel and accommodation items that were below projections at the start of the quarter.

Programme 2

Capital Assets

The expenditure is applicable to Mpumalanga International Fresh Produce Market (MIFPM). Payments are made to contractors based on payment certificates indicating work done.

Programme 3

Goods and Services

The area of underspending relates to conveyancing of the Petrochemical Industrial Park

Transfers and Subsidies

The expenditure is applicable to the Nkomazi SEZ entity. Detailed engineering designs not yet been finalised due to changes in the layout plan that delayed process

Programme 4

Goods and Services

The programme did not provide an automated case management system as budgeted leading to the underspend on goods and services.

Programme 6

Goods and Services

The area of underspending relates to late appointment of services provider to conduct feasibility studies, for Mariepskop Cable Car project as results of nonresponsive first tender, and savings in the appointment of the service provider for Hazyview Waves project.

Summary

Goods and Services

The area of underspending relates to audit costs, some travel and accommodation, the automated case management system, special allocations for feasibility studies and tourism awareness.

Transfers and Subsidies

Under expenditure relates to the budget appropriated to the Nkomazi SEZ entity.

Capital Assets

The expenditure is applicable to MIFPM

Notes to the Appropriation Statement

Summary

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Budget
Current payments	305,478	290,903	14,494	5 %
Transfers and subsidies	1,014,841	998,074	16,767	2 %
Payments for capital assets	103,619	99,912	3,707	4 %
Payments for financial assets	3	3	-	- %

4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure
Extended Public Works Programme	3,853	3,853

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Statement of Financial Performance

Figures in Rand thousand	Note(s)	2025/2026	2024/2025
Revenue			
Annual appropriation	1	1,423,941	1,460,518
Departmental revenue	2	1,929,961	1,450,847
Total revenue		**3,353,902**	**2,911,365**
Expenditure			
Current expenditure			
Compensation of employees	3	179,494	170,199
Goods and services	4	111,409	81,819
Total current expenditure		**290,903**	**252,018**
Transfers and subsidies			
Transfers and subsidies	6	998,074	938,302
Expenditure for capital assets			
Tangible assets	7	99,912	237,689
Payments for financial assets	5	3	13
Total expenditure		**1,388,892**	**1,428,022**
Surplus for the year		**1,965,010**	**1,483,343**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		35,049	32,496
		35,049	**32,496**
Departmental revenue and NRF Receipts	12	1,929,961	1,450,847
Surplus for the year		**1,965,010**	**1,483,343**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Statement of Financial Position as at March 31, 2026

Figures in Rand thousand	Note(s)	2025/2026	2024/2025
Assets			
Current Assets			
Cash and cash equivalents	8	36,224	195,300
Receivables	10	33	55
		36,257	**195,355**
Non-Current Assets			
Receivables	10	46	100
Total Assets		**36,303**	**195,455**
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund / (Voted funds receivable)	11	35,049	32,496
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	1,237	162,959
Payables	13	17	-
		36,303	**195,455**
Total Liabilities		**36,303**	**195,455**
		-	**-**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Statement of Changes in Net Assets

Figures in Rand thousand	Note	2025/2026	2024/2025

Cash Flow Statement

Figures in Rand thousand	Note(s)	2025/2026	2024/2025
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	1,423,941	1,460,518
Departmental revenue received	2	1,918,593	1,439,733
Interest received	2.3	11,368	11,023
		3,353,902	**2,911,274**
Net (increase)/ decrease in working capital		39	33
(Surrendered to) / Received from the Revenue Fund	11	(2,124,179)	(1,308,707)
Current payments		(290,903)	(252,018)
Payments for financial assets		(3)	(13)
Transfers and subsidies paid		(998,074)	(938,302)
Net cash flow available from operating activities	14	**(59,218)**	**412,267**
Cash flows from investing activities			
Payments for capital assets	7	(99,912)	(237,689)
Proceeds from sale of capital assets	2.4	-	91
(Increase)/ decrease in non-current receivables	10	54	19
Net cash flows from investing activities		**(99,858)**	**(237,579)**
Net increase/ (decrease) in cash and cash equivalents		(159,076)	174,688
Cash and cash equivalents at beginning of year		195,300	20,612
Cash and cash equivalents at the end of the year	15	**36,224**	**195,300**

Accounting Policies

Summary of significant accounting policies

The annual 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 annual 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 annual 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 annual financial statements and to comply with the statutory requirements of the Public Financial Management Act (PFMA) Act1 of 1999 (as ammended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency and rounding

Amounts have been presented in the currency of the South African Rand (R'000) which is also the functional currency of the department.Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

4. 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.

5. Comparative information

5.1 Prior period comparative information

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual 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 annual financial statements.

5.2 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.

6. Revenue

6.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation, which are direct charges against the Revenue Fund authorised in terms of enabling legislation).

Appropriated funds are recognised as revenue 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.

Accounting Policies

6. Revenue (continued)

6.2 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 annual 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.

6.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the annual 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.

7. Expenditure

7.1 Compensation of employees

7.1.1 Salaries and wages

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

7.1.2 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.

7.2 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 annual financial statements on the date of transfer and are measured at cost or fair value.

7.3 Accruals and payables not recognised

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

Accounting Policies

7. Expenditure (continued)

7.4 Leases

7.4.1 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 annual financial statements.

8. 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.

9. Prepayments and advances

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

10. 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.

11. Investments

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

12. Financial assets

12.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

13. Payables

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

Accounting Policies

14. Capital assets

14.1 Movable capital assets

Movable capital assets are initially recorded in the notes to the annual financial statements at cost. Movable capital assets acquired through a non-exchange transaction are 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 R 1.

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

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 annual 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 annual 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 annual financial statements.

16. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the annual financial statements comprise of:

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

Accounting Policies

17. 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 annual 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.

18. 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 annual financial statements when and at amounts confirmed and comprises of:

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

19. Changes in accounting estimates and errors

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

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.

20. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual 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 annual financial statements.

21. 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 National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

22. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the annual 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 annual financial statements.

Accounting Policies

23. Employee benefits

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.

24. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note	2025/2026	2024/2025

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:

	2025/2026		2024/2025	
Figures in Rand thousand	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
ADMINISTRATION	139,327	139,327	126,178	126,178
INTEGRATED ECONOMIC DEVELOPMENT	448,597	448,597	604,886	604,886
TRADE AND SECTOR DEVELOPMENT	105,257	105,257	39,119	39,119
BUSINESS REGULATION AND GOVERNANCE	175,110	175,110	149,868	149,868
ECONOMIC PLANNING	21,182	21,182	19,560	19,560
TOURISM	534,468	534,468	520,907	520,907
Total	**1,423,941**	**1,423,941**	**1,460,518**	**1,460,518**

1.2 Conditional grants

Total grants received	29	3,853	3,438
Provincial grants included in total grants received		3,853	3,438

2. Departmental revenue

Tax revenue		1,918,149	1,425,035
Sales of goods and services other than capital assets	2.1	119	110
Fines, penalties and forfeits	2.2	279	-
Interest, dividends and rent on land	2.3	11,368	11,023
Sales of capital assets	2.4	-	91
Transactions in financial assets and liabilities	2.5	46	14,588
Total revenue collected		**1,929,961**	**1,450,847**

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	32	32
Other sales	87	78
Sales of goods and services produced by the department	**119**	**110**

2.2 Fines, penalties and forfeits

Penalties	279	-

Penalties, fines and other penaltiesimposedon gambling ans liqour licences for breaaches of the law.

2.3 Interest, dividends and rent on land

Interest	11,368	11,023

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

2. Departmental revenue (continued)

2.4 Sales of capital assets

Tangible assets		
Machinery and equipment	-	91

2.5 Transactions in financial assets and liabilities

Receivables		3	3
Other receipts including recoverable revenue		43	14,585
Total	2	**46**	**14,588**

Included above under 'other receipts' is an amount of R42 631 from MER which is a surrender for unspent voted funds for the 2024/25 financial year. *(Figures are in exact Rands)*

3. Compensation of employees

3.1 Salaries and wages

Basic salary	122,210	115,817
Service based	310	182
Compensative/circumstantial	4,219	4,137
Other non-pensionable allowances	26,155	24,978
Total	**152,894**	**145,114**

Other non-pensionable allowances includes subsidized vehicles,sevice bonus and housing allowance.

3.2 Social contributions

Employer contributions		
Pension	16,061	15,142
Medical	10,019	9,302
Bargaining council	31	28
Insurance	489	613
Total	**26,600**	**25,085**
Total compensation of employees	**179,494**	**170,199**
Average number of employees	225	225

The number of officials includes 6 officials on contract in the Office of the MEC and 219 permanent employees.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025
4. Goods and services			
Administrative fees		1,013	896
Advertising		3,606	4,678
Minor assets	4.1	79	19
Catering		916	669
Communication		5,668	5,097
Computer services	4.2	975	517
Consultants: Business and advisory services		540	558
Legal services		1,547	283
Contractors		9	77
Agency and support / outsourced services		35,508	11,294
Audit cost - external	4.3	5,808	6,319
Fleet services		839	986
Consumables	4.4	3,814	2,754
Operating leases		16,641	19,984
Property payments	4.5	5,259	3,150
Travel and subsistence	4.6	22,290	21,289
Venues and facilities		3,170	1,461
Training and development		3,156	1,617
Other operating expenditure	4.7	571	171
Total		**111,409**	**81,819**
4.1 Minor assets			
Tangible assets			
Machinery and equipment		79	19
4.2 Computer services			
SITA computer services		255	79
External computer service providers		720	438
Total	4	**975**	**517**
4.3 Audit cost - external			
Regularity audits		5,808	6,319
4.4 Consumables			
Uniform and clothing		768	298
Household supplies		1,610	1,288
IT consumables		388	423
Consumable supplies		**2,766**	**2,009**
Stationery, printing and office supplies		1,048	745
Total	4	**3,814**	**2,754**
4.5 Property payments			
Municipal services		2,748	3,121
Other		2,511	29
Total	4	**5,259**	**3,150**

Other property payments are payments for maintenance.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025
4. Goods and services (continued)			
4.6 Travel and subsistence			
Local		22,014	21,284
Foreign		276	5
Total	4	**22,290**	**21,289**
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		44	18
Resettlement costs		204	90
Other		323	63
Total	4	**571**	**171**

Other operating expenditure includes payments for Insurance for motor vehicles and subscription fees.

5. Payments for financial assets			
Other material losses written off	5.1	3	13
5.1 Other material losses written off			
Nature of losses			
		3	13
5.2 Debts written off			
6. Transfers and subsidies			
Provinces and municipalities		10	10
Departmental agencies and accounts	Annexure 1B	702,169	649,752
Public corporations and private enterprises	Annexure 1D	281,840	283,365
Non-profit institutions	Annexure 1F	13,127	5,000
Households	Annexure 1G	928	175
Total		**998,074**	**938,302**
6.1 Gifts, donations and sponsorships made in kind (not included in the main note)			
Donations		2,428	2,278
			-
			-

Equipment and perishables were purchased as part of support to SMMEs in line with the approved APP

7. Expenditure for capital assets			
Tangible capital assets			
Buildings and other fixed structures	26	92,327	233,927
Machinery and equipment	25	7,585	3,762
		99,912	**237,689**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

7. Expenditure for capital assets (continued)

7.1 Analysis of funds utilised to acquire capital assets - 2025/2026

Figures in Rand thousand	Voted funds	Total
Tangible capital assets		
Buildings and other fixed structures	92,327	92,327
Machinery and equipment	7,585	7,585
	99,912	**99,912**

7.2 Analysis of funds utilised to acquire capital assets - 2024/2025

Figures in Rand thousand	Voted funds	Total
Tangible capital assets		
Buildings and other fixed structures	233,927	233,927
Machinery and equipment	3,762	3,762
	237,689	**237,689**

8. Cash and cash equivalents

Consolidated paymaster general account	37,741	195,300
Disbursements	(1,517)	-
Total	**36,224**	**195,300**

9. Prepayments and advances

9.1 Prepayments (Expensed)

Figures in Rand thousand	Balance as at April 1, 2025	Amount as at March 31, 2026
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.

Figures in Rand thousand	Balance as at April 1, 2024	Amount as at March 31, 2025
Listed by economic classification		
Capital assets	33,783	33,783

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

10. Receivables

		2025/2026			2024/2025		
Figures in Rand thousand	Note	Current	Non-current	Total	Current	Non-current	Total
Staff debt	10.2	24	46	70	16	100	116
Other receivables	10.3	9	-	9	39	-	39
Total		**33**	**46**	**79**	**55**	**100**	**155**

10.1 Claims recoverable

10.2 Staff debt

Staff Debt	70	116

10.3 Other receivables

Salary Income Tax	9	39

11. Voted funds to be surrendered to the Revenue Fund / (Voted funds receivable)

Opening balance	32,496	20,770
Transferred from statement of financial performance (as restated)	35,049	32,496
Received / (Paid) during the year	(32,496)	(20,770)
Closing balance	**35,049**	**32,496**

11.1 Reconciliation of unspent conditional grants

Total conditional grants received	1.2	3,853	3,438
Total conditional grants spent		(3,853)	(3,438)
Unspent conditional grants to be surrendered		**-**	**-**

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

Opening balance	162,959	49
Transferred from statement of financial performance (as restated)	1,929,961	1,450,847
Paid during the year	(2,091,683)	(1,287,937)
Closing balance	**1,237**	**162,959**

13. Payables - current

Clearing accounts	13.1	17	-

13.1 Clearing accounts

Sal : Persal EBT Control Acc	17	-

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

14. Net cash flow available from operating activities

Net surplus as per Statement of Financial Performance	1,965,010	1,483,343
Add back non cash/ cash movements not deemed operating activities		
(Increase)/ decrease in receivables	22	33
Increase/ (decrease) in payables – current	17	-
Proceeds from sale of investments	-	(91)
Expenditure on capital assets	99,912	237,689
Surrenders to / Received from the Revenue Fund	(2,124,179)	(1,308,707)
Net cash flow generated by operating activities	**(59,218)**	**412,267**

15. Reconciliation of cash and cash equivalents for cash flow purposes

Consolidated paymaster general account	37,741	195,300
Disbursements	(1,517)	-
Total	**36,224**	**195,300**

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	**Nature**		
Claims against the department	Annexure 3B	99,631	99,980
Intergovernmental contingent liabilites	Annexure 5	-	538
Total		**99,631**	**100,518**

Nature of contingent liabilities

Case number: MRCC- 270/2014

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 : 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 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.

Case number: 1514/2025

The department has received a notice of motion and founding affidavit which was served on the department on 27 March 2025 due to a dispute in which the Applicant alleges that the department failed to honour its promise to pay his company R5 million that had been approved as funding for his mining company. The department has instructed the office of the State Attorney to oppose the application.

(Figures are in exact Rands)

17. Capital commitments

Buildings and other fixed structures	11,004	92,726

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

18. Accruals and payables not recognised

18.1 Accruals

	2025/2026		2024/2025
Figures in Rand thousand	30 Days	Total	Total
Listed by economic classification			
Goods and services	1,744	1,744	1,794

18.2 Payables not recognised

	2025/2026			2024/2025
Figures in Rand thousand	30 Days	30+ Days	Total	Total
Listed by economic classification				
Goods and services	997	39	1,036	217
Intergovermental payables not recognised (included above)		**Annexure 5**	768	809

19. Employee benefits

Leave entitlement	11,102	9,829
Service bonus	4,922	4,775
Capped leave	6,021	5,781
Other	454	207
Total	**22,499**	**20,592**

At this stage the departments is not able to reliably measure the long services portion of the long services awards. Included in the leave intitlement above are negative leave credits amounting to R 37 585.00. (figures are exact Rands)

20. Lease commitments

20.1 Operating leases

2025/2026

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	9,349	2,917	12,266
Later than 1 year and not later than 5 years	26,730	245	26,975
Total lease commitments	**36,079**	**3,162**	**39,241**

2024/2025

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

20. Lease commitments (continued)

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7,386	3,000	10,386
Later than 1 year and not later than 5 years	25,082	3,576	28,658
Total lease commitments	**32,468**	**6,576**	**39,044**

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.

21. Accrued departmental revenue

Tax revenue	187,561	149,909

21.1 Analysis of accrued departmental revenue

Opening balance	149,909	86,447
Less: Amounts received	(149,909)	(86,447)
Add: Amounts recognised	187,561	149,909
Total	**187,561**	**149,909**

22. Unauthorised, Irregular and Fruitless and wasteful expenditure

Irregular expenditure	7,085	6,924

These are all ongoing appointments,which have already been subject to assessment and determination, and in respect of which prior year payments have already been added to the irregular expenditure register.

23. Related party transactions

Revenue received

Tax revenue	1,918,149	1,425,035
Transactions in financial assets and liabilities	-	13,973
Total	**1,918,149**	**1,439,008**

Payments made

Transfers	994,136	935,117

Year end balances arising from revenue/payments

Receivables from related parties	221,508	183,856

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

1. Tax Revenue

The Tax Revenue of R1 918 149 054 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 up to the end of the financial year and paid over to the Provincial Revenue Fund.

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 R148 304 000 has been transferred to the entity as at the end of the 2025/26 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 280 600 000 has been transferred to the entity as at the end of the 2025/26 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 505 161 000 was transferred to MTPA as at the end of the 2025/26 financial year to enable the entity to fulfill its Legislative mandate on behalf of the Department.

Nkomazi SEZ SOC - SEZ

The Nkomazi SEZ entity is a state owned company, incorporated on 5 September 2019. The Nkomazi SEZ is 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. An amount of R45 703 865 was transferred as at the end of the 2025/26 financial year for the implementation of the interim phase for the Nkomazi SEZ.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

23. Related party transactions (continued)

Private enterprises

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 R1 240 000 was transferred to Furntech as at the end of the 2025/26 financial year.

Non-Profit Institutions

Mpumalanga Green Cluster Agency

The Department has a Memorandum of Understanding with the Mpumalanga Green Economy Cluster Agency. Incorporated 19 July 2021, the Mpumalanga Green Economy Cluster Agency promotes and coordinates the rollout of the Green Economy Development Plan. The Mpumalanga Green Economy Cluster Agency contributes significantly to initiatives in the “Just Transition Programme” enabling moving to a cleaner energy producing environment within Mpumalanga. The Mpumalanga Green Economy Cluster Agency also ensures 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. An amount of R10 921 000 was transferred to the Mpumalanga Green Economy Cluster Agency as at the end of the 2025/26 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 2 206 000 was transferred to the MSI as at the end of the 2025/26 financial year.

4. Year end balances

The receivable amount from related parties is made up of the following;

The receivable amount of R187 560 897 is for revenue from Mpumalanga Economic Regulator collected up to 31 March 2026 which gets transferred to the Department in April 2026 after the end of the financial year.

The receivable amount of R164 000 relates to acting allowances paid by the department to an official seconded to act in a position at MTPA. At reporting date the amount has not been paid back to the department by the entity (MTPA).

The receivable amount of R 33 783 000 relates to prepayment made to MEGA in previous financial years for the Mpumalanga International Fresh Produce Market (MIFPM) with the combined balance of R221 507 897.

5. 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.(Figures are in exact Rands)

6. Other services received

During the financial year 2025/2026 the Department of Economic Development and Tourism occupied Nokuthula Simelane Building, First Floor in the Riverside Government Complex, the Department is only liable for Municipal Services. The Department of Economic Development and Tourism occupied Building no 2, Government Complex KwaMhlanga. These are facilities provided by the Department of Public Works, Roads and Transport free of charge.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

24. Key management personnel

Political office bearers (provide detail below)	2,429	2,354
Level 15 to 16	1,995	1,358
Level 14 (incl. CFO if at a lower level)	9,959	9,529
Other	7,596	7,359
Total	**21,979**	**20,600**

The Chief Director: Corporate Services post was filled in an acting capacity from 1 April 2025 to 31 January 2026

The Director Communication was appointed to act to the post of Chief Director: Corporate Services since the post was vacant for the period, 01 April 2025 to 31 January 2026

The function of Chief Director: Trade and Sector Development was performed in an acting capacity for the period of 04 November 2025 to 31 March 2026.

The Director: Trade and Sector Development was appointed to act in the post of Chief Director as the post was, and remains, vacant.

The function of Director: Communication was performed in an acting capacity for the period of 01 April 2025 to 28 February 2026. There is no cost to the acting appointment unti 31January 2026 when the post became vacant.

The function of Chief Director: Integrated Development Services was performed in an acting capacity for the period of 01 September 2025 to 31 March 2026. There is no cost to the acting appointment as the post is filled.

The Director Enterprise Development was appointed to act as the incumbant was seconded to MTPA for the period 24 August 2025 to 31 March 2026

Notes to the Annual Financial Statements

Figures in Rand thousand

25. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended March 31, 2026

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	3,079	3,050	-	6,129
Computer equipment	10,501	2,737	52	13,186
Furniture and office equipment	12,937	1,263	-	14,200
Other machinery and equipment	1,663	535	-	2,198
	28,180	**7,585**	**52**	**35,713**

25.1 Movement for 2024/2025

Movement in movable tangible capital assets per asset register for the year ended March 31, 2025

Figures in Rand thousand	Opening balance	Prior period error	Additions	Disposals	Closing balance
Machinery and equipment					
Transport assets	3,170	-	-	91	3,079
Computer equipment	9,621	(2)	2,582	1,700	10,501
Furniture and office equipment	12,852	(9)	993	899	12,937
Other machinery and equipment	1,559	11	186	93	1,663
	27,202	**-**	**3,761**	**2,783**	**28,180**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

25.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at March 31, 2026

Figures in Rand thousand	Machinery and equipment	Total
Opening balance	2,789	2,789
Additions	79	79
Total minor capital assets	**2,868**	**2,868**

Figures in Rand thousand	Machinery and equipment	Total
Number of R1 minor assets	16	16
Number of minor assets at cost	1,330	1,330
Total number of minor assets	**1,346**	**1,346**

Movement in minor capital assets per the asset register for the year ended as at March 31, 2025

Figures in Rand thousand	Other machinery and equipment	Total
Opening balance	3,135	3,135
Additions	19	19
Disposals	(365)	(365)
Total minor capital assets	**2,789**	**2,789**

Figures in Rand thousand	Other machinery and equipment	Total
Number of R1 minor assets	16	16
Number of minor assets at cost	1,306	1,306
Total number of minor assets	**1,322**	**1,322**

25.3 Movable tangible capital assets written off

Movable capital assets written off for the year ended as at March 31, 2026

Figures in Rand thousand	Machinery and equipment	Total
Assets written off	52	52

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

26. Immovable tangible capital assets

26.1 Movement for 2024/2025

26.2 Immovable tangible capital assets: Capital work-in-progress

Capital work-in-progress as at March 31, 2026

Figures in Rand thousand	Note	Opening balance	Current year WIP	Closing balance
Buildings and other fixed structures		2,723,347	94,576	2,817,923

Capital work-in-progress as at March 31, 2025

Figures in Rand thousand	Note	Opening balance	Prior period error	Current year WIP	Closing balance
Buildings and other fixed structures		2,496,944	(4,132)	230,535	2,723,347

27. Changes in accounting estimates and Changes in accounting policies

27.1 Changes in accounting policies

Nature of change in accounting policy

Figures in Rand thousand		2024/2025			
		Opening balance before the changes April 1, 2025	Adjustment to opening balance	Restated opening balance after the change April 1, 2025	Adjustment for 2024/2025
Finance lease assets					
Movable tangible capital assets- not later than 1 year	25	-	1,274	1,274	(1,274)
Movable tangible capital assets- later than 1 year not later than 5 years		-	444	444	(444)

Cellphone contracts were disclosed as finance leases in the prior year. Upon reassessment of the contractual arrangements, management determined that the contracts do not meet the criteria for finance lease disclosure under the modified cash basis and that the related expenditure should be disclosed as current expenditure under communication costs.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2025/2026	2024/2025

28. Prior period errors

28.1 Correction of prior period errors

2024/2025

Figures in Rand thousand	Note	Amount bef error correction	Prior period error
Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)			
Not later than 1 year		1,274	(1,274)
Later than 1 year and not later than 5 years		444	(444)
Net effect		**1,718**	**(1,718)**

Prior year error: Cell phone contracts were disclosed as finance leases in the prior year. Upon reassessment of the contractual arrangements, management determined that the contracts do not meet the criteria for finance lease disclosure under the modified cash basis and that the related expenditure should be disclosed as current expenditure under communication costs.

Figures in Rand thousand	Note	Amount bef error correction	Prior period error	Restated amount
Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Immovable tangible capital assets- Work in progress 31 March 2025		2,727,479	(4,132)	2,723,347

Accumulated cost of penalty and default interest amounts included in payments made to the main contractor on the MIFPM. The amounts raised in arbitration awards were paid in 2020/21 R130 853, 2022/23 R1 027 967 and in 2023/24 R2 973 403. The arbitration awards are still subject to dispute processes (Figures are in exact Rands).

Notes to the Annual Financial Statements

Figures in Rand thousand

29. Statement of conditional grants received

Figures in Rand thousand	Grant allocation		Spent		2024/2025	
Name of grant	Division of Revenue Act/ Provincial Grants	Total Available	Amount received by department	Amount spent by department	Division of Revenue Act	Amount spent by department
Expanded Public Works Programme (EPWP)	3,853	3,853	3,853	3,853	3,438	3,438

Department of Economic Development and Tourism
(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Annexures to the Annual Financial Statements - Unaudited

Annexure 1A

Statement of conditional grants and other transfers to municipalities

Figures in Rand thousand	Grant allocation		Transfer	2024/2025	
Name of municipality	DoRA and other transfers	Total available	Actual transfer	DoRA and other transfers	Actual transfer
Department of Community safety and Liaison	31	31	10	30	10

Annexures to the Annual Financial Statements - Unaudited

Annexure 1B

Statement of transfers to Departmental Agencies and Accounts

Figures in Rand thousand	Transfer allocation		Transfer		2024/2025	
Departmental Agency/ Account	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Mpumanga Economic Regulator	148,304	148,304	148,304	100 %	127,785	127,785
Mpumalanga Tourism & Parks Agency	505,161	505,161	505,161	100 %	511,940	511,940
Mpumalanga Nkomazi SEZ SOC Ltd	62,451	62,451	45,704	73 %	7,135	7,027
National Youth Development Agency	3,000	3,000	3,000	100 %	3,000	3,000
Total	**718,916**	**718,916**	**702,169**		**649,860**	**649,752**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Annexures to the Annual Financial Statements - Unaudited

Annexure 1D

Statement of transfers/ subsidies to public corporations and private enterprises

Figures in Rand thousand	Transfer allocation		Expenditure		2024/2025	
Name of public corporations/ private enterprise	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Public corporations						
Transfers						
Mpumalanga Economic Growth Agency	280,600	280,600	280,600	100.0 %	280,508	280,508
Private enterprises						
Transfers						
Furntech	1,240	1,240	1,240	100.0 %	746	746
Mpumalanga Stainsteel Initiative	-	-	-	- %	2,111	2,111
	1,240	**1,240**	**1,240**		**2,857**	**2,857**
Total	**281,840**	**281,840**	**281,840**		**283,365**	**283,365**

Annexures to the Annual Financial Statements - Unaudited

Annexure 1F

Statement of transfers to non-profit institutions

Figures in Rand thousand	Transfer allocation		Expenditure		2024/2025	
Non-profit institutions	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Transfers						
Mpumalanga Green Cluster Agency	10,921	10,921	10,921	100 %	5,000	5,000
Mpumalanga Stainless Initiative	2,206	2,206	2,206	100 %	-	-
	13,127	**13,127**	**13,127**		**5,000**	**5,000**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Annexures to the Annual Financial Statements - Unaudited

Annexure 1G

Statement of transfers to households

Figures in Rand thousand	Transfer allocation		Expenditure		2024/2025	
Households	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Transfers						
Leave Gratuity	927	927	928	100 %	579	175

Annexures to the Annual Financial Statements - Unaudited

Annexure 1J

Statement of gifts, donations and sponsorships made

Figures in Rand thousand	2025/2026	2024/2025
Nature of gifts, donations and sponsorships made		
Made in kind		
Donations		
Equipment and perishables	2,428	2,278

Annexures to the Annual Financial Statements - Unaudited

Annexure 3B

Statement of contingent liabilities as at March 31, 2026

Figures in Rand thousand Nature of liabilities	Opening balance April 1, 2025	Liabilities paid/ cancelled/ reduced during the year	Closing balance March 31, 2026
Claims against the department			
MRCC271/2014	380	-	380
JR768/2017	349	349	-
5257/2022	94,251	-	94,251
1514/2025	5,000	-	5,000
Subtotal	**99,980**	**349**	**99,631**

Department of Economic Development and Tourism

(Vote number 6)
Annual Financial Statements for the year ended March 31, 2026

Annexures to the Annual Financial Statements - Unaudited

Annexure 5

Inter-government contingent liabilities, accruals, payables not recognised and employee benefits

Government entity	Confirmed balance outstanding	Unconfirmed balance outstanding		Total	
Figures in Rand thousand	2025/2026	2025/2026	2024/2025	2025/2026	2024/2025
Departments					
Payables not recognised					
Department of Public Works , Roads and Transport	142	-	-	142	103
Department of Justice and Constitutional Development	-	626	-	626	-
Department of Co-operative Governance, Human Settlements and Traditional Affairs	-	-	538	-	538
Subtotal	**142**	**626**	**538**	**768**	**641**
Total Departments					
Payables not recognised	142	626	538	768	641
Other government entity					
Contingent liabilitiest					
Payables not recognised					
SITA	-	-	-	-	168
Total Other government entity					
Payables not recognised	-	-	-	-	168
Total inter-government contingent liabilities, accruals, payables not recognised and employee benefits	**142**	**626**	**538**	**768**	**809**

Annexures to the Annual Financial Statements - Unaudited

Annexure 7

Movement in capital-work-in progress for the year ended March 31, 2026

Figures in Rand thousand	Opening balance	Current year Capital WIP	Closing balance
Buildings and other fixed structures			
Other fixed structures	2,723,347	94,576	2,817,923

Annexures to the Annual Financial Statements

Annexure 7 (continued)

Movement in capital work-in-progress (continued)

Movement in capital work-in-progress for the year ended March 31, 2025

Figures in Rand thousand	Opening balance	Prior period errors	Current year Capital WIP	Closing balance
Buildings and other fixed structures				
Other fixed structures	2,496,944	(4,132)	230,535	2,723,347

Annexures to the Annual Financial Statements - Unaudited

Annexure 8A

Inter-entity advances paid (note 9)

Entity	Confirmed balance outstanding		Total	
Figures in Rand thousand	2025/2026	2024/2025	2025/2026	2024/2025
Public entities				
Mpumalanga Economic Growth Agency	33,783	33,783	33,783	33,783





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