



ANNUAL PERFORMANCE PLAN

2022/23



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



CONTENTS

Abbreviations and Acronyms	3
Executive Authority Statement.....	5
Message from the Deputy Minister	12
Accounting Officer Statement.....	14
Official Sign-off.....	19

PART A: Our Mandate

1. Updates to the Relevant Legislative and Policy Mandates	21
1.1 Legislative Mandate.....	21
1.2 Policy Mandate.....	21
2. Updates to Institutional Policies and Strategies	22
2.1 The Draft Upstream Petroleum Resources Development Bill, 2019	22
2.2 National Petroleum Company Bill	22
2.3 Mine Health and Safety (MHSA) Bill	22
2.4 The Gas Amendment Bill 2020	22
2.5 The National Nuclear Regulator (NNR) Amendment Bill 2020.....	23
2.6 The Radioactive Waste Management Fund (RWMF) Bill 2020.....	23
3. Updates to Relevant Court Rulings	23

PART B: Our Strategic Focus

4. Updated Situational Analysis.....	25
4.1 External Environment Analysis.....	25
4.1.1 Mine Health and Safety.....	26
4.1.2 Exploration Strategy for the Mining Industry of South Africa.....	26
4.1.3 Electricity Demand.....	26
4.1.4 MTSF Priorities for South Africa's Electricity Policy.....	27

4.1.5 Renewable Energy Independent Power Producers.....	27
4.1.6 Energy Efficiency	28
4.1.7 Summary of Policy Interventions	28
4.1.8 Nuclear Energy	28
4.1.9 South Africa Mining Industry	29
4.1.10 Contribution of Mining Industry to the Economy	30
4.1.11 Other Key SA Mine Findings Included:.....	30
4.1.12 Mining's Role in Transitioning to Cleaner Economy.....	31
4.1.13 Transforming Workforce for Smart Mining.....	31
DMRE Start-Up Structure.....	32
4.2 Internal Environmental Analysis.....	33
4.2.1 Organisational Environment	33
4.2.2 Women, Youth and People with Disabilities	34

PART C: Measuring Our Performance

5. Institutional Programme Performance Information.....	36
5.1 Programme 1: Administration	36
5.1.1 Programme 1: Outcomes, Outputs, Performance Indicators and Targets.....	37
5.1.2 Programme 1: Output Indicators: Annual and Quarterly Targets.....	39
5.1.3 Explanation of Planned Performance over the Medium-Term Period	40
5.1.4 Programme Resource Consideration.....	41
5.2 Programme 2: Minerals and Petroleum Regulation (MPR).....	45
5.2.1 Programme 2: Outcomes, Outputs, Performance Indicators and Targets.....	46
5.2.2 Programme 2: Output Indicators: Annual and Quarterly Targets.....	47
5.2.3 Programme 2: Explanation of Planned Performance over the Medium-Term Period	48

5.2.4	Programme 2: Programme Resource Considerations	49
5.3	Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)	52
5.3.1	Programme 3: Outcomes, Outputs, Performance Indicators and Targets.....	54
5.3.2	Programme 3: Output Indicators: Annual and Quarterly Targets	59
5.3.3	Programme 3: Explanation of Planned Performance over the Medium-Term Period	63
5.3.4	Programme 3: Programme Resource Considerations	65
5.4	Programme 4: Mine Health and Safety Inspectorate (MHSI)	68
5.4.1	Programme 4: Outcomes, Outputs, Performance Indicators and Targets.....	69
5.4.2	Programme 4: Output Indicators: Annual and Quarterly Targets	70
5.4.3	Programme 4: Explanation of Planned Performance over the Medium-Term Period	71
5.4.4	Programme Resource Considerations	71
5.5	Programme 5: Mineral and Energy Resources Programmes and Projects.....	74
5.5.1	Programme 5: Outcomes, Outputs, Performance Indicators and Targets.....	75
5.5.2	Programme 5: Output Indicators: Annual and Quarterly Targets	81
5.5.3	Programme 5: Explanation of Planned Performance over the Medium-Term Period	85
5.5.4	Programme 5: Programme Resource Considerations	86
5.5.5	Rehabilitating Mines and the Environment	90
5.5.6	Extending Access to Electricity.....	90
5.5.7	Electrification Master Plan (Allocations in 2019/20 and 2020/21).....	91
5.5.8	Non-grid Oversight, Monitoring and Verification	91
5.5.9	Enhancing Energy Efficiency	91
5.6	Programme 6: Nuclear Energy Regulation and Management.....	92
5.6.1	Programme 6: Outcomes, Outputs, Performance Indicators and Targets.....	93

5.6.2	Programme 6: Output Indicators: Annual and Quarterly Targets	95
5.6.3	Programme 6: Explanation of Planned Performance over the Medium-Term Period	97
5.6.4	Programme Resource Considerations.....	98
5.6.5	Managing Nuclear Energy	101
5.6.6	Increased Nuclear Energy Public Awareness	102
5.6.7	The IAEA Technical Cooperation Programme (TCP)	102
5.6.8	The African Regional Cooperative Agreement for Research, Development and Training related to Nuclear Science and Technology (AFRA).....	102
6.	Updated Key Risks.....	103
7.	Public Entities	105
8.	Infrastructure Projects'	115
9.	Public-Private Partnerships (PPPs)	115

PART D: Technical Indicator Descriptions (TIDs)

Programme 1: Administration.....	117
Programme 2: Minerals and Petroleum Regulation.....	120
Programme 3: Mining, Minerals and Energy Policy Development	123
Programme 4: Mine Health and Safety Inspectorate (MHSI)	133
Programme 5: Mineral and Energy Resources Programmes and Projects.....	137
Programme 6: Nuclear Energy Regulation Management.....	144

Annexures to the Annual Performance Plan

Annexure A: Amendments to the Strategic Plan.....	149
Annexure B: Conditional Grants	149
Annexure C: Consolidated Indicators	150
Annexure D: District Development Model	150

ABBREVIATIONS AND ACRONYMS

4IR	Fourth Industrial Revolution
AEMFC	African Exploration Mining and Finance Corporation
AMD	Acid Mine Drainage
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
Bcf	Billion cubic feet
BW	Bid Window
CDC	Coega Development Corporation
CEF	Central Energy Fund
CGS	Council for Geoscience
CISF	Centralised Interim Storage Facility
DFFE	Department of Forestry, Fisheries and the Environment
DMRE	Department of Mineral Resources and Energy
DPE	Department of Public Enterprises
DWS	Department of Water and Sanitation
EE	Energy Efficiency
EEDSM	Energy Efficiency Demand Side Management
EIA	Environmental Impact Assessment
EPP	Electricity Pricing Policy
EPWP	Expanded Public Works Programme
ERA	Electricity Regulation Amendment

ERRP	Economic Reconstruction and Recovery Plan
EV	Electric Vehicle
GBCSA	Green Building Council of South Africa
GHG	Greenhouse Gas
HDSA	Historically Disadvantaged South Africans
IAEA	International Atomic Energy Agency
ICT	Information and Communications Technology
IDP	Integrated Development Plan
IEP	Integrated Energy Plan
iGAS	South African Gas Development Company SOC Ltd
INEP	Integrated National Electrification Programme
IPD	Investment Property Databank
IPP	Independent Power Producer
IRP	Integrated Resource Plan
KNPS	Koeberg Nuclear Power Station
LNG	Liquefied Natural Gas
LPG	Liquid Petroleum Gas
MHSA	Mine Health and Safety Act
MHSI	Mine Health and Safety Inspectorate
MPR	Multipurpose Reactor
MPRDA	Mineral and Petroleum Resources Development Act

ABBREVIATIONS AND ACRONYMS

MPSA	Minister of Public Service and Administration
MQA	Mining Qualifications Authority
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MW	Megawatt
NASP	National Annual Strategic Plan
NBLC	Neutron Beam Lines Centre
NDP	National Development Plan
Necsa	South African Nuclear Energy Corporation
NEDLAC	National Economic Development and Labour Council
NEHAWU	National Education, Health and Allied Workers' Union
NEMA	National Environmental Management Act
NERSA	National Energy Regulator of South Africa
NDC	Nationally Determined Contributions
NGO	Non-Governmental Organization
NLO	National Liaison Office
NMOG	National Macro Organization of Government
NNBP	Nuclear New Build Programme
NNR	National Nuclear Regulator
NPA	Negotiated Pricing Agreement
NRWDI	National Radioactive Waste Disposal Institute
NT	National Treasury

OHS	Occupational Health and Safety
PASA	Petroleum Agency of South Africa
PGM	Platinum Group Metals
PSP	Professional Service Provider
RFI	Request for Information
RFP	Request for Proposal
ROMPCO	Republic of Mozambique Pipeline Investment Company (Pty) Ltd
RWMF	Radioactive Waste Management Fund
SADPMR	South African Diamond and Precious Metals Regulator
SANEDI	South African National Energy Development Institute
SDT	State Diamond Trader
SFF	Strategic Fuel Fund
SHS	Solar Home System
SMME	Small, Medium and Micro Enterprises
SOE	State Owned Enterprise
SSEG	Small-Scale Embedded Generations
Tcf	Trillion cubic feet
TID	Technical Indicator Description
TWh	Terawatt hours
UPRD	Upstream Petroleum Resources Development Bill
WEGE	Women Empowerment and Gender Equality
WSP	Workplace Skills Plan

EXECUTIVE AUTHORITY STATEMENT

The National Development Plan (NDP) Vision 2030 is government's blueprint to unite all South Africans to address the triple challenges of unemployment, inequality and poverty. While this is a long-term project, several medium-term initiatives are needed to reach longer-term goals. The most pressing problem facing South Africa today is the absence of faster and sustained inclusive growth. This imperative has been further affected by the negative social and economic impact of the COVID-19 pandemic. The NDP proposes the development of a National Spatial Development Framework (NSDF) that supports integrated spatial planning and development across all scales (precinct level and up). It also puts forward a set of normative principles to create settlements throughout the country that are economically viable, equitable, liveable and sustainable.

The MTSF 2019-2024 lays out a package of interventions and targets needed to support the achievement of the overarching goals of the NDP of reducing unemployment, poverty and inequality. The outbreak of the conflict in Ukraine has had a tremendous impact on the prices of commodities, including crude oil. This has further compounded the already negative impact of the COVID-19 pandemic. Over a prolonged period, the Organization of the Petroleum Exporting Countries (OPEC) did not increase supply despite increases in demand as the world economy continued to recover from the COVID-19 pandemic. This has further exacerbated the dire global oil market and in our case we are feeling the impact at the fuel pumps. We have taken a decision to initiate a review of all the elements that form part of the fuel price, which will be conducted in conjunction with National Treasury (NT). The COVID-19 pandemic's fluctuating impact on the South African economy has come with mixed fortunes for the minerals and energy sectors. In 2021 mining production in South Africa improved during March, April and May. During these three months, total production grew by 16.8%, 154.9% and 34.6% year-on-year respectively. Furthermore, total mineral sales went up 30.4%, 198.1% and 83% in the same period under review.

Very importantly, high commodity prices have benefitted the South African economy greatly with metals and minerals contributing more than 50% of the R54.6 billion in May 2021 and

57.7 billion in June 2021 to total the country's export. South Africa therefore saw mining companies in the country paying significant taxes, thereby boosting the national revenue collection and enhancing the capacity to mitigate the impact of the Coronavirus related economic disruptions.

On the other hand, South Africa continued to experience interruptions in electricity supply due to a number of factors, some related to old infrastructure that needs to be re-capitalised. The just energy transition discourse continues to occupy both the global and national stages, with the convening of COP26 where we presented the Nationally Determined Contributions, committing ourselves towards reduction of carbon emissions.

Our approach is that of moving from high to low carbon content as integral to a just transition. In this we have put a high premium on sustainable development across the spectrum of profitability, job security and community development around the mining and energy industry complex. We are guided by the Integrated Resource Plan 2019 (IRP 2019) which incorporates all sources of energy as we move towards the global targets of net zero emissions by 2050. In this regard, technological innovations will continue to play an important role. We will not jump into the deep sea of technological uncertainty but will be guided by technological



Mr Samson Gwede Mantashe, MP
Minister of Mineral Resources and Energy

evidence. Our commitment to the Paris Agreement is unwavering, hence we submitted the Nationally Determined Contributions (NDC) at COP26.

Energy Security and Implementation of the IRP 2019

In line with the IRP 2019, we are committed to deal with electricity supply shortages. We undertook to rapidly and significantly increase generation capacity outside of Eskom in order to deal with the supply and demand deficit.

A total of 13 813 MW has been determined by the Department of Mineral Resources and Energy (DMRE) in line with IRP 2019. This represents 44% of the total IRP 2019 target of 31 488 MW for new additional capacity that has to be added by 2030. To date, the department, has facilitated the procurement of 4 578 MW of the determined energy, which include the Risk Mitigation IPP Procurement Programme and 5th Bid Window (BW) of the Renewable Energy Independent Power Producer Procurement Programme. Investment from these two programmes is estimated to be about R110 billion. A further 9 213 MW is planned to be procured during 2022 and early 2023, and will include new BWs in Renewable Energy, Storage, Gas and Coal.

Good progress has been made with regard to the procurement of additional power from existing renewable energy IPPs. The 34 projects that have expressed interest to supply approximately 162 MW of additional energy over the next three years, are in the process of obtaining all necessary licensing and technical approvals which will enable the conclusion of Power Purchase Agreements with the buyer which is Eskom.

Preparations for the release of the Request for Proposals (RFP) under Renewable Independent Power Producer Programme BW 6 are at an advanced stage with release to the market set for end of March 2022. The DMRE is in the process of developing a RFP for Gas and Storage programme. The Gas programme is intended to procure about 3000 MW whilst the Storage programme will be procuring 513 MW.

Energy Efficiency

The Energy Policy White Paper recognises the significant role that energy efficiency plays in all sectors of the economy. The department will be accelerating the initiative to develop the energy efficiency market by working with relevant associated institutions across all sectors

including our own entity the South African National Energy Development Institute (SANEDI). More than 200 municipalities have participated in the Energy Efficiency and Demand Side Management grant programme. In the current financial year there are 45 municipalities participating in the programme funded through the fiscus and complemented by donor funding. Energy savings amounting to 0.4879 Terawatt hours (TWh) has been realised mainly from 12 L Energy Efficiency Incentive. The introduction of the Energy Performance Certification for buildings has been well received by the industry with more than 30 buildings nationally already displaying the certificates. In the 2022/23 financial year the department will continue to monitor energy savings through Energy Efficiency Demand Side Management (EEDSM) grant programme with the target of 0.696 TWh savings in 52 participating municipalities.

Electrification Programme

DMRE aims to achieve universal access for all communities through the rollout of grid and non-grid electrification technologies. To date 8.1 million additional indigenous households have been electrified through connection to the grid and a further 195 thousand through non-grid technologies. For the 2022/23 financial year, the department has planned to connect 200 000 additional households through grid connection and a further 15 000 households through non-grid technologies. The department will also be commencing with the development of the provincial Electrification Master Plan for all the nine provinces which will help ensure optimisation of available technology solutions as well as improved value for money. 176 tariff applications from municipalities and private distributors has been processed by NERSA for implementation from 1 July 2021 to 30 June 2022. Furthermore, NERSA approved a Negotiated Pricing Agreement (NPA) between Eskom Holdings SOC Limited and Hillside Aluminium Smelter (Pty) Ltd in Richards Bay, uMhlathuze Local Municipality, KwaZulu-Natal in line with the interim framework for long-term NPAs, effective 1 August 2021 for a period of ten years.

In order to explore embedded generation options to augment Eskom capacity to additional 1 000 MW, Section 34 Determination completed. Currently 392 small-scale embedded generations (SSEGs) were registered with NERSA with generation capacity of 187 MW. Second draft greenhouse gas (GHG) emission reduction assessment and reporting framework has been developed and is in place. On just transition to a low carbon economy (mitigation), a research and analytical report on indicators underpinning the development of just transition is in place.

The following pieces of legislation were presented in Cabinet in February 2022 for consideration:

- Cabinet noted the proposed amendment to the Electricity Regulation Act (Act No. 4 of 2006) and approved that the Electricity Amendment Bill be published for public consultation; and
- Furthermore, Cabinet approved that the South African Electricity Pricing Policy (EPP) should also be published for public consultation.

Rehabilitation of Derelict and Ownerless Mines

Over the past few years, the department has been involved with the rehabilitation of derelict and ownerless mines. This entails the rehabilitation of asbestos mines and sealing of dangerous shafts respectively. To date, 29 asbestos mines have been rehabilitated and 320 dangerous shafts have been sealed off. A further three asbestos mines will be rehabilitated and 40 mine shafts will be sealed off in this financial year. As we put more focus on rehabilitation going forward, we have partnered with the Department of Public Works to ensure that the rehabilitation of sites provide work opportunities through the Expanded Public Works Programme (EPWP).

Developments within the Oil and Gas Sector

The Upstream Petroleum Resources Development Bill (UPRD), was successfully tabled in Parliament in July 2021 and the Bill is currently undergoing Parliamentary processes. The first phase of planned Brulpadda/Luiperd development in Block 11B/12B will consist of the drilling of at least three gas producing wells, and the construction of subsea pipelines that will connect the wells to the existing state owned PetroSA operated F-A Gas Production Facility. Field Development Plan Concept for the Block 11B/12B Brulpadda and Luiperd discoveries envisage to make a capital investment of at least 2 billion US dollars in the first phase of development which is expected to deliver the first gas by the end of 2025.

The Renergen/Tetra 4 Virginia gas development in the Free State, has a discovered gas reserve estimated at 215 Bcf of natural gas and 3.4 Bcf of helium. This project is already in production at a pilot scale, supplying compressed natural gas to the Mega bus company. The Virginia project has demonstrated the fuel cost savings that the use of gas as a transport fuel has over diesel. Field development is currently underway with a 52 km gas pipeline already completed and gas from 16 wells is expected in Q1 of 2022.

The Anglo Coal Bed Methane project in Lephalale, Limpopo has estimated gas resources of 3.5 Tcf. This project is at an advanced stage and is expected to deliver gas by 2025 to be utilised to displace diesel as a transport fuel in the Anglo Coal heavy duty transport fleet. This again contributes to a just energy transition.

The Afro Energy Amersfoort project has an estimated natural gas resource of 3.2 Tcf. It is another development that is expected to start flowing gas in 2022 at a pilot scale and move to full scale by 2024/25. The immediate benefit from this project would be to supply the gas to Eskom power stations thereby reducing Eskom's carbon footprint.

Master Plans

In order to create a conducive environment that enables national priority sectors to support industrialisation and localisation, leading to increased exports, employment, and youth- and women-owned Small, Medium and Micro Enterprises (SMME) participation, an inception report on the development of the master plan has been developed and approved. A Gas Master plan base case report has been gazetted for public comments. Work is at an advanced stage with the development of the Gas Master plan with the Base Case report currently published for public comments. The next step after the public consultation process will be to engage National Economic Development and Labour Council (NEDLAC).

The Beneficiation master plan is undergoing a consultation process. The department has approved stakeholder consultations for the draft mining master plan and external stakeholder consultations were conducted in October and that a final document will be submitted to Cabinet in this financial year.

Import Substitution through Industrialisation

In line with our commitment in the Economic Reconstruction and Recovery Plan (ERRP) to support the domestic beneficiation of minerals, we are currently engaged in consultations with our social partners to finalise the mineral beneficiation master plan. Once the consultations are concluded, we will submit the document through the cluster process for approval by Cabinet before the end of the 2021/22 financial year. Beneficiation remains a massive potential to spearhead re-industrialisation of the economy and therefore create jobs. I therefore invite the private sector to look into how our mineral resources can be beneficiated.

During 2021/22, we submitted a strategy to revitalise the ferrochrome sector and to date the following progress has been made:

- An implementation compact has been developed which delineates activities to be implemented by Government and those by industry; and
- The long-term pricing agreement has been finalised and it is being implemented to enable smelters to have competitively priced electricity.

Creating an Enabling Environment through Investor-friendly Legislation

Last year we introduced the Gas Amendment Bill (Bill) in Parliament for approval and it was successfully tabled and adopted by Parliament. The Portfolio Committee on Mineral Resources and Energy has recently concluded provincial public consultations and are currently considering the inputs received.

The draft Mine Health and Safety (MHSA) Bill will be submitted to Cabinet for approval for public comments during the 2022/23 financial year. The department will continue to be seized with occupational health and safety (OHS) issues; hence the department has implemented an elaborate mitigating plan to combat the spread of COVID-19 as well as TB, amongst others. Cabinet has approved the publishing of the National Nuclear Regulator (NNR) Amendment Bill which was published for public comments in June 2021 and it will be tabled in Parliament in the 2022/23 financial year.

The Radioactive Waste Management Fund (RWMF) Bill was also approved by Cabinet for publication for public comments recently and will serve in Parliament by the end of 2022/23.

As part of increasing electricity generation capacity and reducing the cost of doing business to support economic growth, the department has successfully amended and gazetted Schedule II of the Electricity Regulation Act, increasing the threshold for embedded generation from 1 to 100 MW.

In line with our commitment to support electricity industry reforms, the department has amended and tabled the Electricity Regulation Amendment (ERA) Bill and the EPP in Cabinet to make provision for the creation of a competitive and transparent electricity market. The two documents were published for public comments subsequent to approval from Cabinet and will be tabled in Parliament for consideration and promulgation during this financial year.

Nuclear Energy

In relation to the implementation of the Nuclear New Build Programme (NNBP), a Procurement Framework for the 2 500 MW Nuclear Programme is being developed and a Section 34 Determination concurrence with suspensive conditions has been granted by the Energy Regulator (NERSA). We are addressing the suspensive conditions from the Energy Regulator before we issue a RFP for the two thousand five hundred megawatts (2 500 MW) nuclear energy this year. It is comforting to see that there is now growing global consensus on the role of gas and nuclear in the energy transition, point in case being the decision by the European Commission to include nuclear in their Green Taxonomy.

The department has completed Gateway Review of Prefeasibility report of Multipurpose Reactor (MPR) project, and the project is now in the feasibility stage which is expected to be completed in the 2022/23 financial year. The development of a feasibility study for a Centralised Interim Storage Facility (CISF) is underway. The Steam Generator Replacement for the Koeberg Nuclear Power Plant Unit 2 was deferred to the next planned outage, this project is linked to the Plant life extension Long-Term Operation and we will be closely monitoring the developments there to ensure the security of energy supply from the Koeberg Nuclear Power Station. The department will continue with the implementation of the (International Atomic Energy Agency) IAEA Technical Cooperation Programme to strengthen the use of nuclear science and technology in different sectors.

Upstream Initiatives

The Petroleum Agency of South Africa (PASA) will engage in various stakeholder. Other industry developments that the CEF Group continues to stay close to is South Africa's first domestic production of Liquefied Natural Gas (LNG) in April 2022 when Renergen reaches commercial operation in its Free State project. The Afro Energy - Amersfoort Gas Project is also nearing development and could have first gas by 2025 in Mpumalanga.

Illegal Sale of Strategic Oil Stocks

We are pleased to report that the 10 million barrels of crude oil, which was illegally sold, is now back in the hands of the state and processes are afoot to deal with those involved in this illegal transaction through consequence management initiatives.

In the midst of all the efforts put in place towards energy security, we have also encountered delays to the implementation of some of the exploration programmes. Among these is the growing tendency for Non-Governmental Organization (NGOs) to take government to court whereby they contest decisions taken within the existing legal parameters with regards to exploration rights. The net result of these actions is to discourage multinational oil and gas companies from investing in the sector. We will continue to collaborate with stakeholders to ensure continued development of our oil and gas sector through a social compact that caters for all stakeholders.

Cleaner Mobility

Cleaner Mobility Programme seeks to investigate and demonstrate alternative ways of mobility that will lead to the improvement of the environmental, social and economic conditions. The department has the responsibility to inform and communicate the world's success stories and findings to stakeholders and the public, to motivate a change in behaviour. The Cleaner Mobility programme focuses on the activities that aim to improve public and private transport systems and report on suitable policies and support instruments for the South African electric vehicle (EV) market. These include Economic study on EV charging infrastructure for municipal and public buildings, and Assessment of Policy and support instruments for EV market development. Solutions that are clean in terms of exhaust emissions, efficient in terms of energy consumption and fit for purpose in terms of mobility objective are being designed and developed across the world.

Licensing Backlogs

We initiated a programme to deal with the backlog in both petroleum and mining Licences. In the Petroleum sector, the department has dealt with the backlog, and we are now within the legislated times for all applications for which all information has been submitted. On mining applications, the department has made significant inroads in the last financial year. Over 1 000 prospecting right applications were finalised and about 300 mining right applications were adjudicated. We are mindful that not all of these have translated to operations due to the number of appeals that usually follow once a positive decision has been made.

Furthermore, the department has established control measures into addressing illegal mining. The support received from law enforcement agencies has been invaluable. In Orkney, illegal

mining activity which had been rife has, with great extent been brought to a halt. With regard to illegal fuel activity, the department is concerned about the increasing adulteration of diesel with paraffin, which is then sold to unsuspecting consumers. The fuel sampling conducted at service stations across the country has helped us isolate problem areas. We have also increased cooperation with the South African Revenue Service to clamp down on the illegal diesel traders – and especially those that try to evade the fuel levy and road accident fund obligations.

Economic Reconstruction and Recovery Plan (ERRP)

The department will continue to contribute towards the implementation of the ERRP and National Annual Strategic Plan (NASP). The ERRP has energy security at the forefront to rebuild the economy post COVID-19. The South African ERRP has three phases, i.e., Engage and Preserve, Recovery and Reform, and Reconstruct and Transform.

The department will fast track the registration and licensing of generation for own use, to increase overall generation capacity to ensure that the supply meets the demand at all times. The National Energy Regulator of South Africa (NERSA) has concurred with suspensive conditions of Section 34 Ministerial Determination for procurement of 2 500 MW from nuclear energy. The department will address the NERSA suspensive conditions in line with the Section 34 Determination of the National Energy Regulator Act.

The Ministerial Task Team on the Multipurpose Reactor (MPR) project, led by the department, is overseeing development of a Feasibility study to get the project to a shovel ready state by the end of the financial year. Additional funding has been secured to ensure the procurement of engineering services to develop the concept design to support the feasibility study. Long lead items such as application for Nuclear License and Environmental Impact Assessment (EIA) will continue. Cabinet approved the setting up of the Centralised Interim Storage Facility (CISF) and development of Feasibility study for the CISF Project has commenced.

NERSA has approved the registration of 282 SSEGs in the 2021 calendar year with a total capacity of 134 MW. Since the promulgation of the registration Notice in 2017, NERSA has approved the registration of 499 generation facilities with a total capacity of 236 MW. The Energy Regulator has registered six generation facilities with capacity ranges from 1 MW to 10 MW, since the 100 MW was announced and gazetted during 2021. The total capacity to be generated from the six generation facilities is 24 MW.

Cabinet approved the setting up of the MPR projects to replace the current SAFARI I Research Reactor at Necsa. The MPR project is expected to have significant social, economic and environmental benefits for the country. A substantial portion of products will be sourced locally during the MPR construction, thus boosting the local and national economy. There will be some 5 000 direct and 26 000 indirect jobs created during construction. The MPR will provide employment to about 750 full-time employees and an additional 3 800 indirect jobs for its operation and fulfilment of its research mandate at the Neutron Beam Lines Centre (NBLC). Currently Necsa has issued a Request for Information (RFI) to test the market on parameters such as cost, financing models and related parameters to have this as an input into the feasibility study. Necsa is going through a rationalisation process that has resulted in a new unified business model.

The Ministerial Task Team, together with Necsa has started work on a Feasibility study to get the MPR project to be shovel ready for execution. Motivation for re-prioritisation of funds to add to the existing seed Capital was submitted to National Treasury for approval. Long lead items such as Application for Nuclear License and Environmental Impact Assessment (EIA) has commenced. Currently Necsa has issued a RFI to test the market on parameters such as cost, financing models and related parameters to have this as an input into the feasibility study.

The Institute is in the major transition phase that defines its existence as a national radioactive waste disposal organisation in line with the NRWDI Act. The expected issuance of the Nuclear Installation Licence for the Vaalputs Low-level Waste Disposal Facility constitutes a core basis for the organisation undertaking its mandate as per the NRWDI Act. The successful management of the transition of the function from Necsa to NRWDI will determine the ultimate efficient running of the organisation and its disposal facility.

Eskom is implementing Koeberg Long Term Operation Programme to extend the life of the plant by 20 years beyond 2024. The department will continue to exercise oversight to Koeberg Long Term Operation Programme to ensure that the programme is proceeding according to project schedule. In the largest modification so far at the Koeberg Nuclear Power Station (KNPS), the regulator has efficiently provided oversight of the design and manufacturing of six Replacement Steam Generators. The Koeberg is undergoing a maintenance outage planned for 155 days since 17 January 2022 during which time these Steam Generators were planned for installation and commissioned for operation. The first batch of Steam Generators for Unit 2 have since been deferred for installation at Koeberg during the next outage.

Electricity blackouts caused by the inadequate household energy supply will be met through the rollout of Liquid Petroleum Gas (LPG) as an alternative, conducting LPG Safety Awareness campaigns and encouraging more investments in the LPG sector. This will help reduce reliance on electricity usage. As part of a just energy transition, we gazetted the policy instruments to expand the definition of biofuels to include 2nd and 3rd generation biofuels thus reducing carbon emissions, as well as clean fuel two regulations to reduce the sulphur content of diesel and petrol from 500 ppm to 10 ppm and adopt an LPG rollout strategy. Cabinet has approved the publication of the LPG Rollout Strategy of 2022 in the Government Gazette for public comment. The strategy seeks to contribute towards addressing the country's energy supply challenges. The strategy deals with, amongst others, the structural features of the current LPG market, existing infrastructure, the pricing structure and the current local manufacturing capacity of the LPG cylinders. The strategy also deals with the safety and awareness campaign to raise the profile of domestic gas as an environmentally friendly fuel.

Strategic Fuel Fund (SFF) is engaging with strategic partners to acquire a 60% stake in an LPG import terminal facility that will ensure that government has a footprint in the LPG sector. This will allow the state to play a more meaningful role in ensuring access to affordable energy solutions for the country.

The department will increase access to Gas by acceleration of the LNG project at Coega to enable importation of LNG through the new port. The sector will increase access to Liquid Petroleum Gas through acceleration of the LNG project at Coega to enable importation of LNG through the new port. The department of Transport has granted SFF a Section 79 permit for import infrastructure at the Port of Ngqura that paves way for the entity to commence with the process of developing an LNG import infrastructure. CEF, Coega Development Corporation (CDC) and Transnet have concluded a Joint Development Agreement for the Project. This project will be a critical enabler to support the country's readiness for a just energy transition programme, particularly from clean energy sources. CDC has submitted the EIA for Terminal Infrastructure and Power Plants for the Coega Site and a Project Office has been established at Coega Development Corporation Offices.

Another important emerging trend that will be looked at during the MTEF period is the proliferation of liquefied natural gas (LNG). The current abundant supply of this resource globally could contribute to a significant injection of vitality into this industry in SA.

Natural gas is cleaner and less environmentally hazardous than coal, and cheaper at this point than renewables. It exists abundantly in various forms, as yet untapped, beneath the various geological formations of Southern Africa, which is thought to have some of the largest natural reserves of shale gas in the world. However, the exploitation of this gas is a lengthy and expensive process.

Natural gas makes up a significant portion of the energy mix in Africa overall, and it currently accounts for about 7% of SA's energy supply. Furthermore, new discoveries of onshore (and offshore) gas deposits have been more frequent over the past 10 years. An example of the rapid development of infrastructure to facilitate the trade in LNG is the Mozambique-to-SA pipeline. Mozambique is home to some of the biggest reserves, yet discovered and significant investments have been made in order to unlock and harness this resource.

The efficiency of gas to power is very good, and just as in other nations, we believe that LNG and potential pipeline developments will play a comparatively larger role in domestic and industrial power generation in SA going forward. Heating in particular can be achieved more cost-effectively with gas than via electricity. The reliability of LNG supply locally means it is a vital ingredient to stabilising the energy sector, which will have far-reaching knock-on benefits.

Executive Authority of Department of Mineral Resources and Energy

MESSAGE FROM THE DEPUTY MINISTER

2020/21 and 2021/22 have been challenging years for both the mining and energy sectors to execute their offerings attributed to the resilience and the adversity of both the global economic decline in productivity as well as the impact of the COVID-19 pandemic.

In order to continue expanding the country's energy generation capacity, the department will continue to prioritise interventions to support a rapid economic rebound that is central to saving lives and livelihoods. The DMRE heeded the call to implement the IRP, the Economic Recovery Reconstruction Plan and the 2019–2024 Revised Medium-Term Strategic Framework to deliver a total of 16 313 MW from a mix of energy sources.

The initiatives made in the mining and energy sector will address the historic development challenges of poverty, inequality, inclusivity, gender participation, community development as well as concerns of matters directly affecting the sector. It is our intension to ensure that new investment models are developed and implemented to address societal developmental needs. Key to investment alongside finance, we will map minerals that will be mined and thereby contributing to the significance of exploration. Our exploration strategy which has been submitted to and approved by Cabinet for public consultation will address comprehensive challenges of sustainable development, particularly as it relates to preservation of the environment.

Socio-Economic Transformation

Our departmental programmes are aimed at hitting many birds with one stone. Whilst delivering on the primary mandate pertaining mineral resources and energy, this must be done within a broad context of national transformation. Accordingly, we launched the Women Empowerment and Gender Equality (WEGE) Strategy and announced the Gender Ministerial Advisory Council on 31 August 2021. The Advisory Council comprised of representatives from different energy stakeholders which will assist the Minister in monitoring and supporting the implementation of the strategy. The department organised and hosted the online Women in Mining Dialogue online to foster a partnership between DMRE, the Department of

Trade and Industry (**the dtic**) and ProudlySA under the theme “Generation Equality: Realizing Women’s Rights for Equal Future.” The main aim of the dialogue was to create a platform for women in the mining and mineral sector aspiring to engage and share information on opportunities in the value chain of the sectors, and how to access them.

The “WOMENDIGGERS Programme” flagship empowerment pilot project launched by the DMRE in 2019

at Taung, in the North West province is progressing well. To date 22 women have completed their theoretical training, 15 completed their practical training, and the department is in the process of assisting them to apply for mining permits. The DMRE set aside funding to support women to secure mining permits by assisting with the application process.

The DMRE coordinated the handing over of two Clinics at Rockdale and Cathyville in Middelburg and Barberton respectively. The clinics were built by Barberton Mines/Pan African Resources and Seriti Resources as part of their Social Labour Plans, and in line with the Mineral and Petroleum Resources Development Act (MPRDA) that compels the mining right holders to contribute towards the social and economic development of mining communities within the company's operational area.



Dr Nobuhle Pamela Nkabane, MP
Deputy Minister of Mineral Resources and Energy

The department is in the process of developing the Mining and Mineral Sector WEGE Strategy and Implementation Plan. The DMRE also hosted the Youth in Mining and Youth in Energy Efficiency Webinars, in partnership with stakeholders to empower the youth with information in these sectors. The DMRE conducted various Youth Outreach Programmes and Career Expos in different provinces. The programmes were held in partnership with stakeholders such as municipalities, the Department of Education and mining and energy companies. The events were attended by local youth and learners who gained considerable knowledge about the learning and entrepreneurial opportunities within the sectors. The Energy Sector Youth Strategy has been consulted with relevant stakeholders and finalised for implementation in the current financial year.

Youth

The department will create a platform for South African youth to interface, to share ideas, and to make proposals on the transition from high to low carbon emissions and how it impacts them with the view to obtain their responses on access to energy, creation of growth in the economy, sustainable jobs. The NDP envisages that, by 2030, South Africa will have an energy sector that provides reliable and efficient energy service at competitive rates, socially equitable through expanded access to energy at affordable tariffs, and environmentally sustainable through reduced emissions and pollution. We will continue to pursue an energy mix to ensure security of energy and supply, cognisant of our international commitments to respond to climate change.

A better Africa and the World

Cabinet welcomed the successful conclusion of the hybrid Africa Energy Indaba held in Cape Town from 1 to 3 March 2022 under the theme: "The Business Meeting of Choice for the African Energy Sector". The gathering brought together influential global and local players from the energy sector to deliberate on how the African continent can use energy as a catalyst to grow the economy and improve the lives of people. South Africa remains committed to achieving an energy mix that is consistent with its development goals and its

climate change goals while ensuring security of supply. Work is already underway to build on the foundation laid by President Ramaphosa during his state visits to the West African region in December 2021. In this regard, the department will ensure that sectoral cooperation with strategic countries in the Gulf of Guinea resonate with national interests, thereby ensuring security of energy supply, while identifying new areas to promote intra-Africa trade and investment opportunities.

Coal

For the foreseeable future however, coal will remain the most crucial resource in the energy mix for a variety of strategic reasons. Not only does coal currently provide employment for almost 1 000 000 South Africans, but geologically South Africa is an immensely coal-rich country, and the reality is that it is still the cheapest and most abundant form of energy to leverage for economic development. It must therefore be fully exploited to ensure a stable supply of energy overall. The precarious balancing act that the energy sector must now navigate should therefore not threaten the economically crucial coal sector with competition from gas and renewables, but rather see it as a critical tool in the energy mix as we shift towards a more sustainable economy. The shift towards cleaner coal, however, will take centre stage. Compliance to more stringent international standards and protocols means that it will be more difficult to get approval for new coal mining operations than in the past. As such, many existing operations are being retrofitted for decarbonisation, to reduce their scope to lower emissions. From an ownership point of view, as the demand for coal reduces, the integrated diversified mining houses will shift away from coal and give way to localised, smaller, more focused players in the market.



Deputy Minister of Department of Mineral Resources and Energy

ACCOUNTING OFFICER STATEMENT

Following the announcement of the new Cabinet by the President on the 29th of May 2019, the DMRE Start-Up Organizational Structure was configured and determined by the Minister of Public Service and Administration (MPSA) in October 2019 and effectively implemented on the 1 April 2020. The intention of the re-configuration of the departments was amongst others to have the following impact:

- Realign departments in order to ensure better coordination, planning for effective service delivery;
- Optimize the workload and ensure that the required priority is given by departments – improve impact;
- Ensure synergy and improved use of resources for improved effectiveness and efficiency;
- Mainstreaming service delivery value chain for some departments;
- To meet the needs of the public mandate; and
- Reposition departments so as to afford them a better focus and better skills utilisation to meet government's mandate.

The above mentioned DMRE start-up organisational structure was configured to kick start the establishment of the merged department, Department of Public Service and Administration (DPSA) exempted all affected departments from adhering to the applicable principles of Organisational Design to the teeth in the process of configuring the structure due to national timeline constraints pertaining to the National Macro Organization of Government project. As a result, the start-up structure is not configured in a manner that it will respond to strategic objectives of the department neither will it respond to the above-mentioned envisaged impact for merging the departments, in particular the two former departments, the Department of Energy and the Department of Mineral Resources, into one.

Subsequently, the Minister of Public Service and Administration in his response to the submitted DMRE Start-Up Organisational structure instructed our Minister to review the Organisational

Structure in line with Public Service Regulation 2016, Chapter 3, regulation 25 (2) which states that based on the strategic plan of the department, an executive authority shall determine the department's organisational structure in terms of its core mandate and support functions.

It should further be mentioned that at the time the DMRE Start-Up Organisational Structure was configured, the department did not have a joint strategic plan in place including the service delivery model and service charter of the department, which take precedent in a process of configuring a structure because the organisational structure should be aligned to the strategic plan and service delivery model of the department.

The review of the DMRE Organisational Structure is not an extension of the National Macro Organization of Government project rather it is mandatory responsibility of the Minister of DMRE in line with the above-mentioned Public Service Regulation, 2016 (PSR) which will be led by the Deputy Director-General: Corporate Service as the custodian of the process. The Revised 2019–2024 MTSP, National Annual Strategic Plan includes the package of the updated intervention, indicators and targets that the DMRE has considered as factors and guidelines during the planning and formulation of the 2022/23 Annual Performance Plan (APP).



Ms Patricia Gamede
Acting Accounting Officer

The department is the custodian of South Africa's mineral and petroleum resources and has a duty to administer these resources for the benefit of all South Africans. Any person (including the owner of the surface rights) who wishes to exploit mineral resources in South Africa is required to first apply for and obtain the appropriate right under the MPRDA. The Minister of Mineral Resources is authorised to grant or refuse applications for rights under the MPRDA. Provided that an applicant meets all the requirements relating to the right for which the applicant has applied, the Minister is obliged to grant the right.

As the DMRE, we will continue to champion various social causes informed by our departmental mandate, such as those pertaining to Social and Labour Plans. Through the Social and Labour Plans that emanate from the Mining Charter, we will continue to hold mining companies accountable and committed to social development, such as infrastructure projects. The department will continue to ensure that applicants for mining and production rights develop and implement comprehensive human resources development programmes, mine community development, housing and living condition plan and processes to save jobs and manage downscaling or closure.

Renewables

Renewables are the third major player in this "holy trinity" of SA's energy mix. Set to account for around a quarter of SA's overall energy supply in the next 20 years, renewable energy sources are backed by widespread public approval and are capturing a deep share of the investment wallet. Solar in particular, is especially attractive as production costs are now lower than ever before. The biggest obstacles to widespread uptake of renewables currently are the challenges around power storage and transference to the national grid.

Investments into novel battery technologies will facilitate a solution to the storage conundrum that could radically alter this landscape. SA is currently in the fifth round of bidding and research in which independent renewable energy producers vie to provide profitable power for the state's energy matrix.

In the mining sphere we're seeing more players – including coal mines – opting for renewables to power their own operations in-house, which also guards against the loss of productivity incurred during load shedding which has hitherto threatened the sustainability of many in operation.

Just Transition

The DMRE will continue to engage with various stakeholders on the Just Transition broadly, and to discuss the synergies as far as our mandate and responsibility entails as there is a need to understand the context of our domestic setting, which is characterised by rising unemployment and poverty.

The government, and in particular the DMRE, will remain as a leader in ensuring security of supply that is affordable, accessible and reliable catalyst for economic growth. Our primary focus will be to continue working tirelessly to prioritise interventions that contribute to reducing high energy costs, whilst in parallel dealing with the high levels of unreliable supply of energy by stabilising the system through the implementation of the existing energy policy priorities.

We also support the collective belief that ambition can be realised through the requisite policy enablers and the means of implementation support by the developed countries, this forms part of the Rules Based global governance order. In collaboration with **the dtic** and other stakeholders, we are working to accelerate finalisation of the South African Renewable Energy Master Plan as well as the Gas Master Plan. These instruments form part of providing a comprehensive energy framework with key objectives and targets on how to transition energy intensive sectors in South Africa to a low-carbon path.

The 2019 IRP, which remains our guiding policy framework for electricity, proposes a path that ensures that we implement the proposed energy mix in a manner that also mitigates and manages the challenges and risks for a socially just transition that we will face, as the country moves to a low-carbon and climate resilient growth trajectory.

Energy security and market stability are key determinants for how we respond to various energy sources and choices. We will therefore ensure that we take an open and balanced approach and try to avoid a competition of technologies, but rather to analyse and define the energy mix suited to our economic and developmental context. As such, we cannot avoid speaking about the role of gas and nuclear in our path towards lower carbon economy.

It is important to note the International Energy Agency, in both its Net Zero by 2050 and Sustainable development Scenarios, underline the critical role of nuclear fleets to low carbon transitions around the globe. As such, in the Net Zero Pathways, amongst others, the International Energy Agency sees renewable technologies and nuclear making up the global electricity supply system by 2050.

We have observed a myriad of diverse efforts and initiatives on just transition and energy transition, albeit these are implemented in a fragmented and uncoordinated manner. At times these efforts create competing policy choice, and as such they are likely to render the efforts for just energy transition difficult to manage and quantify. In South Africa we implement an energy mix policy to ensure security of energy supply and systematically transition to the decarbonised economy. We believe that all clean energy technologies, including nuclear, will play critical role in the just energy transitional.

As part of our strategic commitment and delivery plan for this current financial year, the energy sector has conducted a study to map all these just energy transition initiatives to create a balanced, integrated, and enhanced effort that will enable the stakeholders to ultimately agree on a pragmatic and balanced approach to the transition, and specifically a transition that is inclusive and does not leave anyone behind.

Work has commenced over the past few months on identifying key energy transition indicators relevant to our domestic context, as well as a modelling process that will look at the socio-economic impact of the implementation of the IRP 2019 mix of measures.

We must continue to invest in cleaner coal technologies and innovation, and make sure that these options are not kept under the radar. Some work is happening in this regard, and we need to intensify this effort. Therefore, as the department, we want to make the call to all stakeholders to act in a manner that contributes to a transition that ensures energy security as the flywheel for growth and development, that does not cause instability to the economy, that stimulate growth, build confidence, enhance competitiveness, but most importantly, create jobs through industrialised centred localisation and export sector growth. We are in the process of procuring at least six thousand eight hundred megawatts (6 800 MW) of renewable energy. About two thousand six hundred megawatts (2 600 MW) of this power falls under BW 5, whose preferred bidders will be announced. Furthermore, the Risk Mitigation Independent Power Producer Procurement Programme for two thousand megawatts (2 000 MW) is expected to close soon.

State-Owned Enterprises

Formation of the South African National Petroleum Company (SANPC)

Government has commenced its efforts to repurpose and rationalise State-Owned enterprises to support growth and development in South Africa. On 10 June 2020, Cabinet approved a proposal to merge three subsidiaries, South African Gas Development Company SOC Ltd (iGas), SFF and PetroSA belonging to the Central Energy Fund (CEF) to form a National Petroleum Company. We are pleased to announce that all the preliminary work for the incorporation of the SANPC has been finalised and has been approved by the Cabinet Committee and is awaiting final Cabinet approval to enable the new entity to target R95 billion in market potential opportunities, ensure security of energy supply and create much-needed jobs.

Brown Field Acquisition

As a country we face a colossal threat due the gradual and systematic decline of refining capacity. This will inevitably have an impact on the supply of petroleum products relied upon for economic activity. Through its holding Company, the CEF Group is currently pursuing the acquisition of a brown field transaction with a view to maintain refining capacity and capabilities whilst ensuring security of energy supply in the country.

ACWA Redstone Project 25% Shareholding

CEF has successfully acquired a 25% shareholding of the R11.7 billion ACWA Redstone Project located in the Northern Cape. With a 100 MW capacity, ACWA will provide clean energy to 200 000 households and create 2 000 jobs.

Acquisition of 50% BP Storage Facility in the Western Cape

SFF has successfully acquired 50% of the BP storage facility in the Western Cape. The facility has a storage capacity of 1.6 billion litres per annum that represent +/-30 percentage of the available terminal infrastructure capacity for the high growth Cape Town fuels market.

Increase in Rompco Stake from 25% to 40%

The South African Competitions Tribunal in December unconditionally approved the large merger wherein the iGas and Companhia Moçambicana de Gasoduto S.A. ("CMG") intend to increase their existing shareholding in the Republic of Mozambique Pipeline Investments Company (Pty) Ltd ("ROMPCO"), by each acquiring additional issued share capital of ROMPCO from Sasol South Africa Limited ("Sasol SA"). This is part of governments greater focus to support future initiatives of bringing more gas into the country.

National Energy Regulator of South Africa (NERSA)

The key achievements of petroleum pipeline industry regulation include the following:

- Regarding the participation of Historically Disadvantaged South Africans (HDSA) in the petroleum industry, four new entrants were signed by one of the NERSA licensees to use the petroleum storage facility for importing petroleum products;
- NERSA finalised the Transnet Multi-Product Prudency Review on the acquisition of the assets on 26 January 2022. This is to ensure that only prudently acquired assets are used in the regulatory asset base for the determination of a tariff. The findings will be implemented in the next tariff determination for 2022/23. An amount of over R3 billion has already been found imprudent, meaning that this will ensure consumers don't pay for inefficiencies in the transportation of petroleum products from Durban to Johannesburg;
- NERSA continues to maintain regulatory efficiency, with applications relating to investments for newly constructed petroleum infrastructure being finalised within 60 working days measured from the closing date of public comments to the final decision by the Energy Regulator. This included the issuing of a construction licence to Lanele Group (Pty) Ltd seeking to add 1 20 000m³ of storage capacity in Ambrose Park, Durban, that will connect to the Transnet Pipeline network to improve the security of supply to the inland area where approximately 60% of petroleum is consumed; and
- The estimated total capital investment for the 14 construction projects licensed by NERSA as of 17 February 2022 is R10.49 billion. Five of these projects amounting to a total of approximately R4 billion are in progress and are expected to be completed by the end of 2022.

Piped-Gas Industry Regulation

In a process that will further stimulate growth of the gas market, the Energy Regulator registered and licensed operations for the importation of Liquid Natural Gas into South Africa from Nigeria and the Netherlands.

Petroleum Pipelines Industry Regulation

NERSA is considering further workshops to empower new entrants on various aspects including regulatory matters, importing, access requirements and funding issues.

African Exploration Mining and Finance Corporation

Within the next two years, the African Exploration Mining and Finance Corporation (AEMFC) is planning a coal beneficiation programme to be commissioned at its operating asset Vlakfontein mine to increase product options for different Eskom power Stations and Export market products. The minerals diversification strategy of AEMFC is positioned to support the just energy transition initiative of the government, through investing in the exploration of transition minerals. In collaboration with the Council of Geoscience, a holistic identification mapping of key minerals such as lithium, nickel, cobalt, graphite, manganese, alumina, tin, tantalum, magnesium and vanadium; iron ore; manganese, copper, coltan, metallurgical coal and nickel is underway.

Mintek

The first commercial demonstration Fuel Cell unit using Mintek manufactured catalysts, has been installed at One Military Hospital in Pretoria. Market development and commercialisation efforts are underway with the aim of supplying a significant share of global catalyst demand within the next decade.

Iron and steel sector: In the 2021 budget speech we announced that the South African iron and steel sector has been struggling with uncompetitive costs, and one of the drivers is that up to 50% of the iron ore that is mined is discarded as fine and waste material. As was stated, Mintek has been co-developing technology to beneficiate this low grade and fine material and is working with industry players to implement the solution and significantly impact the current uncompetitive cost structure. It is pleasing to note that at the beginning

of March 2021 Kumba Iron Ore announced a R3.6 billion investment decision based on this Mintek Ultra High-Density Dense Media Separation technology.

Ferroalloys Industry: Mintek has secured funding of around R40 million and is working with an international consortium to broaden the energy mix to include about 30% of the electricity required for ferroalloys smelting with renewable energy. The Siyanda Chrome project is investment ready, and funding is being sourced for the R2.9 billion that will be required to build the smelter. We encourage other producers to make use of locally developed technologies. **Development of a world class smelter complex:** The Bushveld Complex constitutes the world's largest unexploited repository of iron, titanium and vanadium. Mintek is working with industry and international researchers to develop a world class smelter complex to exploit these deposits. **Rare Earth Elements:** South Africa is creating a globally competitive production capability for the current Southern African regional deposits via the concept of a centralised rare earth element processing facility. Mintek has developed and patented a suite of technologies to treat a wide variety of materials in a single processing plant. Mintek is currently driving the establishment of a Southern African Development Community Rare Earth Element Producers Forum to map the way to commercialisation for the region as a whole. Mintek continues to expedite research and development in rapid diagnostic kits. The development is geared towards the detection of various burden of diseases such as COVID-19, HIV, TB, malaria and other priority non-communicable diseases, through the use of gold-based nanotechnology. Concurrently, market development and commercialisation efforts are underway with the aim of supplying Rapid Diagnostic kits.

National Nuclear Regulator (NNR)

The NNR is in the process of developing a framework for Radon monitoring in dwellings in collaboration with stakeholders and partners including government departments, affected communities and the regulated industries. The World Health Organisation has categorised Radon as a carcinogenic substance and the second leading cause of lung cancer after smoking. In 2021, the regulator secured Radon monitors for measurements to be taken and results analysed.

Nuclear Installation Site License (NISL)

The processing of the NISL has been under way for just over 2 years. The technical evaluation of the Safety Case and public participation hearings were completed in December 2021.

Council For Geoscience (CGS)

South Africa first made a discovery of shale gas in 2010 and dubbed it a possible game changer, given its prospects to significantly enhance the country's energy independence, augment cost competitive energy security and significantly strengthen the country's balance of payments amongst others. It took us 12 years to ultimately finalise the geo-environmental baseline study for shale gas, which has now given us the impetus to pronounce that the research indicates that fresh shallow water sources are largely controlled by geological structures and can be protected from pollution.

South African Diamond and Precious Metals Regulator (SADPMR)

The SADPMR continues through collaboration and partnerships with its clients, to play a role in the development of SMMEs in the sector. Projects in this regard are aimed at ensuring that our HDSA across all the nine provinces can enter these industries/markets. In this regard, seven projects are operational with 27 beneficiaries of which over 50% are women and youth.

State Diamond Trade (SDT)

The SDT continues to facilitate the transformation of the diamond beneficiation industry by actively prioritising and availing access of rough diamonds produced in the country to the historically disadvantaged clients. The entity managed to increase its revenue, even during the pandemic, and it continues to improve its profitability. In 2019/20 the entity had a loss of R16 million, whereas in 2020/21 it made a profit of R1.2 million. Currently sales have increased to over R1 billion, and the entity expects a profit over R50 million. This is an enormous improvement as the entity has never realised a profit of that magnitude since its inception. The relocation to the Gauteng Industrial Development Zone was concluded.



Acting Accounting Officer of the Department of Mineral Resources and Energy

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Mineral Resources and Energy under the guidance of Minister Gwede Mantashe.
- Takes into account all relevant policies, legislation and other mandates for which the Department of Mineral Resources and Energy is responsible.
- Accurately reflects the outcomes and outputs which the Department of Mineral Resources and Energy will endeavour to achieve over the period of 2022/23 Financial Year.

Recommended by:



Ms Hilda Mhlongo

Branch: Corporate Services



Mr Tseliso Maqubela

Branch: Minerals and
Petroleum Regulation



Ms Ntokozo Ncgwabe

Branch: Mining, Minerals and Energy
Policy Development



Mr David Msiza

Branch: Mine, Health and
Safety Inspectorate



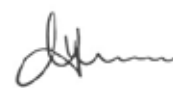
Mr Jacob Mbele

Branch: Mineral and Energy Resources
Programmes and Projects



Mr Z Mbambo

Branch: Nuclear Energy Regulation
and Management



Ms Y Chetty

Chief Financial Officer



Mr L Mulaudzi

Official Responsible for Planning



Ms Patricia Gamede

Acting Accounting Officer



Dr NP Nkabane, MP

Deputy Minister



Mr SG Mantashe, MP

Executive Authority

PART A: OUR MANDATE



The Department of Mineral Resources and Energy derives its mandate from section 24 of the Constitution of South Africa, Act No. 108 of 1996.

I. Updates to the Relevant Legislative and Policy Mandates

The Department of Mineral Resources and Energy derives its mandate from section 24 of the Constitution of South Africa, Act No. 108 of 1996.

I.1 Legislative Mandate

The DMRE derives its founding mandate from the Minerals and Mining Policy for South Africa (White Paper, 1998), which ensures the transparent and efficient regulation of the development of South Africa's mineral resources and mineral industry to meet national objectives and bring optimum benefit to the nation.

The mining arm of the DMRE is primarily driven by the Mineral and Petroleum Development Act (Act No. 28 of 2002) and the Mine Health and Safety Act (Act No. 29 of 1996). The two Acts provide the regulatory framework for the promotion and regulation of the mining, minerals and petroleum industry. They also provide a regulatory framework for ensuring the equitable access to and sustainable development of the nation's mineral resources and related matters.

I.2 Policy Mandate

The White Paper on Energy Policy (1998), supplemented with the White Paper on Renewable Energy in 2003, sets out Government's overarching position on the supply and consumption of energy. Applicable policies include:

- The National Development Plan.
- The Integrated Energy Plan (IEP).
- The Integrated Resource Plans (IRP).
- The Electricity Pricing Policy (EPP).
- The Paris Agreement (2016) on Climate Change.
- The National Energy Act, 2008 (Act No. 34 of 2008).
- A range of legislation regulating Nuclear Energy; and
- National Environmental Management Air Quality Act (Act.39 of 2004).

The Principal Acts that drive the work of the DMRE are:

- The Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002).
- Mine Health and Safety Act (Act No. 29 of 1996).
- Mining Titles Registration Act (as amended).
- Mine Health and Safety Act (as amended).
- Diamonds Act (as amended).
- Precious Metals Act (as amended).
- Geoscience Act (as amended).
- Mineral Technology Act.
- National Energy Act, 2008 (Act No. 34 of 2008).
- Electricity Regulation Act, 2006 (Act No. 4 of 2006), as amended.
- Petroleum Products Act, 1977 (Act No. 120 of 1977), as amended.
- Central Energy Fund Act, 1977 (Act No. 38 of 1977), as amended.
- Nuclear Energy Act, 1999 (Act No. 46 of 1999).
- National Nuclear Regulator Act, 1999 (Act No. 47 of 1999).
- National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008).
- Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).
- Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004).
- Gas Act, 2001 (Act No. 48 of 2001).
- Gas Regulator Levies Act, 2002 (Act No. 75 of 2002).
- National Energy Regulator Act, 2004 (Act No. 40 of 2004).
- Abolition of the National Energy Council Act, 1991 (Act 95 of 1991).

In addition to the aforementioned Acts, the following laws also impact the energy sector:

- The National Environmental Management Act, 1999 (Act No. 107 of 1999);
- The National Environmental Management Act, 1999, has a direct impact on legislative and other measures to reduce carbon emissions, energy efficiency and mitigation of the impact of the generation/refinement and use of energy on the environment;
- The National Environmental Management Act, 1999 (Act No. 107 of 1999);
- The Disaster Management Act, 2002 (Act No. 57 of 2002);
- The Hazardous Substances Act, 1973 (Act No. 16 of 1973);
- The National Ports Act, 2005 (Act No. 12 of 2005);
- The National Energy Act, 2008 (Act No. 34 of 2008);
- The Petroleum Products Act, 1977 (Act No. 120 of 1977), as amended; and
- The Electricity Regulation Act, 2006 (Act No. 4 of 2006), as amended.

2. Updates to Institutional Policies and Strategies

2.1 The Draft Upstream Petroleum Resources Development Bill, 2019

In 2019, the department began the process to develop the draft Upstream Petroleum. The Bill seeks to separate petroleum provisions from the mineral provisions to address issues that are pertinent to the upstream petroleum sector. It further seeks to provide for State carried participation in the development of petroleum resources, participation of black persons and accelerate exploration activities in the country. The draft Bill seeks to create an enabling environment to attract investment in the upstream petroleum sector by contributing to the country's economic growth, creating employment, energy security and the development of the oil and gas industry. This Bill was introduced to Parliament on 1 July 2021 and is currently undergoing Parliamentary processes.

2.2 National Petroleum Company Bill

The draft UPRD proposes for carried State Participation shares, which shares shall be carried by the State-Owned Company. The development of the National Petroleum Company Bill is to govern the said Company which will participate on behalf of the State in Upstream

Petroleum exploration and production operations. The National Petroleum Company Bill aims to inter alia: provide for establishment of the National Petroleum Company to acquire and manage the State's exploration or production rights and interests in terms of the UPRD, 2021; to ensure that mineral resources are developed in a sustainable manner to the best interest of the people of South Africa; to provide for the objects and functions of the Company; to provide for the constitution of its board and the management thereof; to provide for its finances; to provide for its chief executive officer and staff; and to provide for matters connected therewith. The Bill is currently at drafting stage, with the aim of reaching Cabinet during the current financial year (2022/23).

2.3 Mine Health and Safety (MHSA) Bill

The MHSA came into effect on the 15 January 1997 replacing the Minerals Act (Act No. 50 of 1991) as the legal basis for regulating OHS in the South African mines. Since then, the Act has been amended twice, in 1997 and in 2008.

The Bill is being amended to comprehensively address the grey areas that have been identified as shortcomings of the previous amendments, notably the 1997 and 2008 respectively. The areas of focus cover the following:

- Strengthening enforcement provisions;
- Removing ambiguities in certain definitions and expressions;
- Harmonizing the Act with other laws, in particular the Mineral Petroleum Resources Development Act (Act No. 28 of 2002); and
- Streamlining the administrative processes to beef up on administrative fines and other penalties with regard to offences and non-compliance of the provisions of the Act.

The intention is to introduce the Bill to Parliament during 2022/23 after Cabinet processes.

2.4 The Gas Amendment Bill 2020

The Draft Gas Amendment Bill seeks to amend the Gas Act, 2001 (Act No. 48 of 2001) by, among others, to:

- Promote the efficient, effective, sustainable and orderly development of the construction and operation of gas transmission, storage, distribution, liquefaction and regasification facilities;

- Promote the provision of efficient, effective and sustainable gas transmission, storage, distribution, liquefaction and regasification services;
- Promote competitive and sustainable trade in gas;
- Promote the safe, efficient, economic and environmentally responsible transmission, distribution, storage, liquefaction and regasification of gas;
- Facilitate the development of integrated energy projects and the development of gas markets and gas facilities; and
- Promote Broad-Based Black Economic Empowerment (B-BBEE).

The Bill was introduced to Parliament and on the 25 June 2021 the Portfolio Committee on Mineral Resources and Energy published the Bill to solicit comments on the Bill. Currently the Bill is undergoing Parliamentary consultation processes to ensure it is widely endorsed for implementation once passed into law.

2.5 The National Nuclear Regulator (NNR) Amendment Bill 2020

The Bill seeks to remedy the following challenges in the Act:

- Potential nuclear safety risk to occupational exposure of air crew as a result of insufficient regulation governing the South African Aviation industry, with flights that are above 49 000 feet covered by legislation;
- Lack of enabling provision for the transfer of a nuclear authorisation which could result in unintended situations with a lack of regulatory oversight, leading to potential nuclear safety risk;
- Lack of effective enforcement provisions for inspectors undertaking their duties over nuclear authorisation requirements, leading to an inadequately empowered regulator, as evidenced by perpetual non-compliance events; and
- Need to update NNR Act, 1999 to be consistent with IAEA prescripts and best practice. This is informed by the fact that South Africa, as a Member State to the IAEA, has subscribed to its prescripts and best practice. Of importance are increased safety levels following 2011 nuclear accident in Japan and two international review missions to South Africa resulting in various safety recommendations to be incorporated.

The Bill was published for public comments in June 2021. The department is processing the Bill in preparation of approaching Cabinet to obtain approval to table the Bill in Parliament. It is expected that the Cabinet approval would be obtained, with the Bill being tabled in Parliament immediately thereafter.

2.6 The Radioactive Waste Management Fund (RWMF) Bill 2020

The Bill seeks to:

- Establish a RWMF;
- Manage funds to be utilised for the establishment of infrastructure for high-level radioactive waste storage and disposal;
- Clarify the application of the Act to high level waste whose sole purpose the Fund is intended to be utilised for and excludes the application of the Act to other waste streams such as low-level waste and intermediary-level waste; and
- Specifies the activities of the Institute for which the money in the Fund must be utilised; and Establish a Governance structure in a form of a Board that will administer the Fund.

Re-drafted Bill was approved by Cabinet in February 2022 for public comments. The Bill is expected to be tabled in Parliament in the 2022/23 financial year.

3. Updates to Relevant Court Rulings

There is a court case which may have an impact on the way the department regulates transformation of the Mining and Mineral sector. The matter is between the Minerals Council of South Africa and the Minister of Mineral Resource and Energy and others.

The judgement held that the Broad-Based Socio-economic Charter for Mining and Minerals Sector (Charter) is a mere policy instrument and not enforceable legislation or subordinate legislation. The court reviewed key clauses of the Charter which provided for empowerment targets.

**PART B:
OUR STRATEGIC
FOCUS**



4. Updated Situational Analysis

The situational analysis is a summary of key issues in the service delivery environment both internally and externally to deliver the mandate of the DMRE linked to the Medium-Term Strategic Term Framework priorities and Economic Recovery and Reconstruction Plan.

4.1 External Environment Analysis

The COVID-19 crisis is, in many ways, unprecedented. While government, industries and the wider society are working together to understand and address the challenges caused by the crisis to support patients, their families and communities, the search is on for treatments and a vaccine. Understandably, the ongoing impact of the pandemic on the mining and energy sectors remains uncertain; however, we are learning more each day about how the crisis is affecting demand for energy and commodities, supply chains and operating models.

The impact of COVID-19 is still emerging. It is however clear that the minerals and energy sector has and will continue to be, significantly impacted. In South Africa there have been both positive and negative impacts on the minerals and energy sector. South Africa is heavily dependent on domestic coal to generate and meet electric power demand and on imported oil to produce liquid fuels for transportation and is therefore seeking affordable and practical means to lower greenhouse gases whilst meeting new and growing energy demand. Given that the market has shifted, companies should diversify their products and services as it has been found that diversified companies have outperformed single product companies after COVID-19, due to their higher resilience.

COVID-19 caused a decline in the macroeconomy including sovereign rating downgrades and extreme low oil price. South Africa responded rapidly to COVID-19 with an immediate and strict lockdown. Minerals and Energy industry in South Africa have been financially impacted by the loss in revenue attributed to COVID-19 pandemic.

South Africa is ranked amongst the top ten countries globally in terms of coal reserves, standing at number six, in terms of production, and we are ranked at number seven and number five in terms of exports.

South Africa is host to considerable mineral reserves of strategic significance to the global economy with recent studies estimating the mineral preliminary gross in-situ value of South Africa at 9.6 trillion USD, an almost 290% increase from the previous estimate of 2.5 trillion

USD. Of these, about 43% are coal resources, followed by Platinum Group Metals (PGM's) (31.5%) and Gold (11.7%).

The coal sector produced approximately 248 Mt of saleable coal in 2020. Coal was the highest revenue earner, contributing 21.4 percent (R130.57 billion) of total mining revenue (R608.99 billion). The coal sector was the highest earner of total local sales revenue contributing 53.42 percent (R85.02 billion) of (R159.16 billion). The sector generated 10.13 percent (R45.55 billion) of total foreign exchange earnings (R449.83 billion). In addition, coal was the third largest employer in the mining industry after precious metals and PGMs, directly employing 89 548 people, 20.48 percent of total mining industry employment of 437 288. These employees received over R30.71 billion in wages and salaries, which constituted 20.27 percent of the mining industry's total wage income (R 151.53 billion).

The new Eskom build, and the IPPs can sustain the coal industry. Global coal consumption is expected to continue an upward trend in the medium-term, driven by demand from developing nations in Asia, Africa and South America. This will offset the ongoing decline in Europe and US. India, currently South Africa's biggest coal export market, has agreed to voluntarily reduce Green House Gas emissions intensity and thus far, this has not affected SA coal exports to that country, which have grown to almost half the total coal exports in revenue terms. Other areas for possible export growth, in addition to India, include countries such as, Pakistan, Malaysia, Taiwan and Bangladesh. There is no scope for further growth in Europe, particularly countries in the European Union, because of environmental laws.

Strong international coal prices of around US\$130/t have raised the attractiveness of exports, with most of South Africa's export coal going to India and Pakistan. China is also reopening opportunities for imports from South Africa, following its trade wrangling with Australia, previously an important coal source for them.

Domestically, the commodity will continue to play a critical role in the reconstruction and recovery of our economy. However, we are mindful that at some point, coal use will eventually decline as nations and businesses strive to reduce their environmental impact and abide by climate policies.

Countries at COP26 were asserting their national interests and therefore the pace of the global energy transition discourse is determined solely by what works in the advanced economies. Nothing prevents us from asserting our own trajectory on the energy transition as outlined in the IRP 2019.

Germany's threats on Nord 1 and Nord 2 pipeline from Russia as a consequence of the Russia versus NATO/Ukraine standoff may mean higher demand for coal.

For developing nations like South Africa, coal is a very affordable source of primary energy and it is abundantly available. However, it faces several challenges, not least among them, the fact that as a major contributor to GHG emissions, it is viewed as responsible for environmental degradation. In this regard, financial institutions and green energy advocates have increased the pressure to shift away from the reliance on coal.

At an international level, governments have developed and rectified legislation to cut down the use of coal in electricity generation. As a replacement, environmentally friendly technologies are subsidised with the hope that soon they will replace coal in the generation of electricity. In countries such as the US, Britain and Germany, coal power has declined quite significantly having been replaced by nuclear and renewables.

As we sit poised at a juncture of history in which there is a global shift towards cleaner energy, South Africa's mineral and energy complex must carefully balance the country's traditional reliance on coal-based energy on the one hand with the bold commitments towards renewables as outlined in the 2019 IRP on the other.

The plan, which drives policy around energy, envisions some drastic shifts in the energy space in the next ten years. Coal, which currently accounts for 85% of SA's electricity generation, will account for just 59% by 2030. Solar energy will constitute 18% and wind-harnessed power 8%, bringing the total for renewables' contribution close to 25%.

4.1.1 Mine Health and Safety

Occupational health in the mining industry focusing on promoting, preventive and curative health will continue to be our key priority. The department have the responsibility to guide management and employees on the occupational legislative obligations aiming to safeguard legal compliance at the workplace. Additionally, it is the responsibility of the department within the mining industry to provide primary, secondary and tertiary prevention strategies to improve the health and safety of mine workers. The prevalence of work-related diseases such as noise induced hearing loss, silicosis and the occurrence of accidents in the mining industry is an alarming factor. A systematic review method will be adopted to identify and screen relevant citations.

We are all aware of the fact that the mining sector is classified as the most dangerous work and customarily ranks within the top three occupations for related diseases and fatal accidents worldwide. The department will ensure that a complete health and safety strategy is in place for the mining industry which includes physical, social, psychological and protection from injury or any occupational disease.

The department will continue to enforce compliance with the MSHA (Act No. 29 of 1996) within the mining industry.

4.1.2 Exploration Strategy for the Mining Industry of South Africa

The DMRE has developed an exploration strategy for the mining industry which was approved by Cabinet in March 2022. The strategy will, amongst others, provide immediate interventions in its implementation plan to undertake a comprehensive geoscience mapping to improve the country's geoscience data.

The strategy also proposes a collaboration between the DMRE and the Industrial Development Corporation to ensure that exploration provides for the inclusion of the emerging exploration companies. It also reinforces the research role to be played by research institutions such as Mintek and the Council for Scientific and Industrial Research, and the skills development programme.

4.1.3 Electricity Demand

South Africa's national grid provides access to 85% of South Africans but suffers from capacity and connection constraints, which are a barrier to the economy and the development of renewable energy. Although a 90% electrified target is possible, the rest will have to be off grid.

South Africa currently has an aging transmission grid infrastructure and there are challenges associated with grid congestion and increasing grid connection costs.

The Eastern Cape (64.5%) and KwaZulu-Natal (67.0%) have the lowest grid connection rates in South Africa, and the SANEDI estimates that more than 3 million people in rural areas of South Africa are without access to electricity.

South Africa is an energy intensive and growing economy which means that current energy challenges are likely to increase. Expectations of grid connection and quality of service are high within South Africa, including amongst those who are not yet connected to the grid.

Currently, only 9% of South Africa's 45 GW of generating capacity is renewable (86% coal). South Africa has a target to increase renewable energy generation from 4 GW to 13.225 GW by 2025, and cap emissions at 600 MT CO₂ by 2025 (current levels are 400 MT CO₂). There is therefore a big opportunity for green mini grids to drive a more sustainable energy system. Green mini grids provide South Africa with an opportunity to overcome current capacity constraints, reinforce the grid and provide improved service delivery while increasing renewable energy generation.

In South Africa, solar mini grids could be ideal for electrifying communities due to the abundant solar resources that are available across the country. South Africa enjoys high solar irradiation with limited seasonality which means that photovoltaics, potentially combined with solar thermal, should be the generation technology choice. Solar also benefits from low operational and management costs.

4.1.4 MTSF Priorities for South Africa's Electricity Policy

South Africa's electricity production fell by 4.3% from 2010 to 2019 amounting to average reduction of 0.5% per year.

The electricity generation mix that powers the South Africa economy is transitioning, with coal to be significantly replaced by wind and solar generation capacity, from an installed capacity of 71% coal and 7.2% wind and solar in 2018, to 43% coal and 33.8% wind and solar in 2030 (IRP 2019).

The rise of renewable energy is being driven by the fact that wind and solar technologies offer the lowest cost new electricity generation capacity.

The replacement of coal by renewable energy sources also advances South Africa's global commitments to advance decarbonisation in one of the world's high carbon intensive economies. South Africa's constrained and unreliable electricity supply has resulted in load-shedding which has imposed significant economic costs estimated at between R59 billion and R118 billion in 2019/20 financial years.

South Africa's electricity supply utility, Eskom, is in a debt trap which means that government has had to inject fiscal resources to enable the company to meet its cost and interest repayment obligations. Various interventions will be undertaken urgently and decisively in order to improve energy security, promote economic investment, employment, growth, facilitate a just energy transition and restructuring of Eskom.

The IRP is the key electricity policy planning instrument of government. It is an instrument which aims to predict South Africa's future electricity demand and map out plans for the country's future electricity investments.

This has been a highly contested policy area, for example, technology choices which should have technically favoured a mix of least-cost, carbon-reducing technologies have continued to be roiled by cross winds involving political economy factors, vested interests, forces of State capture and corruption, as well as geo-political factors arguing variously in favour of nuclear, coal, gas or renewable technologies.

4.1.5 Renewable Energy Independent Power Producers

Based on the IRP's plans for electricity capacity investments, further BWs will be opened inviting entities to bid for the right to build the required capacity. The DMRE will select the most competitive bids to build the required technology. The restoration of electricity security in South Africa together with the ongoing energy transition is going to result in large-scale investment in the country's electricity generation, transmission and distribution infrastructure and this investment will continue for many years to come.

This means that there are significant new upstream and downstream industrialisation opportunities for South Africa. Upstream opportunities will include the need for investment in the manufacture of solar panels, wind towers and turbines, flexible gas plants, transmission infrastructure and other components. Once South Africa has invested in a significant renewable energy base, downstream opportunities would include a wide range of new activities such as those linked to the world's mobility transition, such as electric vehicles (EVs), green hydrogen and green jet fuel.

On the other hand, if decarbonisation of South Africa's electricity base does not happen at an acceptable pace and scale, the risks to investment and trade are significant. For example, Amazon recently invested in South Africa strictly on condition that all of its electricity requirements must be served by renewable energy sources.

Supportive and well-designed industrial policy will help to maximise localisation, employment, and racial transformation objectives. Sequencing and realistic design are very important so as not to undermine this vision. The recent debacle whereby the Risk Mitigation Independent Power Producer Procurement Programmes local content requirements for solar panels had

to be subsequently removed due to the absence of local supply capacity serves to undermine this localisation vision. Furthermore, such mismanagement is likely to result in a legal challenge by those companies which decided not to bid due to the local content criteria (as those criteria were withdrawn after bids had been submitted, to the unfair advantage of those companies that succeeded in their bids).

4.1.6 Energy Efficiency

A new study conducted by Investment Property Databank (IPD) and the Green Building Council of South Africa (GBCSA) has found that energy efficient (EE) commercial buildings in South Africa deliver better financial returns than non-EE buildings for their owners. This, together with South Africa's challenging economic climate and the looming 2016 carbon tax system, makes the employment of an EE solution an important investment decision for property and business owners alike.

It is important for business and property owners to focus on the areas that have the greatest impact on energy use at the best return on investment. The first step is measuring the energy use (be it electricity or other sources) and creating a baseline of consumption for the whole as well as its subcomponents. The results can vary significantly depending on the occupants of the building and the energy requirements, but usually these subcomponents include lighting, climate control and operational equipment such as IT and data processing.

The information gathered by the measuring process must be evaluated by an experienced energy advisor to identify key saving opportunities. The financial benefit of an effective EE plan is a direct saving on the bottom line that will increase over time as the cost of energy inevitably increases. The longer owners wait to start the process of managing energy use, the larger the potential losses will become, which can be prevented with the introduction of targeted interventions. On top of this, the CO₂ emissions negatively impact our environment and an opportunity is lost by the owners to position their buildings as a premium address in terms of responsible business.

4.1.7 Summary of Policy Interventions

The following interventions will be undertaken with regard to the MTSF priorities in order to improve energy security, reduce the costly resort to load-shedding, stabilise and restructure Eskom and secure longer run employment, industrialisation and decarbonisation objectives:

Accelerating investment in wind and solar capacity.

- Reaffirming corruption-free bidding processes;
- Allowing for larger embedded, or distributed, power investments by firms up to a 50 MW licence exemption;
- Committing to an accelerated decarbonisation target to access concessionary finance via COP26 in order to alleviate Eskom debt and to fund a just transition; and
- Linking the energy transition to industrialisation and employment objectives in a well-designed and effective manner.

4.1.8 Nuclear Energy

DMRE plans to issue an RFP for 2 500 MW of new nuclear capacity in this financial year and complete the procurement process in 2024. The country is also finalising its ratification of the amended Convention on Physical Protection of Nuclear Material.

As we embark on the Just Energy Transition in South Africa, we recognise that nuclear plays a pivotal role as one of the clean energy sources that are needed to achieve net-zero emissions by 2050.

In June 2020, South Africa issued a RFI to test the market appetite for the 2 500 MW of nuclear energy and received positive responses from 25 companies that showed an interest in this programme. The NERSA has recently concurred, with a ministerial determination, for the procurement of 2 500 MW new generation capacity from nuclear energy. We plan to issue the Request for Proposal for 2 500 MW nuclear programme in this financial year and complete the procurement in 2024 to support the ERRP and ensure security of energy supply. The IAEA is continuing to support through peer review Safety Aspects of the Long-Term Operation missions at the Koeberg nuclear power plant, which is currently undergoing "technical and regulatory work" to extend its lifetime by 20 years. NRWDI, which is responsible for managing South Africa's radioactive waste will sign Practical Arrangements with the IAEA covering cooperation on borehole disposal of disused sealed radioactive sources.

The DMRE in 2020 announced the start of work on a roadmap for the procurement of 2 500 MW of new nuclear capacity, which was to consider all options, including small modular reactors. NERSA, in the previous year, invited public comments on the government's procurement plans and formally provided its support to the procurement of the 2 500 MW of new nuclear generation capacity. The two pressurised water reactors at Koeberg, which are operated by state-owned utility Eskom, began commercial operations in the mid-1980s and together generate 5% of South Africa's electricity.

4.1.9 South Africa Mining Industry

Mining production in South Africa rebounded by 2.1 percent year-on-year in October of 2021, compared to a downwardly revised 0.8 percent contraction in September and better than market estimates of a 0.85 percent fall. The largest positive contributors were PGMs (24 percent vs -7.5 percent in September), chromium ore (28.7 percent vs 6.1 percent) and iron ore (11.5 percent vs 33.6 percent). Meanwhile, output fell at a softer pace for gold (-3.5 percent vs -5.6 percent), other metallic minerals (-5.8 percent vs -12.3 percent) and other non-metallic minerals (-0.2 percent vs -3.7 percent). On a seasonally adjusted monthly basis, mining production rose 3.4 percent, after a 4.4 percent slump in the prior month.

The various challenges being faced by the Exploration and Mining Industry are generally summarised into six key challenges, namely:

- The global financial crisis, and the impact that this has had on global demand;
- Infrastructure, ports, rails, water, roads, and electricity;
- Health and safety;
- Environmental compliance requirements;
- Illegal mining operations; and
- Community activism.

The cumulative impact of these challenges cannot be underestimated. Unfortunately, it is extremely difficult to quantify the cumulative impact. Mining companies do however accept that there is certain risk involved in the South Africa Exploration and Mining Industry and accommodate this risk, in the business decisions. However, one of the key challenges that has the most significant impact is regulatory and legislative uncertainty. Without a stable framework within which exploration and mining companies can obtain prospecting and mining rights and the related environmental

authorisations and exercise those rights within an environment (which at the very least gives a sense of security that the significant investments required will be protected and will, for the duration of the right be certain), investors are extremely cautious when making investment decisions.

Our experience is that many investors from both the historical and traditional investment jurisdictions, such as Australia and Canada, and the more recent investment jurisdictions, such as China, express concern at the ever-changing regulatory environment in South Africa. This seems to be one of the keys "deal breakers", when decisions are made regarding South Africa as an investment destination and it is easy to see why: If key legislation such as the MPRDA is consistently subject to review, proper decisions on investment cannot be made. The long lead times between the decision to invest and the granting of the authorisations impacts even further.

For example, if it takes four to five years to obtain a water use licence, in the absence of which mining operations often cannot commence, investment destinations which are able to expedite the authorisation process, would be more attractive to the investor.

The current situation and the gaps created by the MPRDA amendments and the National Environmental Management Act (NEMA) amendments add significant uncertainty. Environmental authorisations are a critical component of the ability to mine lawfully. Even if a prospecting right or mining right is granted, in the absence of the environmental authorisations, and the issuing of water use licenses, the investor is not able to lawfully commence its mining operations. The delayed return on investment represents a significant additional risk to the investor in these circumstances.

Investment in the mining industry is crucial to ensure its continued contribution to the South African economy.

DMRE working with the CGS and Minerals Council completed the draft of an 'Exploration Implementation Plan' as the lifeblood of the mining industry's growth. The CGS will conduct exploration in four identified priority areas in Garamokoka, Kenhardt, Kleinfonein and Giyani to enhance the quality of data in these areas. This will attract investments in exploration and job creation around the areas identified between a period of nine months. Exploration strategy implementation of the proposed interventions will help to secure a rapid increase in exploration from a base of just under 100 million USD to 150 million USD in the first year, with the intention of ramping it up to a minimum of 500 million USD in three to five years.

4.1.10 Contribution of Mining Industry to the Economy

Investment in the mining industry is crucial to ensure its continued contribution to the South African economy. In a year of doom and gloom on so many fronts, the mining sector delivered a sterling performance with value delivered to all stakeholders.

In order to prepare the workforce for future roles and to upskill employees with the skills and competencies they needed to stay relevant, upskilling and learning and development within mines need to be carefully rethought with rapid technology adoption in mind. Net profit grew to R274 billion, which represents a 285% increase, because of the increased commodity prices and improved production after mines largely returned to pre-COVID-19 production levels.

As global supply and demand jostled to find their way back to pre-pandemic levels, demand, and therefore prices were the outright winner. With record rand prices for gold, the platinum group metals (PGMs) basket, iron-ore and more recently coal, it was no surprise that the industry's financial performance exceeded expectations on most fronts. The global low-carbon energy and Fourth Industrial Revolution agendas would result in increased demand for a number of commodities, with global constraints in the supply of these increasing prices and the need for investment in supply.

Stakeholders often refer to the need for a just transition when faced with massive demand shifts away from fossil fuels. Globally though, the pace of the transition, is likely to be limited by the availability of resources needed for the transition. Understanding the supply constraints would be key to mapping a realistic transition for the future. In South Africa, we stand to benefit from the demand growth. Whether South Africa and other resource-rich countries will benefit to the full extent, will depend on the ability to address bottlenecks in supply. There is an obvious need to invest in the right skills, infrastructure, energy and water, and, in general, creating an enabling environment for exploration, mine development and production.

In order to realise the full potential benefit of our resources and create long term sustainable outcomes it will depend on our ability to mine cost competitively and to integrate various value chains profitably. The fiscus benefited from increased direct and indirect taxes and mining royalties to the extent that it could support ongoing socio-economic support during the pandemic. The remaining free cash-flow and available cash resources leave mining

companies with interesting capital allocation decisions. The growth in the mining industry confirms the resilient nature of the sector and the opportunities that exist in rebuilding the South African economy. The South African economy started rebounding in the third quarter of 2020 (July–September) coinciding with the easing of COVID-19 lockdown restrictions. All industries recorded an increase in economic activity compared with the second quarter of 2020. Mining was the strongest contributor to growth among all sectors, recording 271% growth in the third quarter compared to the second quarter.

This growth was attributable to an increase in the production of PGMs, iron-ore, gold, manganese ore and diamonds, as well as strong commodity prices. The latest gross domestic product numbers show that the mining sector has once again recovered, recording a growth rate of 18.1% in the first quarter of 2021, from increased production and prices of PGMs, iron-ore and gold. These levels were maintained in the second quarter of 2021 with a marginal growth of 0.1%. Infrastructure development and energy transition strategies adopted by a number of countries to bolster economic growth, are supporting the demand for these commodities. South Africa's mining sector delivered a solid financial performance for the 2020 and 2021 financial years with value delivered to all stakeholders despite the current challenging pandemic environment.

The excellent financial performance resulted in mining companies being in a very strong financial position, with record distributions to shareholders and more than a tripling in taxes paid. Debt has largely been repaid and returns to shareholders reached record rand levels for many companies.

4.1.11 Other Key SA Mine Findings Included:

- Total market capitalisation increased in the current year from R1.047 billion to R1.470 billion;
- The average earnings before interest, taxes, depreciation and amortisation (Ebitda) margin of the mining companies included in this analysis was 46% compared to 27% in the prior year;
- For the companies in the analysis, revenue in rand terms grew by 63%. This was mainly driven by higher prices for planning for PGMs and iron-ore; and
- The aggregate tax paid by the mining companies was R91 billion with an effective tax rate of 27%, which represents a staggering 250% increase from the previous period and was driven by the increased mining profitability.

The period saw production increase by 6% year-on-year. Although the overall production for the year to June was still marginally below 2019, monthly production levels over the last six months were above the 2019 levels.

Manganese ore was the largest positive contributor with an average of 20% increase in output as operations recovered from an extended shutdown in response to COVID-19 restrictions and market conditions. Diamond production grew the largest by 30%. Coal has seen the biggest drop in production from the prior year at an average of 6%.

4.1.12 Mining's Role in Transitioning to Cleaner Economy

As South Africa navigates its way through its transition to a cleaner economy, there are several factors to consider. The transition comes with employment opportunities in cleaner energy industries, such as renewable energy and battery storage. It is key that these opportunities are maximised to the fullest to generate economic growth and employment opportunities for all. Employees need to be skilled and reskilled for this transition.

The just transition concept has put a lot of focus on the plight of communities in the coal mining areas. In a country with record unemployment and where the socio-economic challenges probably pose the biggest risk, not only for the mining sector, but for the country as a whole, this focus might be too narrow. We believe the socio-economic challenges need to be addressed on an integrated basis.

The limitations of supply of key commodities required for the total green energy value chain are likely to limit the pace of the energy transition to the extent that a realistic transition will result in most of the existing coal mines closing on their normal life-of-mine planned times.

In fact, in the next decade, the country stands to lose more jobs from planned mine closures in the gold sector than in the coal sector.

The mining industry is well positioned to use the global energy transition opportunity to enable growth in South Africa. This includes the opportunity for research and development and industries to support the renewable energy industry in general and the green hydrogen economy.

4.1.13 Transforming Workforce for Smart Mining

The mining workforce – from a job role, digital skills and behaviour perspective – is evolving continuously, with most respondents to a recent survey of digital transformation in the South African mining sector believing that there will be a change in the nature of the workforce to more skilled employees over the next five years.

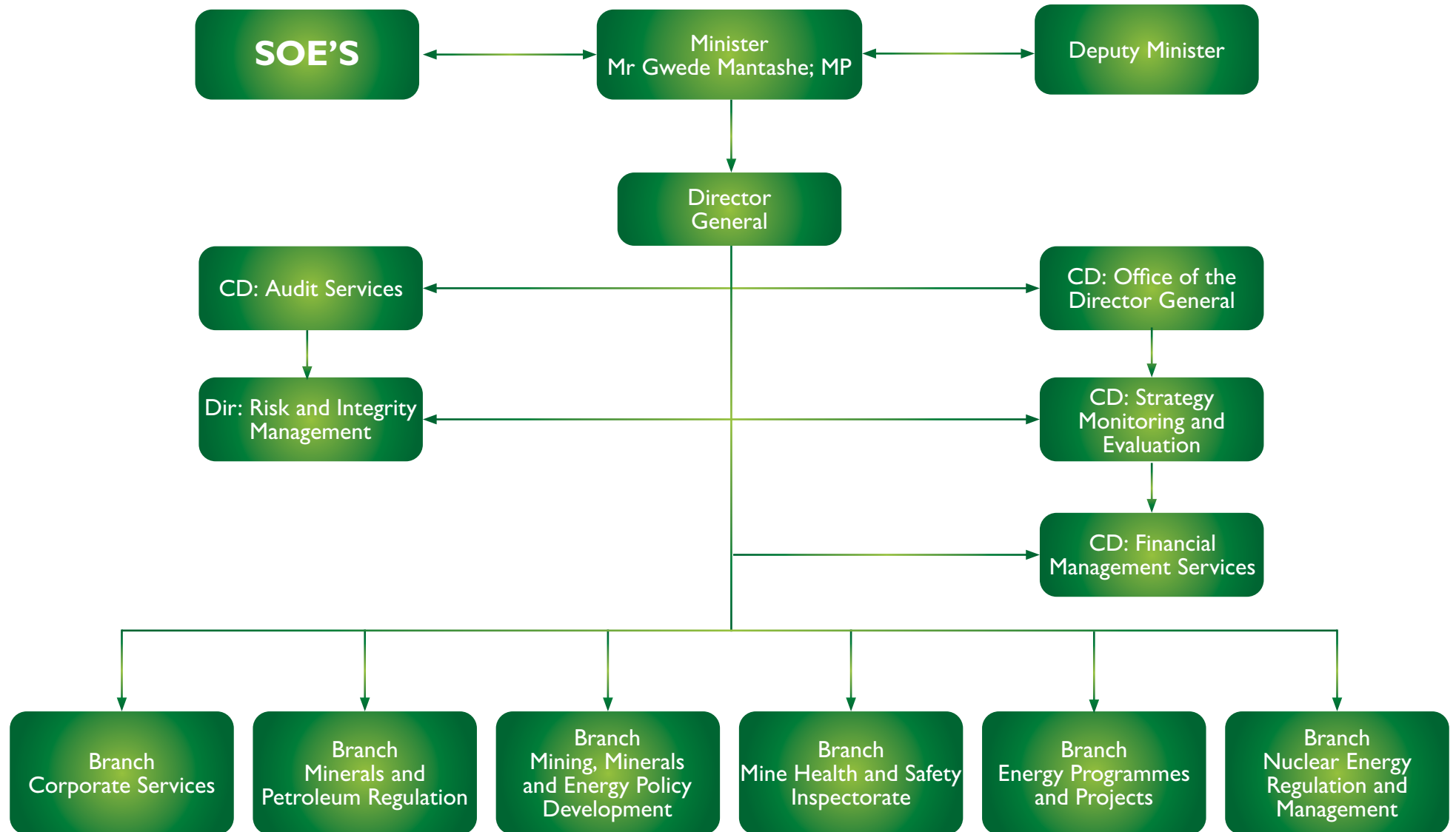
As major mining organisations think about their strategy and transformation journey from a digital and mining operations automation perspective, it is critical to understand, identify and start developing skills to support and undertake this transformation.

Mining companies have a unique opportunity to manage digital transformation proactively and to minimise the potential negative impact on the workforce and operations through upskilling and reskilling.

Although digitised training has a number of benefits, in the South African mining context there are some challenges that need to be considered: language barriers and literacy levels; workforce age groups; generational expectation differences; cultural norms; physical infrastructure; asset development and operating costs; and scalability, adaptability and accessibility of training.



DMRE START-UP STRUCTURE



4.2 Internal Environmental Analysis

4.2.1 Organisational Environment

The DMRE was established in May 2019 by the merger of the Department of Mineral Resources and the Department of Energy. The intention was to better equip and capacitate the DMRE to respond to the strategic objectives derived from the NDP, as they relate to the regulation and transformation of the energy and mining sectors in the following regard:

- Provisioning of secure, sustainable and affordable energy; and
- The promotion and regulation of minerals and mining.

These are in line with the objective to develop a mineral resources and energy sector that promotes economic growth and development, social equity and environmental sustainability.

Furthermore, the intention was to align with the integrated mandate of the DMRE as well as the strategic priorities of the department identified in the MTSF.

The DMRE EXCO started discussions on the review of the Organisational Structure during second quarter of 2021/22 financial year after the establishment of the Departmental Organisational Restructuring Committee. Based on the outcomes of the above-mentioned discussions, EXCO recommended that a service provider must be appointed to facilitate a strategic retreat session(s) which will, amongst others, provide guidance on the configuration of the Macro Organisational Grouping of the department. The strategic retreat sessions were held on the 11 and 12 of October 2021 respectively, however it was further recommended that a follow up session, which is yet to take place, must be arranged in order to discuss matters related to the configuration of the Macro Organisational Grouping since it was not done during the past two sessions. There is a need to fast track the Organisational Structure Review process in order to determine a fit for purpose organisational structure which will be responsive and aligned to the approved 2020–2025 strategic plan of the department. A process to appoint a service provider to conduct an organisational culture intervention is underway. The fact that the DMRE is newly established, creates an opportunity to conduct an organisational culture intervention to define the ideal culture and set the values that

employees should live by in the department. The current approved organisational structure comprises of 1 630 posts, with a vacancy rate of 10.05% on active posts. Training and development continued for the year under review with 65 bursaries issued to employees, seven learnerships, 114 internships and 121 skills programmes were planned. Ten skills programmes/workshops were implemented in line with the Workplace Skills Plan (WSP) while other requests were submitted to Supply Chain Management for issuing of purchase orders. A contract for Employee Assistance Programme expired in September 2021 and three months contract was approved, while an advert for a 36 months contract is underway. BAC approved the procuring of a new service provider for 36 months, however the advert is not yet out. A further interim contract for three months is being sought. Two duly authorised employee unions namely, the National Education, Health and Allied Workers' Union and the Public Service Association represent workers. National Education, Health and Allied Workers' Union (NEHAWU) organises state, health, education and welfare workers. Public Service Association represents public servants, public service pensioners and employees of quasi-state institutions.

Twenty-seven HR Policies have been approved and implementation of these policies will continue through scheduled workshops at Head Office and in the regions, some of which have already been conducted in regional offices. The department's Human Resource Plan is approved, and implementation is being monitored through quarterly reports to the Director-General and annual reporting to the DPSA. The department also has an approved Employment Equity Plan and Committee that convenes on a quarterly basis to monitor and make recommendations on the improvement of EE in the workplace. Fourteen employees have been identified as employees with disabilities which is 1% of the staff compliment and 38% (56) woman are employed in Senior Management posts. Measures to improve the latter are being implemented.

The department's contribution towards COVID-19 response package was submitted to NT with the downward net change of the base line allocation. This resulted in a need to reprioritise funding in various economic classifications including compensation of employees for the MTEF. Filling of vacant positions has been prioritised for completion during this financial year.

4.2.2 Women, Youth and People with Disabilities

DMRE's mandate is to regulate, transform and promote the minerals and energy sectors, providing sustainable and affordable energy for growth and development and ensuring that all South Africans derive sustainable benefit from the country's mineral wealth.

One of the focus areas within the mandate of the DMRE is to lead the efforts to advance Gender Equality and the empowerment of women, youth and people with disabilities in the energy and mining sectors.

Amongst others, the primary purpose of the MPRDA is to ensure the attainment of Government's objectives to redress historical socio-economic inequalities, to ensure broad-based economic empowerment and the meaningful participation of Historically Disadvantaged Persons in the mining and energy sector.

The objectives of the Mining Charter are to substantially and meaningfully expand opportunities of Historically Disadvantaged Persons to enter the mining and energy industry and to benefit from the exploitation of the nation's mineral resources as articulated below:

- To enhance the social and economic welfare of South Africans to achieve social cohesion;
- To promote sustainable growth and competitiveness of the mining industry; and
- To enable growth and development of the local mining inputs sector by the procurement spend of the mining industry.

The DMRE is ready to work together with all stakeholders to drive transformation initiatives and ensure the integration of women, youth and people with disabilities across the value chain.

The DMRE is working on a WEGE Strategy for the sector and will be consulting various stakeholders to ensure an adequate and inclusive process. Empowering a woman is empowering a family, community, and a nation. The realization of equal rights of half of our population is the unfinished human rights struggle of this century.



PART C: MEASURING OUR PERFORMANCE



5. Institutional Programme Performance Information

The department will focus on the six core programmes on which the APP is premised. These programmes are the enabling functions that will allow the department to meet the outcomes set out in its strategic plan.

5.1 Programme 1: Administration

Purpose: To provide support services to the department to fulfil its mandate and achieve its strategic objectives

Functions:

- Render auxiliary support and security services;
- Render strategic human resources services;
- Perform oversight role to all the department's SOEs;
- Ensure the provision of communications and media related services;
- Provide professional legal support and advisory services to the Ministry and department; and
- To develop and maintain all departmental application systems and ensure a sound information technology service.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 1: Capable, ethical and developmental state	
	Functional, efficient and integrated Government	Functional, efficient and integrated Government
	Improved governance and accountability	Improved governance and accountability
	Priority 2: Economic transformation and job creation	
	Investing in accelerated inclusive growth	Investing in accelerated inclusive growth
CONSOLIDATED BRANCH OUTCOMES FOR 2022/23		
1. Functional, efficient and integrated Government;		
2. Improved governance and accountability; and		
3. Investing in accelerated inclusive growth.		

Programme 1 is well-positioned to support National Priority 1: A Capable, Ethical and Developmental State by focusing on:

- Effective and efficient strategic corporate services;
- Efficient, effective and development-oriented department; and
- To promote sound corporate governance practices within the DMRE.



5.1.1 Programme 1: Outcomes, Outputs, Performance Indicators and Targets

MTSF/ ERRP Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Functional, Efficient and Integrated Government	Functional, Efficient and Integrated Government	Wasteful and fruitless expenditure eliminated	% Reduction of Wasteful and fruitless expenditure compared to prior year	N/A	N/A	100% Elimination of wasteful and fruitless expenditure	100% Reduction of Wasteful and fruitless expenditure compared to prior year	100% Reduction of Wasteful and fruitless expenditure compared to prior year	100% Reduction of Wasteful and fruitless expenditure compared to prior year	100% Reduction of Wasteful and fruitless expenditure compared to prior year
		Reduced irregular expenditure	% Reduction of irregular expenditure compared to prior year	N/A	N/A	100 % Reduction of irregular expenditure	100% Reduction of irregular expenditure compared to prior year	100% Reduction of irregular expenditure compared to prior year	100% Reduction of irregular expenditure compared to prior year	100% Reduction of irregular expenditure compared to prior year
		Unqualified audit opinion in the department	Receipt of an unqualified audit opinion for the year under review	N/A	N/A	100 % Reduction of qualified audits	Receipt of an unqualified audit opinion for the year under review	Receipt of an unqualified audit opinion for the year under review	Receipt of an unqualified audit opinion for the year under review	Receipt of an unqualified audit opinion for the year under review
Improved governance and accountability	Improved governance and accountability	Consequences for corruption and misconduct enforced	% Resolution of reported incidents of corruption	N/A	N/A	95% Resolution of reported incidents of corruption	95% Resolution of reported incidents of corruption	95% Resolution of reported incidents of corruption	95% Resolution of reported incidents of corruption	95% Resolution of reported incidents of corruption

MTSF/ ERRP Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Functional, Efficient and Integrated Government Functional, efficient and integrated department	Functional, Efficient and Integrated Government	Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	Number of approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	N/A	N/A	Approved Shareholder compacts	Approved Shareholder compacts	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs
		Approved SOEs Annual Performance Plans	Number of Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	N/A	N/A	Approved Annual Performance Plans tabled in Parliament	Approved Annual Performance Plans tabled in Parliament	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament
		Progress updates on implementation of Corporate Plan/APPs	Number of SOEs Quarterly Performance Reports reviewed and Ministerial submission produced	N/A	N/A	N/A	SOEs' Quarterly Performance Reports produced	44 SOEs Quarterly Performance Reports reviewed and Ministerial submission produced	44 SOEs Quarterly Performance Reports reviewed and Ministerial submission produced	44 SOEs Quarterly Performance Reports reviewed and Ministerial submission produced
		SOEs Annual Reports	Number of SOEs Annual Reports tabled in Parliament	N/A	N/A	N/A	SOEs' Annual Reports tabled in Parliament	11 SOEs Annual Reports tabled in Parliament	11 SOEs Annual Reports tabled in Parliament	11 SOEs Annual Reports tabled in Parliament
Investing in accelerated inclusive growth		Approved invoices from service providers paid within 30 days of receipt	Percentage of approved invoices from service providers paid within 30 days of receipt	100% Approved invoices paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt

5.1.2 Programme I: Output Indicators: Annual and Quarterly Targets

Programme I –Administration					Q1	Q2	Q3	Q 4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Functional, Efficient and Integrated Government	Functional, Efficient and Integrated Government	Wasteful and fruitless expenditure eliminated	% Reduction of Wasteful and fruitless expenditure compared to prior year	100% Reduction of Wasteful and fruitless expenditure compared to prior year	No incidents of wasteful and fruitless expenditure, reporting of identified cases requiring investigation	No incidents of wasteful and fruitless expenditure, reporting of identified cases requiring investigation	No incidents of wasteful and fruitless expenditure, reporting of identified cases requiring investigation	100% Reduction of Wasteful and fruitless expenditure compared to prior year
		Reduced irregular expenditure	% Reduction of irregular expenditure compared to prior year	100% Reduction of irregular expenditure compared to prior year	No incidences of irregular expenditure and reporting of identified cases requiring investigation	No incidences of irregular expenditure and reporting of identified cases requiring investigation	No incidences of irregular expenditure and reporting of identified cases requiring investigation	100% Reduction of irregular expenditure compared to prior year
		Unqualified audit opinion in the department	Receipt of an unqualified audit opinion for the year under review	Receipt of an unqualified audit opinion for the year under review	N/A	Receipt of an unqualified audit opinion for the year under review	N/A	N/A
Improved governance and accountability	Improved governance and accountability	Consequences for corruption and misconduct enforced	% Resolution of reported incidents of corruption	95% Resolution of reported incidents of corruption	Implement the integrated Anti-fraud and Corruption Strategy and policy	Implement the integrated Anti-fraud and Corruption Strategy and policy	Implement the integrated Anti-fraud and Corruption Strategy and policy	95% Resolution of reported incidents of corruption

Programme I –Administration					Q1	Q2	Q3	Q4	
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target					
Functional, Efficient and Integrated Government Functional, efficient and integrated department	Functional, Efficient and Integrated Government	Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	Number of approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	N/A	N/A	Approved shareholder compacts	Approved shareholder compacts	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	
		Approved SOEs Annual Performance Plans	Number of approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	N/A	N/A	N/A	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	
		SOE's Quarterly Performance Reports	Number of SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	44 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	11 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	11 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	11 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	11 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced	11 SOEs Quarterly Performance Reports reviewed, and Ministerial submissions produced
		SOEs Annual Reports	Number of SOEs Annual Reports tabled in Parliament	11 SOEs Annual Reports tabled in Parliament	N/A	11 SOEs Annual Reports tabled in Parliament	N/A	N/A	
Investing in accelerated inclusive growth	Investing in accelerated inclusive growth	Approved invoices from service providers paid within 30 days of receipt	Percentage of approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	100% Approved invoices from service providers paid within 30 days of receipt	

5.1.3 Explanation of Planned Performance over the Medium-Term Period

The information reflected in the performance information section of programme I: Administration are aligned to MTSF, ERRP. Programme I will focus on creating an effective and efficient strategic support services to the line function and ensure the implementation of the National Skills Development strategy and filling of vacant funded position with the view to support the implementation of the strategic plan and maintenance of a vacancy rate level of below or equal to 10%. The department's five-year communication strategy will be finalised and a re-branding of all DMRE entities will be considered. This programme will continue to review and update policies and procedures and to align them with the new DMRE. Special emphasis will be placed on the procurement of the new Information and Communications Technology (ICT) enterprise system and infrastructure.

In line with Priority 1: A capable, ethical and developmental state, the department will focus on the creation of strong leadership necessary to direct and steer planning and execution of policies and mandate of the department, change management, professionalism, as well as creation of positive culture with the control environment view to ensure effective governance and accountability.

This programme will also be responsible for skills development and retraining of personnel with the view to align with the demands of the dynamic mandate of the department. An integrated stakeholder management framework will be developed. Initiatives around reprioritisation of funds and request for additional funding will be driven by programme 1 through the financial management services in consultation with various programme managers to augment the shortfall of resources in various branches. Different funding mechanisms should

be explored, including funds set aside, donor funding, engagement with NT, the redirection of resources, collaboration, sponsorships, and funding for communication activities. This Programme will pursue different funding mechanism (set aside, donor funding, engagement with NT, redirection of resources, collaboration, sponsorships, funding for communication activities) to realise the outputs and improvements in related performance indicators that are anticipated over the MTSF period.

To promote sound corporate governance practices within the DMRE, the programme will manage appeals, litigation, legal drafting, legal opinions, agreements, legislation, Promotion of Access to Information Act (PAIA) request, legal inquiries and investigations. An integrated stakeholder management framework will be finalised.

5.1.4 Programme resource consideration

Programme 1: Administration (Sub- Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	73,699	57,313	27,500	39,439	39,000	- 439	37,046	37,071	38,722
Departmental Management	47,377	29,778	32,941	41,350	41,350	-	40,235	40,238	42,045
Audit Services	17,830	19,748	18,582	22,330	22,330	-	21,517	21,524	22,491
Financial Administration	84,740	88,613	86,912	100,736	103,079	2,343	94,879	95,404	103,465
Corporate Services	333,169	374,177	275,909	306,644	306,891	247	378,700	343,202	315,757
Office Accommodation	65,285	61,626	124,748	113,269	113,269	-	157,235	157,620	164,698
Total Sub-programmes	622,100	631,255	566,592	623,768	625,919	2,151	729,612	695,059	687,178

Programme I: Administration (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	603,571	617,687	555,388	601,848	601,848	-	711,529	675,746	659,562
Compensation of employees	319,937	333,883	305,898	327,769	327,769	-	327,867	327,871	342,582
Salaries and wages	279,997	291,480	263,567	286,862	286,862	-	286,957	286,956	299,830
Social contributions	39,940	42,403	42,331	40,907	40,907	-	40,910	40,915	42,752
Goods and services	283,633	283,804	249,490	274,079	274,079	-	383,662	347,875	316,980
Administrative fees	2,164	2,295	1,028	2,760	2,760	-	1,777	1,787	1,862
Advertising	2,621	2,316	2,444	4,832	4,832	-	1,577	1,596	1,790
Minor assets	534	943	680	4,324	4,337	13	4,446	4,461	4,661
Audit costs: External	11,334	12,400	9,445	9,907	9,907	-	10,210	10,249	10,709
Bursaries: Employees	2,482	2,228	2,441	3,082	3,082	-	3,177	3,188	3,331
Catering: Departmental activities	1,013	729	56	1,652	1,645	-7	1,085	1,091	1,156
Communication (G&S)	8,226	20,194	13,824	6,823	6,823	-	5,958	6,985	7,097
Computer services	31,102	28,506	38,139	40,842	40,917	75	126,461	86,724	44,103
Consultants: Business and advisory services	5,069	3,944	2,134	7,911	7,881	-30	8,149	8,180	8,546
Legal services (G&S)	3,552	1,368	-	1,135	1,035	-100	1,169	1,173	1,226
Science and technological services	-	791	424	-	-	-	-	-	-
Contractors	1,327	1,158	334	3,117	3,127	10	3,199	3,211	3,355
Agency and support/outsourced services	297	23	-	891	391	-500	919	922	964
Entertainment	-	-	-	283	283	-	276	277	290
Fleet services (including government motor transport)	8,122	8,403	5,710	4,261	4,261	-	4,243	4,265	4,456
Consumable supplies	1,507	1,226	4,958	4,044	4,930	886	1,927	1,942	2,022

Programme I: Administration (Sub- Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Consumables: Stationery, printing and office supplies	4,652	3,192	1,872	7,287	7,521	234	6,385	7,412	7,538
Operating leases	129,762	127,570	129,052	109,001	109,001	-	152,794	153,163	160,041
Rental and hiring	87	217	16	27	27	-	26	27	28
Property payments	14,355	15,224	23,745	15,818	15,818	-	16,311	16,373	17,108
Travel and subsistence	42,500	37,826	8,808	26,421	25,790	-631	14,493	14,411	15,508
Training and development	6,626	4,412	231	8,284	8,284	-	9,117	10,431	10,698
Operating payments	2,954	6,101	3,409	7,571	7,621	50	7,779	7,807	8,157
Venues and facilities	3,347	2,738	740	3,806	3,806	-	2,184	2,200	2,334
Interest and rent on land	1	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	1	-	-	-	-	-	-	-	-
Transfers and subsidies	4,024	9,150	5,369	3,551	5,702	2,151	5,527	5,896	6,162
Departmental agencies and accounts	1,108	1,170	-	1,225	3,376	2,151	3,120	3,480	3,637
Households	2,916	7,980	5,369	2,326	2,326	-	2,407	2,416	2,525
Payments for capital assets	14,418	4,404	4,142	18,369	18,369	-	12,556	13,417	21,454
Buildings and other fixed structures	636	276	-	2,286	2,286	-	2,416	2,522	2,635
Transport equipment	1,972	-	-	-	-	-	-	-	-
Other machinery and equipment	11,810	4,085	4,142	16,083	16,083	-	10,140	10,895	18,819
Software and other intangible assets	-	43	-	-	-	-	-	-	-
Payments for financial assets	87	14	1,693	-	-	-	-	-	-
Total Economic Classification	622,100	631,255	566,592	623,768	625,919	2,151	729,612	695,059	687,178

Programme 1: Administration (Sub- Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Energy and Water Sector Education and Training Authority	1,108	1,170	-	1,225	1,225	-	911	1,263	1,320
Employee social benefits	2,589	6,740	5,203	1,902	1,902	-	1,971	1,978	2,067
Employee ex-gratia payment	154	1,240	166	424	424	-	436	438	458
Claims against state	173	-	-	-	-	-	-	-	-
Mining Qualification Authority	-	-	-	-	2,151	2,151	2,209	2,217	2,317

In the 2022/23 financial year the Administration Programme accounts for 7.05% of the total budget allocation and is inclusive of transfer payments to the Mining Qualifications Authority (MQA) affiliated SETAs and transfer payments to households for retirement benefits such as leave gratuities. During the 2022 MTEF process several budget adjustments, including reprioritisation were implemented to address cost pressures within the programme. Reprioritisation approvals included in the final budget allocations include:

- Operating Leases (Office accommodation) – funding reprioritized across the department towards this item of R40.78 million in 2022/23, R40.78 million in 2023/24 and R42.62 million in 2024/25 respectively to fund a shortfall in this item as a result of private leases; and
- ICT costs including Enterprise system – Funding of R84.42 million and R44.52 million allocated in the 2022/23 and 2023/24 financial year respectively for ICT costs, including the procurement of the Enterprise system.

In addition, MQA funding allocated under Programme 4, was reinstated in Programme 1 by R2.1 million in 2021/22, R2.2 million in 2022/23 and 2023/24 and R2.3 million in 2024/25. Allocations for capital assets were also centralised under the Administration Programme for management under Logistics and Asset Management Directorate. The mentioned adjustments were affected from the current 2021/22 financial year. Further inter-Programme adjustments were implemented in order to shift funds to areas that were not properly resourced.

5.2 Programme 2: Minerals and Petroleum Regulation (MPR)

Purpose: To regulate the mining, minerals and petroleum industry

Functions:

- Ensure orderly development of the mineral and petroleum industry through implementation of the MPRDA and the PPA;
- Ensure technical, economic and legal compliance and enforcement in line with the PPA and MPRDA;
- Manage compliance and enforcement of prospecting and mining activities with the NEMA;
- Regulating Petroleum Industry and ensure the security of fuel supply in the country;
- Provide specialised empowerment transaction assessment service;
- Render a specialised administration and information service in the Minerals and Petroleum Licensing; and
- Regulate fuel pricing to promote access to affordable petroleum products.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 2: Economic Transformation and Job Creation	
	Investing in accelerated inclusive growth	<ul style="list-style-type: none"> • Increased employment in the mining and petroleum sectors • Increased livelihoods in mining communities • Transformed mining and petroleum sectors (Industrialisation)
	Increased compliance with licensing conditions	<ul style="list-style-type: none"> • Compliant mining and petroleum sectors
	Increased compliance with fuel specification regulations	<ul style="list-style-type: none"> • Fuel specification regulation compliant petroleum sector
ERRP (Area 1: Ensuring Energy Security)	50% Reduction in the current timeframes for mining licenses and support efforts to invest in green jobs. (Reduction to 50% can be done but the processing timelines would require legislative amendments)	<ul style="list-style-type: none"> • Transformed petroleum and mining sectors (HDSA participation) • Transformed mining and petroleum sectors (Industrialisation)
CONSOLIDATED BRANCH OUTCOMES FOR 2022/23		
<ol style="list-style-type: none"> 1. Increased employment in the mining and petroleum sectors; 2. Increased livelihoods in mining communities; 3. Transformed mining and petroleum sectors (Industrialisation); 4. Compliant mining and petroleum sectors; 5. Fuel specification regulation compliant petroleum sector; and 6. Transformed petroleum and mining sectors (HDSA participation). 		

5.2.1 Programme 2: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Investing in Accelerated Inclusive Growth	Increased employment in the mining sector	Jobs enabled	Number of jobs to be enabled through the issuing of mining rights	N/A	N/A	4 000	4 000	4 000	4 000	4 000
	Improved livelihoods in mining communities	SLP development Projects	Number of SLP development projects completed	120	120	120	120	120	120	120
Increased Compliance with Licensing Conditions	Compliant mining sector	SLP inspections	Number of SLP inspections conducted	251	120	212	212	212	212	212
		Legal compliance inspections	Number of legal compliance inspections (mineral laws-MLA) conducted	155	63	150	150	150	150	150
		Mining economics (MWP/PWP) inspections	Number of Mining Economics (MWP/PWP) inspections conducted	500	500	500	500	500	500	500
	Environmental inspections	Number of environmental inspections conducted	1 502	760	1 275	1 275	1 275	1 275	1 275	
Increased Compliance with Fuel Specification Regulations	Compliant petroleum sector	Retail Site inspections	Number of petroleum retail site compliance inspections conducted	2 099	1 500	1 367	540	1 500	1 500	1 500
		Fuel samples tested	Number of fuel samples tested	1 080	1 080	1 080	1080	1 080	1 080	1080
Economic Participation in the Mining Sector	Transformed mining sector	Rights issued to HDSA controlled entities	Number of rights issued to HDSA controlled entities	178	183	97	120	120	120	183

5.2.2 Programme 2: Output Indicators: Annual and Quarterly Targets

Programme 2: Minerals and Petroleum Regulation (MPR)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Investing in Accelerated Inclusive Growth	Increased employment in the mining sector	Jobs enabled	Number of jobs to be enabled through the issuing of mining rights	4 000	1 000	1 000	1 000	1 000
	Improved livelihoods in mining communities	SLP development projects	Number of SLP development projects completed	120	30	30	30	30
Increased Compliance with Licensing Conditions	Compliant mining and petroleum sectors	SLP inspections	Number of SLP inspections conducted	212	53	53	53	53
		Legal compliance inspections	Number of legal compliance inspections (mineral laws-MLA) conducted	150	37	38	38	37
		Mining economics (MWP/PWP) inspections	Number of mining economics (MWP/PWP) inspections conducted	500	125	125	125	125
		Environmental inspections	Number of environmental inspections conducted	1 275	319	319	319	318
		Retail site compliance inspections	Number of petroleum retail site compliance inspections conducted	1 500	375	375	375	375
Increased Compliance with Fuel Specification Regulations	Fuel specifications regulation compliant petroleum sector	Fuel samples tested	Number of fuel samples tested	1 080	270	270	270	270
Economic Participation in the Mining Sector	Transformed mining sector (HDSA participation)	Rights to HDSA controlled entities	Number of rights issued to HDSA controlled entities	120	30	30	30	30

5.2.3 Programme 2: Explanation of Planned Performance over the Medium-Term Period

This programme has identified interventions linked to the MTSF and ERRP to ensure that the annual targets, outputs and outcomes are aligned to the requirements of the smart principles thereby contributing to the attainment of the mandate of the department. Improvement in turnaround time of licensing, mining permits, mining rights will be fast tracked through the procurement of the new ICT infrastructure and system.

The department will continue to encourage partnerships with the law enforcement agencies, mining industry and community members to address the scourge illegal mining. Lack of transformation in minerals and petroleum sectors that are reflective of the country's demographics, will be addressed. Compliance with the relevant legislative frameworks will be enforced.

With regard to feasibility study on new oil refinery, the department is awaiting a final decision from the investor as to whether it is still their intention to proceed with the investment or not. The feasibility study has been placed on hold attributed to the withdrawal of the investor.

In the mining sector, DMRE, Department of Forestry, Fisheries and the Environment (DFFE) and Department of Water and Sanitation (DWS) are collaborating to improve efficiencies through the One Environmental System that will integrate different aspects of the environmental management of mining activities into one efficient system. DMRE is finalising the Exploration Strategy in consultation with stakeholders.

Accessibility and availability to land for exploration, monitoring of compliance, and mining is necessary. The department will engage respective landowners (trusts, chiefs, municipalities etc.) and consider legislative amendments around petroleum activities. Infrastructure development (energy, rail, and water) will improve the availability and accessibility of supporting infrastructure for mining and petroleum. The department will engage other stakeholders

DFFE, Department of Public Enterprises (DPE) and DWS to facilitate access to essential facilities (such as import/export facilities, storage and pipelines).

The cost of energy to the mining sector is of a great concern. Own energy generation will be encouraged and supported to reduce the cost of energy to the mining sector. The department will pursue meaningful state participation in Eskom's coal supply, as well as sustainable and affordable energy for mining. Significant efforts will be made to eradicate illegal mining and illicit petroleum trading by reviewing the legislative framework to prevent illegal mining (such as the Municipal Public-Private Partnership Pilot Programme). In addition, a framework on how to support artisan miners will be developed and implemented. Collaboration with South African Revenue Service and other law enforcement agencies will also aid in eradicating illegal mining.

Job losses in the mining and petroleum sectors will be minimised by developing guidelines to business rescue processes, and actively participating in liquidation processes. The department will develop guidelines on how to manage, care and maintain, develop guidelines on Section 52 process and strengthen the Ten Point Plan. Sustainable implementation of the Social Labour Plans will be achieved by strengthening the framework and facilitating intergovernmental forums led by the department. This will address the lack of formalised community structures.

Electricity blackouts caused by the inadequate household energy supply will be met through the rollout of Liquid Petroleum Gas (LPG) as an alternative, conducting LPG Safety Awareness campaigns and encouraging more investments in the LPG sector. This will help reduce reliance on electricity usage. South Africa's reliance on international crude oil will be reduced through the electrification of the transportation sector, and an integrated approach to transport sector transition. Oil field exploration will be pursued and a targeted source diversification strategy will be developed focusing on Africa, while both the Biofuels Framework and Strategic Stock Policy will be implemented.

5.2.4 Programme 2: Programme Resource Considerations

Programme 2: Minerals and Petroleum Regulation (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Minerals and Petroleum Management	13,407	14,280	11,640	16,769	16,769	-	14,753	14,687	15,458
Mineral Regulation and Administration	365,115	414,606	406,057	411,200	411,200	-	366,182	364,386	382,034
Environmental Enforcement and Compliance	15,051	16,409	18,415	22,238	22,238	-	21,286	22,275	23,275
Petroleum Compliance Monitoring, Enforcement and Fuel Pricing	19,262	18,644	20,050	29,434	29,434	-	27,690	27,744	31,409
Petroleum Licensing and Fuel Supply	57,781	62,067	52,277	63,121	63,121	-	63,182	63,197	66,035
Total	470,616	526,006	508,439	542,762	542,762	-	493,093	492,289	518,211

Programme 2: Minerals and Petroleum Regulation (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	312,799	334,374	337,378	341,151	384,365	43,214	332,582	333,722	352,523
Compensation of employees	253,276	269,164	264,011	278,846	278,846	-	278,841	278,825	291,368
Salaries and wages	217,499	231,182	225,515	244,046	244,046	-	244,041	244,026	255,005
Social contributions	35,777	37,982	38,496	34,800	34,800	-	34,800	34,799	36,363
Goods and services	59,523	65,210	73,367	62,305	105,519	43,214	53,741	54,897	61,155
Administrative fees	678	1,185	144	1,079	1,074	- 5	1,103	1,107	1,157
Advertising	242	63	27	1,581	1,581	-	1,611	1,617	1,690
Minor assets	13	15	1	139	139	-	142	143	149

Programme 2: Minerals and Petroleum Regulation (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Catering: Departmental activities	1,188	235	5	901	901	-	824	928	970
Communication (G&S)	3,653	3,538	2,547	4,624	4,624	-	4,738	4,756	4,970
Computer services	4,329	3,979	1,975	-	-	-	-	-	-
Consultants: Business and advisory services	10,201	6,490	49,978	13,365	56,579	43,214	11,958	12,010	14,445
Legal services (G&S)	6,577	5,115	-	1,250	1,250	-	1,283	1,288	1,346
Science and technological services	-	863	1,857	-	-	-	-	-	-
Contractors	70	65	-	26	51	25	27	27	28
Fleet services (including government motor transport)	5,100	5,543	5,062	4,640	4,640	-	4,762	4,780	4,995
Consumable supplies	667	97	17	1,244	1,249	5	1,275	1,281	1,339
Consumables: Stationery, printing and office supplies	963	1,370	259	2,831	3,031	200	1,905	1,916	1,947
Operating leases	757	813	809	165	165	-	169	170	178
Rental and hiring	463	53	-	22	22	-	23	23	24
Property payments	-	-	-	5	5	-	5	5	5
Travel and subsistence	22,520	33,468	9,799	24,040	23,905	- 135	19,184	20,091	22,899
Training and development	57	65	-	786	846	60	-	-	-
Operating payments	761	1,592	840	1,446	1,446	-	1,476	1,482	1,549
Venues and facilities	1,284	661	47	4,161	4,011	- 150	3,256	3,273	3,464
Transfers and subsidies	157,563	191,546	171,051	201,564	158,350	-43,214	160,511	158,567	165,688
Departmental agencies and accounts	59,105	61,544	76,054	62,027	62,027	-	62,894	63,136	65,971
Foreign governments and international organisations	-	2,554	3,598	3,247	3,247	-	3,333	3,346	3,496
Private enterprises	98,439	127,448	91,318	136,290	93,076	-43,214	94,284	92,085	96,221
Households	19	-	81	-	-	-	-	-	-

Programme 2: Minerals and Petroleum Regulation (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Payments for capital assets	179	58	10	47	47	-	-	-	-
Other machinery and equipment	179	58	10	47	47	-	-	-	-
Payments for financial assets	75	28	-	-	-	-	-	-	-
Total	470,616	526,006	508,439	542,762	542,762	-	493,093	492,289	518,211

Programme 2: Minerals and Petroleum Regulation (Detail of Transfer Payments)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee social benefits	19	-	81	-	-	-	-	-	-
African Petroleum Producers' Association	-	2,554	3,598	3,247	3,247	-	3,333	3,346	3,496
South African Diamond and Precious Metals Regulator	59,105	61,544	76,054	62,027	62,027	-	62,894	63,136	65,971
Petroleum Agency South Africa	98,439	127,448	91,318	136,290	93,076	-43,214	94,284	92,085	96,221
Total Transfer Payments	157,563	191,546	171,051	201,564	158,350	-43,214	160,511	158,567	165,688

The Minerals and Petroleum Regulation Branch accounts for 4.77% of the total departmental budget allocation for the 2022/23 financial year. Programme budget allocations include transfer payments to the South African Diamond and Precious Metals Regulator (SADPMR), Petroleum Agency South Africa (PASA) and international membership fees. Transfer payments accounts for 32.55% of the programme's total budget with transfer payments of R94.28 million to PASA and R62.89 million to the SADPMR. Goods and services accounts for R53.74 million or 10.9% of the total budget. The programme's work is labour intensive and requires inspections to ensure that mining companies and petroleum license holders comply with legislative requirements. As a result, expenditure on compensation of employees' accounts for an estimated 56.55 per cent (R278.84 million) of the programme's budget in the 2022/23 financial year.

The mandate of the Petroleum Agency of South Africa (PASA) is to promote exploration for onshore and offshore oil and gas resources and their optimal development on behalf of government. The agency regulates exploration and production activities and acts as the custodian of the national petroleum exploration and production database.

As the department seeks to accelerate transformation within the mining sector over the MTEF period, it will aim to monitor and enforce compliance with the mining charter. This is expected to be done by conducting 636 social and labour plan verification inspections and economic verification audits on 1 275 mines.

The department will continue to enforce compliance with regulatory standards and transformation objectives in the petroleum sector. This will be done by inspecting a targeted 4 500 petroleum retail sites and issuing mining rights or permits to a targeted 360

historically disadvantaged South Africans over the period ahead. In improving the quality and security of petroleum fuels, the department plans to undertake 3 240 fuel sampling and testing of petroleum products at petroleum retail sites to ensure that the fuel meets regulated quality standards.

As the department works towards growing the economy and creating jobs, it will seek to accelerate transformation within the mining and energy sectors by monitoring and enforcing compliance with the newly approved mining charter and monitoring adherence to social labour plans. It will also promote the exploration of onshore and offshore oil and gas resources and their optimal development and investments in the mineral and upstream petroleum sectors.

5.3 Programme 3: Mining, Minerals and Energy Policy Development (MMEPD)

Purpose: To develop integrated minerals and energy policies to promote transformation, investment and sustainable development in the mining and energy sectors.

Functions:

- Provide support and manage the dissemination of information and publications;
- Provide a policy and legislative frameworks for the minerals and energy sectors;
- Promote minerals development and advises on trends in the mining and energy sector to attract investment;
- Promote economic growth and attract investments into the two sectors; and
- Ensure the security of minerals resources and energy supply through planning.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 2: Economic Transformation and Job Creation	<ul style="list-style-type: none"> Transformed, competitive, sustainable minerals and energy sectors Increased investment and job creation in the mining and petroleum sectors Reliable statistics and economic analysis on the minerals; and Energy sectors to promote evidence-based policy making, investment and growth.
	Investing in accelerated inclusive growth	
	Priority 5: Spatial Integration, Human Settlements and Local Government	<ul style="list-style-type: none"> Greenhouse gas emission reduction
	Environmental management and climate change	
MTSF	Priority 7: A better Africa and World	<ul style="list-style-type: none"> Economic diplomacy that promotes regional integration, global cooperation and development
	Trade and regional integration	
ERRP (Area 1: Ensuring Energy Security)	Fast track the registration and licensing of generation for own use	<ul style="list-style-type: none"> Secure energy supply
	Diversification of energy sources within just transition context	<ul style="list-style-type: none"> Greenhouse gas emission reduction
	Increase mining exploration activity with the aim of increasing 3% expenditure in global exploration expenditure	<ul style="list-style-type: none"> Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence-based policy making, investment and growth
		<ul style="list-style-type: none"> Increased investment and job creation in the mining and petroleum sectors Secure energy supply
CONSOLIDATED BRANCH OUTCOMES FOR 2022/23 <ol style="list-style-type: none"> Transformed, competitive, sustainable minerals and energy sectors; Increased investment and job creation in the mining and petroleum sectors; Secure energy supply; Greenhouse gas emission reduction; Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence-based policy making, investment and growth; and Economic diplomacy that promotes regional integration, global cooperation and development. 		

- Economic transformation and job creation will be achieved through a transformed mineral, upstream petroleum and downstream sector, as well as through diversified sources of energy supply. This aligns with the initiative to develop and review legislation, policies and strategies, as they relate to the mining, mineral, upstream and downstream petroleum and energy sectors. Reliable statistical data on the minerals and energy sectors will also support this priority. Other areas to support investment will be explored – this includes a focus on local domestic investment, such as reviewing legislation to reduce barriers for new entrants and small-scale miners while sustainable resource use will be promoted.
- The implementation of IRP 2019 will support the MTSF priority focused on promoting energy access, efficiency and diversified sources.
- The Mine Health and Safety Act will be amended to meet the needs of education, skills, health and safety of workers in the mining sectors.
- Spatial Integration, Human Settlements and Local Government will benefit from quality data and analysis – quality economic analysis on the mining and energy sectors, including household energy access data, will be provided.

- A Capable, Ethical and Developmental State, Priority 1 will be supported in the form of improved turnaround times and developing and reviewing internal processes to contribute towards the continuous development of improved systems for monitoring and evaluation.
- Existing bi-lateral and multilateral agreements will be implemented, and new agreements concluded and implemented to support the Priority 7 of a Better Africa and World.

5.3.1 Programme 3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Investing in Accelerated Inclusive Growth	Transformed, competitive, and sustainable minerals and energy sectors	Petroleum Products Act Amended	Petroleum Products Bill tabled in Parliament	N/A	N/A	N/A	N/A	Petroleum Products Bill gazette for public comments	Petroleum Products Bill in Parliamentary processes	Amendment of the Petroleum Products Site and Retail Regulations
		Petroleum Pipelines Act Amended	Petroleum Pipelines Bill tabled in Parliament	N/A	N/A	N/A	N/A	N/A	N/A	Petroleum Pipelines Bill submitted to Cabinet
		Mine Health and Safety Act Amended	Mine Health and Safety Amendment (MHSA) Bill tabled in Parliament	N/A	N/A	N/A	Draft Mine Health and Safety Amendment Bill submitted to Cabinet	Mine Health and Safety Amendment Bill submitted to Parliament	Mine Health and Safety Amendment Regulations submitted to Cabinet	Implementation of the Mine Health and Safety Amendment Regulations
		National Petroleum Company Act	National Petroleum Company Bill tabled in Parliament	N/A	N/A	N/A	Draft National Petroleum Company Bill developed and submitted to Cabinet for approval	National Petroleum Company (NPC) Bill gazette for public comments	National Petroleum Company Bill submitted to Parliament	Draft Regulations submitted to Cabinet
		Diamonds Act Amended	Diamonds Amendment Bill tabled in Parliament	N/A	N/A	N/A	N/A	Diamonds Amendment Bill tabled in Parliament for public comments	Bill submitted to Parliament	Amended Regulations submitted to Cabinet

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Amendments to Section 75,76 and 77 of MPRDA regulation	Amended Section 75,76 and 77 of MPRDA Regulations	N/A	N/A	N/A	N/A	Amended Section 75,76 and 77 of MPRDA Regulations gazetted for implementation	N/A	N/A
Investing in Accelerated Inclusive Growth	Transformed, competitive, and sustainable minerals and energy sectors	Report on economic viability of shale gas exploration in South Africa	Report on economic viability of shale gas exploration in South Africa produced	N/A	N/A	N/A	Report on economic viability of shale gas exploration in South Africa submitted to Cabinet for approval	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced	N/A
		Beneficiation master plan	Beneficiation master plan implementation plans developed	N/A	N/A	Draft approved beneficiation master plan	Beneficiation master plan approved	Jewelry and Battery Minerals Value Chain implementation plans approved by the Minister	Implementation of beneficiation master plan	Implementation of beneficiation master plan
	Increased investment and job creation in the mining and petroleum sectors	Investment promotion events held to attract investment in the sector	Number of investment promotion events held to attract investment in the sector	N/A	N/A	N/A	3 Investment promotion events held	3 Investment promotions hosted	3 Investment promotions hosted	3 Investment promotions hosted
	Increased investment and job creation in the mining and petroleum sectors			N/A	N/A	N/A	9 Investment promotion events participated in	6 Investment promotion events participated in	6 Investment promotion events participated in	6 Investment promotion events participated in

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Secure Energy Supply	National Nuclear Regulator Bill	National Nuclear Regulator Amendment Bill tabled in Parliament	N/A	N/A	Final National Nuclear Regulator Amendment Bill tabled to Cabinet for public consultation	National Nuclear Regulator Amendment Bill submitted to Cabinet for tabling in Parliament for promulgation	National Nuclear Regulator Amendment Bill submitted to Cabinet for tabling in Parliament	N/A	N/A
		Radioactive Waste Management Fund Bill	Radioactive Waste Management Fund Bill tabled in Parliament	N/A	N/A	Draft Bill submitted to Cabinet	Draft Bill resubmitted to Cabinet for public consultation	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament	RWMF Bill promulgated by Parliament	Regulations approved by Cabinet
		Gas Act Amended Regulations	Gas Act Amended Regulations gazetted for public comments	N/A	N/A	N/A	N/A	Gas Act Amended Regulations gazetted for public comments	Regulations approved by Cabinet	Implementation of the regulations
		Electricity Pricing Policy	Electricity Pricing Policy submitted to Cabinet	Electricity Pricing Policy review submitted to Cabinet for final approval	Public consultation on the Reviewed EPP NEDLAC process initiated	Consolidation of comments and submission to Cabinet for approval	EPP gazette for implementation	Electricity Pricing Policy review submitted to Cabinet for final approval	Electricity Pricing Policy	Electricity Pricing Policy submitted to Cabinet for final approval

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Electricity Regulation Act (ERA)	Electricity Regulation Act Bill tabled in Parliament	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	Stakeholder consultation on the Amended ERA Bill	Consolidation and Cabinet approval for tabling in Parliament	Bill tabled in Parliament	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	Electricity Regulation Act (ERA)	Electricity Regulation Act Bill tabled in Parliament
		Gas Master Plan	Gas Master Plan submitted to Cabinet for approval	N/A	N/A	N/A	Gas Master Plan submitted to Cabinet	Gas Master Plan submitted to Cabinet for approval	Integrated Energy Plan	Integrated Resource Plan
		Framework for a just transition to a low carbon economy finalized	Framework for a just transition to a low carbon economy developed	N/A	Draft IEP	Draft report on scoping	Draft JET Plan approved	Socio-Economic Baseline Report approved by the Minister	Review/update sector plans	Review/update sector plans

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Greenhouse Gas Emission Reduction	GHG assessment and reporting framework for mining and energy sector	GHG reporting and assessment framework implementation monitored	N/A	N/A	N/A	GHG Reporting and assessment framework submitted for Ministerial approval	Report on the implementation of the GHG Framework	Approved GHG assessment and reporting framework implemented	Approved GHG assessment and reporting framework implemented
		Carbon offset projects contributing to GHG emission reduction	Number of approved and registered carbon offsets projects	N/A	N/A	N/A	4	4 Approved and registered carbon offsets projects	4 Approved and registered carbon offsets projects	4 Approved and registered carbon offsets projects
		Quality mineral publications	Number of quality mineral publications published	25	25	14	8	8	8	8
		Quality energy publications	Number of Annual Energy statistics reports published	4	4	4	4	4 Annual energy statistics reports published (Energy Price, balance, Trade and Statistics booklet)	4	4
	Economic Diplomacy that promotes regional integration, global cooperation and development	Existing bilateral agreements implemented and new agreements concluded	Number of progress reports on agreed areas of collaboration and cooperation implemented	N/A	N/A	10	10	10	10	10
			New Agreements Concluded	N/A	N/A	N/A	N/A	1	1	1
		Existing multilateral agreements implemented	Number of progress reports on multilateral strategic partnerships	N/A	N/A	5	10	10	10	10

5.3.2 Programme 3: Output Indicators: Annual and Quarterly Targets

Programme 3: Mining, Mineral and Energy Policy (MMEPD)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Investing in Accelerated Inclusive Growth	Transformed, competitive, and sustainable minerals and energy sectors	Petroleum Products Act Amended	Petroleum Products Bill tabled in Parliament	Petroleum Products Bill gazette for public comments	Petroleum Products Draft Bill developed	Sector and government stakeholder consultations completed	Petroleum Products Bill submitted to Cabinet for public consultation	Petroleum Products Bill gazette for public comments
		Mine Health and Safety Act Amended	Mine Health and Safety Amendment (MHSA) Bill tabled in Parliament	Mine Health and Safety Amendment Bill submitted to Parliament	Mine Health and Safety Bill presented in Cabinet for approval to gazette	Mine Health and Safety Bill presented to Cabinet for approval to table in Parliament	Mine Health and Safety Amendment Bill submitted to Parliament	N/A
		National Petroleum Company Act	National Petroleum Company Bill tabled in Parliament	National Petroleum Company (NPC) Bill gazette for public comments	National Petroleum Company (NPC) draft Bill developed	Sector government stakeholder consultations completed	National Petroleum Company (NPC) Bill submitted to Cabinet for public consultations	National Petroleum Company (NPC) Bill gazetted for public comments
		Diamonds Act Amended	Diamonds Amendment Bill tabled in Parliament	Diamonds Amendment Bill tabled in Parliament for public comments	Diamonds Amendment Draft Bill developed	Sector and government stakeholder consultations completed	Precious Metals Bill submitted to Cabinet for public consultation	Diamonds Amendment Bill tabled in Parliament for public comments

Programme 3: Mining, Mineral and Energy Policy (MMEPD)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
			Amended Section 75,76 and 77 of MPRDA Regulation	Amended Section 75,76 and 77 of MPRDA Regulations gazetted for implementation	Draft Regulations developed	Regulations gazetted for public comments	Amended Section 75.76 and 77 of MPRDA Regulations gazetted for implementation	N/A
Investing in Accelerated Inclusive Growth	Increased investment and job creation in the mining and petroleum sectors	Report on economic viability of shale gas exploration in South Africa	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced	Report on economic viability of shale gas exploration in South Africa produced
		Beneficiation master plan	Beneficiation master plan implementation plans developed	Jewelry and Battery Minerals Value Chain implementation plans approved by the Minister	Desktop research and benchmarking	Stakeholder consultations	Jewelry and Battery Minerals Value Chain implementation plans developed	Jewelry and Battery Minerals Value Chain implementation plans approved by the Minister
	Increased investment and job creation in the mining and petroleum sectors	Investment Promotion events held to attract investment in the sector	Number of investment promotion events held to attract investment in the sector	3 Investment promotions events hosted	N/A	1 Limpopo Mining Investment Conference	1 North-West Mining Investment Conference	1 Northern Cape Mining Investment Conference
				6 Investment promotion events participated in	2 Mining Indaba / PDAC	1 China Mining	2 Africa Energy Week Africa Oil Week	1 Africa Energy Forum

Programme 3: Mining, Mineral and Energy Policy (MMEPD)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
	National Nuclear Regulator Bill	National Nuclear Regulator Bill tabled in Parliament	National Nuclear Regulator Amendment Bill tabled in Parliament	National Nuclear Regulator Amendment Bill submitted to Cabinet for tabling in Parliament	National Nuclear Regulator Amendment Bill submitted to Cabinet for tabling in Parliament	N/A	N/A	N/A
	Secure Energy Supply	Radioactive Waste Management Fund (RWMF) Bill	Radioactive Waste Management Fund Bill tabled in Parliament	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in parliament	Report on consolidated public comments	Submission into Cabinet processes	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament	N/A
		Gas Act Amended Regulations	Gas Act Amended Regulations gazetted for public comments	Gas Act Amendment Regulations gazetted for public comments	Concept report produced	Draft Gas regulations	Draft Gas regulations with consolidated comments from Office of the State Law Advisor (OCSLA)	Gas Act Amendment Regulations gazetted for public comments
		Electricity Pricing Policy	Electricity Pricing Policy submitted to Cabinet	Electricity Pricing Policy review submitted to Cabinet for final approval	Public consultation on the reviewed EPP	Electricity Pricing Policy review submitted to Cabinet for final approval	EPP gazetted for implementation	N/A

Programme 3: Mining, Mineral and Energy Policy (MMEPD)					Q1	Q2	Q3	Q 4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
	Secure Energy Supply	Electricity Regulation Act (ERA)	Electricity Regulation Act Bill tabled in Parliament	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	Consolidation of public comments on the Amended ERA Bill	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	Electricity Regulation Amendment Bill submitted to Parliament	N/A
		Gas Master Plan	Gas Master Plan submitted to Cabinet for approval	Gas Master Plan submitted to Cabinet for approval	Base case report presented at NEDLAC for comments	ESIED Cluster consultations.	Desktop base-case model developed	Gas Master Plan submitted to Cabinet for approval
		Framework for a just transition to a low carbon economy finalised	Framework for a just transition to a low carbon economy developed	Socio-Economic Baseline Report approved by the Minister	Data and Information Collection to inform Socio-Economic Baseline	Analysis Report on Socio-Economic Baseline	Stakeholder consultation on the socio-economic report	Socio-Economic Baseline Report approved by the Minister
		GHG assessment and reporting framework for mining and energy sector	GHG reporting and assessment framework implementation monitored	Report on the implementation of the GHG Framework	N/A	N/A	N/A	Report on Implementation of the GHG framework
		Projects contributing to GHG emission reduction	Number of approved and registered carbon offsets projects	4 Approved and registered carbon offsets projects	1 Project approved	1 Project approved	1 Project approved	1 Project approved
	Reliable statistics and economic analysis on the minerals and energy sectors to promote evidence-based policy making, investment and growth	Quality Publications	Number of quality mineral publications published	8	1	1	2	4
			Number of Annual energy statistics reports published	4 Annual energy statistics reports published (Energy Price, balance, Trade and Statistics booklet)	Data collection	Compilation of commodity flows	Consolidation and peer review	4 Annual energy statistics reports published

Programme 3: Mining, Mineral and Energy Policy (MMEPD)					Q1	Q2	Q3	Q 4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
	Economic Diplomacy that promotes regional integration, global cooperation and development	Number of existing Bilateral Agreements implemented, and new agreements concluded	Number of progress reports on agreed areas of collaboration and cooperation implemented	10	10	10	10	10
			New Agreements Concluded	1	N/A	N/A	N/A	1
		Number of existing Bilateral Agreements implemented and new agreements concluded	Number of progress reports on multilateral strategic partnerships	10	10	10	10	10

5.3.3 Programme 3: Explanation of Planned Performance over the Medium-Term Period

This branch will continue to focus on developing and reviewing mining, mineral, upstream and downstream petroleum, as well as, energy legislation, policies and strategies to encourage investment, growth and transformation in the mining and energy sectors. Key Policy development and amendment areas include

- The Draft Upstream Petroleum Resources Development Bill, 2019;
- Mine Health and Safety (MHSA) Bill;
- The Petroleum Products Bill;
- The National Petroleum Company Bill;
- The Precious Metals Bill;
- The Diamond Amendment Bill;
- The Gas Amendment Bill 2020;
- The National Nuclear Regulator (NNR) Amendment Bill 2020;
- The Radioactive Waste Management Fund (RWMF) Bill 2020; and
- The Petroleum Products Bill.

Finalise the Gas Master Plan

A framework for a just transition to a low carbon economy will be developed with a Socio-Economic Baseline Report as an output for the first year of the MTEF. The DMRE's JET framework is being developed to provide a structure to monitor the socio-economic impacts of the transition and to support the decarbonisation of the minerals and energy sectors in a socially acceptable manner while contributing to the economic development of the country. The framework will seek to align with and support the broader national effort on mitigation and just transition, minimise and mitigate against the social risks inherent in structural transformation, whilst seeking to identify and maximise the opportunities that the change brings.

The Gas Master Plan will serve as a policy instrument once approved by Cabinet, providing a roadmap for taking strategic, political and institutional decisions guiding industry investment planning and coordinated implementation. The DMRE is currently undergoing consultations on the master plan base case report which establishes baseline information for the natural gas sector in South Africa as well as to outline the Gas Master Plan roadmap. The plan could not be completed during the 2021/22 financial year due to resource constraints and delays with stakeholder consultations and this therefore will be finalised in the 2022/23 year with approval from Cabinet.

The Mineral Beneficiation Master Plan will play a contributory role in implementing some of the priority interventions of the ERRP such as industrialisation through localisation and infrastructure development once approved by Cabinet.

This master plan proposes a set of interventions that are intended to bring about the developmental changes in the domestic mineral value chains. The key focus of this plan is to enhance linkages between the mining sector and the broader economy. The plan will combine all spheres of government by looking at the national imperatives and leverage on programmes of government to provide necessary support. The development of this framework draws from the lessons learned in the years since the implementation of the Mineral Beneficiation Strategy.

The key lessons learned during this period were:

- Lack of holistic and dedicated industrial financing;
- Lack of security of mineral supply;
- Misaligned pricing mechanism; and
- High administered prices in key infrastructure.

Some of the lesson(s) learned in the past regarding beneficiation was lack of coordination between organs of state in the implementation of the beneficiation. Furthermore, synergies and alignment will be encouraged to foster greater cohesion to ensure the DMRE is in a better position to meet outputs in support of the department's outcomes. New partnerships will be implemented or developed and existing ones will be strengthened with SOEs, Government organisations and social partners to grow investment potential in the mining and energy sectors.



5.3.4 Programme 3: Programme Resource Considerations

Programme 3: Mining, Minerals and Energy Policy Development (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mining, Minerals and Energy Policy Development Management	22,432	12,035	11,359	22,362	24,862	2,500	64,583	67,363	71,594
Minerals and Petroleum Policy	34,608	23,807	23,894	26,936	26,936	-	25,166	25,182	27,359
Nuclear, Electricity and Gas Policy	14,066	13,011	10,787	19,775	19,775	-	19,081	19,102	20,007
Economic Analysis and Statistics	39,885	46,795	40,844	51,406	50,806	-600	49,335	50,828	54,114
Economic Growth, Promotion and Global Relations	854,588	735,908	803,629	697,898	665,364	-32,534	705,494	902,769	1,034,330
Mineral and Energy Planning	17,251	18,877	8,843	16,189	16,189	-	16,347	16,365	17,099
Total	982,830	850,433	899,356	834,566	803,932	-30,634	880,006	1,081,609	1,224,503

Programme 3: Mining, Minerals and Energy Policy Development (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	155,828	139,921	142,669	160,502	160,502	-	198,423	202,602	215,002
Compensation of employees	108,441	108,213	96,730	106,245	106,245	-	106,221	106,235	111,001
Salaries and wages	95,633	95,290	84,799	92,986	92,986	-	92,963	92,976	97,147
Social contributions	12,808	12,923	11,931	13,259	13,259	-	13,258	13,259	13,854
Goods and services	47,387	31,708	45,939	54,257	54,257	-	92,202	96,367	104,001
Administrative fees	778	600	61	3,564	1,564	-2,000	3,353	3,688	3,854
Advertising	931	1,588	-	3,375	2,586	-789	2,415	2,430	2,536

Programme 3: Mining, Minerals and Energy Policy Development (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Minor assets	-	-	-	116	116	-	118	118	123
Audit costs: External	70	-	-	-	-	-	-	-	-
Catering: Departmental activities	1,170	182	146	1,161	761	-400	791	49,122	829
Communication (G&S)	2,091	461	432	1,427	1,427	-	1,474	1,480	1,546
Computer services	-	123	185	-	6,500	6,500	-	-	-
Consultants: Business and advisory services	354	2,036	29,037	9,771	8,471	-1,300	55,608	10,055	61,005
Legal services (G&S)	10,699	1,804	-	305	105	-200	309	310	324
Science and technological services	-	-	4,378	-	-	-	-	-	-
Contractors	5,531	969	25	2,694	494	-2,200	1,756	1,767	2,892
Agency and support/ outsourced services	585	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	280	33	-	-	-	-	-	-	-
Consumable supplies	71	85	17	241	243	2	249	251	263
Consumables: Stationery, printing and office supplies	637	1,355	49	1,872	2,348	476	1,676	1,684	1,750
Operating leases	18	6	-	-	-	-	-	-	-
Rental and hiring	472	10	14	2,357	157	-2,200	1,386	1,396	1,438
Travel and subsistence	13,001	13,395	2,358	14,737	12,127	-2,610	12,640	13,586	14,955
Training and development	282	59	260	906	906	-	-	-	-
Operating payments	3,616	3,643	8,573	7,603	3,624	-3,979	6,385	6,421	8,234
Venues and facilities	6,801	5,359	404	4,128	12,828	8,700	4,042	4,059	4,252
Transfers and subsidies	826,926	710,507	756,687	673,960	643,326	-30,634	681,583	879,007	1,009,501
Departmental agencies and accounts	405,983	414,062	452,033	356,877	326,243	-30,634	355,761	559,458	675,602
Foreign governments and international organisations	559	631	627	836	836	-	867	870	909

Programme 3: Mining, Minerals and Energy Policy Development (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Public corporations	420,368	295,814	303,934	316,247	316,247	-	324,955	318,679	332,990
Households	16	-	93	-	-	-	-	-	-
Other machinery and equipment	45	5	-	104	104	-	-	-	-
Payments for financial assets	31	-	-	-	-	-	-	-	-
Total	982,830	850,433	899,356	834,566	803,932	-30,634	880,006	1,081,609	1,224,503

Programme 3: Mining, Minerals and Energy Policy Development (Detail of Transfer Payments)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Generation IV International Forum	559	631	627	836	836	-	867	870	909
Employee social benefits	16	-	93	-	-	-	-	-	-
Mintek	350,368	295,814	303,934	316,247	316,247	-	324,955	318,679	332,990
Council for Geoscience	314,936	414,062	452,033	356,877	326,243	-30,634	355,761	559,458	675,602
Council for Geoscience: Economic competitiveness and support package	90,000	-	-	-	-	-	-	-	-
Mintek: Economic competitiveness and support package	70,000	-	-	-	-	-	-	-	-
Council for Geoscience: Expanded public works programme	1,047	-	-	-	-	-	-	-	-
Total Transfer Payments	826,926	710,507	756,687	673,960	643,326	- 30,634	681,583	879,007	1,009,501

The Mining, Minerals and Energy Policy Development Branch accounts for 8.51% of the total departmental budget allocation for the 2022/23 financial year. The Branch houses the transfers to state owned enterprises, Mintek and Council for Geoscience, as well as a transfer to Generation IV International Forum membership fees. Transfer payments accounts for 77.45% of the programme's total budget with transfer payments of R 324.96 million to the Council for Geoscience and R355.76 million to Mintek. Goods and services accounts for R106.22 million or 10.48% of the total budget while compensation contributes R106.22 million or 12.07% of the total budget. The spending trends under Goods and Services have been affected by the Coronavirus pandemic which has limited most of the Branch's activities due to the lockdown regulations in South Africa and abroad. These activities include investment promotion activities and participation in activities that seek to implement bilateral and multilateral agreements that the department is party to.

Technical adjustments were implemented on economic classifications, where funding for the following projects was moved from the transfers and subsidies classification to the goods and services classification, in compliance with Treasury's classification circulars:

- Shale Gas project – implemented by PASA in Programme 2, managed in Programme 3.
- Water Ingress project – implemented by CGS in Programme 3, managed in Programme 5.

During the 2020/21 financial year, funds were transferred to PASA for the purpose of implementing the Shale Gas project. The funds were initially reprioritised from goods and services. The contract for the Shale Gas project continues in the 2021/22 financial year and expires on 31 March 2022. This is a project the Petroleum Agency South Africa (PASA) is undertaking on behalf of the DMRE and PASA therefore cannot use the funds allocated for its operations. As a result, the transfers to PASA cannot be classified as transfers and subsidies as they meet the classification requirements of goods and services.

5.4 Programme 4: Mine Health and Safety Inspectorate (MHSI)

Purpose: To execute the department's mandate to safeguard the health and safety of mine employees, nearby communities and people affected by mining activities

Functions:

- Promote health and safety;

- Contribute to skills development and transformation;
- Implement Service Level Agreements (SLAs);
- Develop and review internal processes;
- Improve turnaround times; and
- Promote corporate governance.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 2: Economic Transformation and Job Creation	<ul style="list-style-type: none"> • Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players
	Investing for accelerated inclusive growth	
	Priority 3: Education, Skills and Health	
	Total life expectancy of South Africans improved (mine workers)	
	A skilled and capable workforce to support an inclusive growth path	
ERRP (Area 2: Industrialisation/ Growing the Productive Economy)	Improved turnaround times and improvements on investor confidence rankings	<ul style="list-style-type: none"> • Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players
CONSOLIDATED BRANCH OUTCOMES FOR 2022/23		
1. Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players		

The MHSI is dedicated to matching the 7 National Priorities where it is capable. The decent employment through inclusive growth outcome of the Programme support MTSF Priorities 1, 2 and 4.

5.4.1 Programme 4: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Investing for accelerated inclusive growth Total life expectancy of South Africans improved	Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% Reduction in occupational fatalities compared to prior year	1%	17%	10%	10%	10%	10%	10%
			% Reduction in occupational injuries compared to prior year	13%	2%	5%	5%	5%	5%	5%
			% Reduction in occupational diseases (including TB) compared to prior year	13%	4%	10%	10%	10%	10%	10%
			% of investigations completed (initiated vs. completed)	84%	80%	80%	80%	80%	80%	80%
			% of inquiries completed (initiated vs. completed)	98%	100%	80%	80%	80%	80%	80%
			Number of qualitative inspections conducted (cumulative, including individual and group audits)	9 425	8 250	8 800	8 396	8 000	8 000	8 000
			Number of MHS annual report submitted to Parliament	1	1	1	1	1	1	1
	Service Level Agreements (SLAs) implemented	% of identified necessary SLAs entered into to improve health and safety in mining	100%	100%	100%	100%	100%	100%	100%	100%
Investing for accelerated inclusive growth	Efficient, effective and development-orientated department (internal processes)	Turnaround times improved	% Adherence to prescribed timeframes for Chief Inspector of Mines (CIOM) appeals	100%	100%	100%	100%	100%	100%	100%
			% Adherence to prescribed timeframes for medical appeals	80%	80%	80%	80%	80%	80%	80%
			% Adherence to prescribed timeframes for MPRDA applications	80%	80%	80%	80%	80%	80%	80%
A skilled and capable workforce to support an inclusive growth path	Sufficient and relevant skills in the mining sector	Skills development and transformation	% of administration of Government Certificate of Competency (GCC) exams policy	100%	100%	100%	100%	100%	100%	100%

5.4.2 Programme 4: Output Indicators: Annual and Quarterly Targets

Programme 4: Mine Health and Safety Inspectorate (MHSI)					Q1	Q2	Q3	Q 4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Investing for accelerated inclusive growth Total life expectancy of South Africans improved	Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Mine health and safety parameters improved	% Reduction in occupational fatalities compared to prior year	10%	10%	10%	10%	10%
			% Reduction in occupational injuries compared to prior year	5%	5%	5%	5%	5%
			% Reduction in occupational diseases (including TB) compared to prior year	10%	10%	10%	10%	10%
			% of investigations completed (Initiated vs. completed)	80%	80%	80%	80%	80%
			% of inquiries completed (Initiated vs. completed)	80%	80%	80%	80%	80%
			Number of qualitative inspections conducted (cumulative, including individual and group audits)	8 000	2 000	2 000	2 000	2 000
			Number of MHS Annual Report submitted to Parliament	1	N/A	N/A	1	N/A
	Service Level Agreements (SLAs) implemented	% of identified necessary SLAs entered into to improve health and safety in mining	100%	100%	100%	100%	100%	100%
	Efficient, effective and development-orientated department (internal processes)	Turnaround times improved	% Adherence to prescribed timeframes for Chief Inspector of Mines appeals	100%	100%	100%	100%	100%
			% Adherence to prescribed timeframes for medical appeals	80%	80%	80%	80%	80%
% Adherence to prescribed timeframes for MPRDA applications			80%	80%	80%	80%	80%	
A skilled and capable workforce to support an inclusive growth path	Sufficient and relevant skills in the mining sector	Skills development and Transformation	% of administration of Government Certificate of Competency (GCC) exams policy	100%	100%	100%	100%	100%

5.4.3 Programme 4: Explanation of Planned Performance over the Medium-Term Period

The outputs of this programme will be achieved by promoting health and safety, contributing to skills development and transformation. Pursuing an efficient, effective and development oriented public service, and empowering, fair and inclusive citizenship, which will assist with establishing improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players. This will be achieved by promoting corporate governance, improving turnaround times, MHSI's economic transformation and job creation focus that promotes health and safety through the implementation of the OHS Improvement Strategy. The inspectorate engages continuously with Mine Management and Executives, and analyses the outcomes of inspection and audits. It also conducts OHS imbizos and campaigns as required.

Other initiatives include the promotion and implementation of the OHS small-scale guidelines, dissemination of OHS information and the implementation of the Enforcement Manual for Inspectors and Legal Framework. The review inspections and audit tools will be improved and major accidents will be analysed to improve investigations. Further initiatives include the development of annual regional inspection plans, conducting qualitative inspections and planning and conducting workshops.

5.4.4 Programme Resource Considerations

Programme 4: Mine Health and Safety Inspectorate (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mine Health and Safety Management	11,757	10,076	4,063	12,079	9,928	-2,151	10,099	9,989	10,441
Mine Health and Safety Regions	185,373	197,066	180,038	211,607	211,414	- 193	212,453	212,595	222,140
Occupational Health	13,200	14,587	12,248	13,982	14,175	193	14,050	14,041	14,672
Total	210,330	221,729	196,349	237,668	235,517	-2,151	236,602	236,625	247,253

Programme 4: Mine Health and Safety Inspectorate (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	203,119	215,305	192,956	230,079	230,079	-	230,979	230,943	241,316
Compensation of employees	171,111	184,195	171,888	194,995	194,995	-	194,995	194,980	203,740
Salaries and wages	150,612	162,738	150,726	170,659	170,659	-	170,659	170,644	178,311
Social contributions	20,499	21,457	21,162	24,336	24,336	-	24,336	24,336	25,429
Goods and services	32,008	31,110	21,068	35,084	35,084	-	35,984	35,963	37,576

Programme 4: Mine Health and Safety Inspectorate (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
	Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Administrative fees	261	246	105	512	512	-	525	527	551
Advertising	-	77	-	259	259	-	266	267	279
Minor assets	10	1	1	85	85	-	87	88	92
Catering: Departmental activities	27	87	7	199	199	-	205	206	215
Communication (G&S)	1,083	5	4	1,339	1,339	-	1,373	1,379	1,441
Computer services	40	354	237	-	90	90	-	-	-
Consultants: Business and advisory services	263	105	9	2,290	2,290	-	2,350	2,359	2,465
Legal services (G&S)	676	451	-	962	962	-	987	991	1,036
Science and technological services	-	-	379	-	-	-	-	-	-
Contractors	141	142	83	297	399	102	305	305	319
Entertainment	-	-	-	5	5	-	5	5	5
Fleet services (including government motor transport)	377	396	366	3,423	3,123	-300	3,513	3,527	3,685
Inventory: Food and food supplies	-	-	-	2	2	-	2	2	2
Consumable supplies	452	448	347	635	635	-	652	654	683
Consumables: Stationery, printing and office supplies	786	657	190	2,492	2,492	-	2,557	2,567	2,682
Operating leases	35	18	11	32	32	-	33	33	34
Rental and hiring	-	-	-	6	6	-	6	6	6
Travel and subsistence	27,027	27,161	19,047	20,310	20,450	140	20,823	20,743	21,674
Training and development	407	136	-	880	952	72	903	907	948
Operating payments	375	664	282	555	555	-	570	572	597
Venues and facilities	48	162	-	801	697	-104	822	825	862
Transfers and subsidies	6,656	6,382	403	6,732	4,581	-2,151	4,717	4,736	4,949

Programme 4: Mine Health and Safety Inspectorate (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Departmental agencies and accounts	6,656	6,382	344	6,732	4,581	-2,151	4,717	4,736	4,949
Households	-	-	59	-	-	-	-	-	-
Payments for capital assets	93	7	-	857	857	-	906	946	988
Other machinery and equipment	93	7	-	857	857	-	906	946	988
Payments for financial assets	462	35	2,990	-	-	-	-	-	-
Total	210,330	221,729	196,349	237,668	235,517	-2,151	236,602	236,625	247,253

Programme 4: Mine Health and Safety Inspectorate (Details of Transfer Payments)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mine Health and Safety Council	4,803	4,386	344	4,581	4,581	-	4,717	4,736	4,949
Mining Qualifications Authority	1,853	1,996	-	2,151	-	-2,151	-	-	-
Households	-	-	59	-	-	-	-	-	-
Total Transfer Payments	6,656	6,382	403	6,732	4,581	-2,151	4,717	4,736	4,949

The MHSI accounts for 2.29% of the total departmental budget allocation for the 2022/23 financial year. Programme budget allocations include transfer payments to the Mine Health and Safety Council and accounts for R4.7 million or 1.99% of the programme's total budget. Goods and services accounts for R35.98 million or 15.21% of the total budget. The programme's work is labour intensive and requires inspections to ensure that mining companies and petroleum license holders comply with legislative requirements. As a result, expenditure on compensation of employee's accounts for an estimated 82.41% per cent (R195 million) of the programme's budget in the 2022/23 financial year.

Funding allocated towards the MQA under the Inspectorate was redirected over the MTEF period to the Administration Programme under the Training and Development Directorate and consequently reduced the Inspectorate's budget with allocations of R2.1 million in 2021/22, R2.2 million in 2022/23 and 2023/24 and R2.3 million in 2024/25.

5.5 Programme 5: Mineral and Energy Resources Programmes and Projects

Purpose: To Manage, Coordinate and Monitor Energy and Minerals Programmes and Projects

Functions:

- Oversee the National Electrification Programme;
- Ensure management of programmes and projects function;
- Oversee programme and projects focused on the development, improvement, transformation of electricity generation, transmission and distribution;
- Provide strategic guidance on Environmental Management and Climate Change
- Advance Energy Efficiency;
- Ensure integration into mainstream energy supply in South Africa; and
- Mainstream (women, youth and persons with disabilities) and transform energy and mining sectors.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 2: Economic Transformation and Job Creation	<ul style="list-style-type: none"> • Additional power generation capacity secured
	Priority 4: Spatial Integration, Human Settlements and Local Government	<ul style="list-style-type: none"> • Acid Mine Drainage (AMD) migrated • State of geological infrastructure improved • Renewable energy sector industrialization and localization • Electrification of additional households • Improved energy efficiency across all sectors
	<ul style="list-style-type: none"> • State of geological infrastructure improved • Improve capacity to deliver basic services • Improved capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services 	
ERRP (Area 1: Ensuring Energy Security)	<ul style="list-style-type: none"> • Fast track the registration and licensing of generation for own use • Diversification of energy sources within just transition context • Configuration of the implementation of the IRP to ensure diversification of resources 	<ul style="list-style-type: none"> • Additional power generation capacity secured
<p>CONSOLIDATED BRANCH OUTCOMES FOR 2022/23</p> <ol style="list-style-type: none"> 1. Additional power generation capacity secured; 2. Electrification of additional households; 3. AMD migrated; 4. State of geological infrastructure improved; 5. Renewable energy sector industrialisation and localisation; and 6. Improved energy efficiency across all sectors. 		

The programmes and projects branch responds to the MTSF priorities through a number of interventions. The deliverables of these programmes will enhance access to affordable energy and increased investment in energy infrastructure through electrification. Industrialisation through the development of the Renewable Energy Master Plan and economic growth and job creation through small-scale mining. This also applies to Integrated Energy Centres (IECs) and women and youth empowerment programmes in the energy and mining sectors.

5.5.1 Programme 5: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Supply of electricity secured	Additional power generation capacity secured	Procurement of additional generation capacity	Request for Proposals (RFP) to procure additional capacity from renewable energy issued	N/A	N/A	Request for Proposals (RFP) 2 000 MW under Risk Mitigation Independent Power Producer Programme	Request for Proposals (RFP) for 513 MW from storage developed Request for Proposals (RFP) 2600 MW (BW 6) from renewable energy developed	Request for Proposals (RFP) for 513 MW from storage issued Request for Proposals (RFP) 2 600 MW (BW 6) from renewable energy issued Request for Proposals (RFP) 1 600 MW from renewable energy (BW 7) developed Request for Proposals (RFP) for 1 500 MW from coal issued Concurrence to NERSAS for a Section 34 determination in line with Integrated Resource Plan (IRP) 2019 issued	Issue Requests for Proposals (RFPs) in line with section 34 determination	Issue Requests for Proposals (RFPs) in line with section 34 determination

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improve capacity to deliver basic services	Renewable Energy Sector industrialisation and localisation	Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	N/A	N/A	Draft Renewable Energy (RE) Sector Master Plan finalised	Renewable Energy (RE) Sector Master Plan Report Completed for approval by the Minister	Approved Renewable Energy Sector Master Plan	Monitor and Report on Renewable Energy Sector Master Plan Implementation	Monitor and Report on Renewable Energy Sector Master Plan Implementation
Improve capacity to deliver basic services	Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technology	20 000 Additional households electrified through non-grid-technology	15 000 Additional households electrified through non-grid-technology	20 000 Additional households electrified through non-grid electricity	15 000 Additional households electrified through non-grid-technology	15 000 Additional households electrified with non-grid electrification to achieve the 2022/23 target	15 000 Additional households electrified through non-grid-technology	15 000 Additional households electrified through non-grid-technology
Improve capacity to deliver basic services	Electrification of additional households	Report on the monitoring and verification of the implementation of grid electrification of additional households by Eskom and contracted municipalities	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of grid electrification of households towards the national commitment in the MTSF	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 238 000 households by Eskom and contracted municipalities	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 195 000 households by Eskom and contracted municipalities	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 180 000 households by Eskom and contracted municipalities	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 180 000 households by Eskom and contracted municipalities	4 Quarterly reports on the monitoring and verification of the implementation of the grid electrification of 200 000 additional households to be electrified with grid electrification to achieve the 2022/23 target	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 180 000 households by Eskom and contracted municipalities	4 Reports on the monitoring and verification of the implementation of the grid electrification of additional 220 000 households by Eskom and contracted municipalities

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improve capacity to deliver basic services	Electrification of additional households	Master plan for electrification of additional households	Number of Electrification Master plans developed	N/A	N/A	N/A	N/A	6 Electrification Master plans developed (KwaZulu-Natal, Eastern Cape, Gauteng, Limpopo, Mpumalanga and North West)	Electrification Master plans developed for Western Cape, Northern Cape and Free State	N/A
Improve capacity to deliver basic services	AMD mitigated	Ingress Control of potential AMD water	Number of ingress control measures implemented	N/A	N/A	1 Strategy implemented	1 Ingress measure implemented	1 Ingress control measure implemented	1 Ingress control measure implemented	1 Ingress control measure implemented
State of Geological Infrastructure Improved	State of geological infrastructure improved	Derelict and ownerless mine sites rehabilitated	Number of derelict and ownerless mine sites rehabilitated	N/A	N/A	1	3 Derelict and ownerless mine sites rehabilitated	3 Derelict and ownerless mine sites rehabilitated	3 Derelict and ownerless mine sites rehabilitated	3 Derelict and ownerless mine sites rehabilitated
State of Geological Infrastructure Improved	State of geological infrastructure improved	Unsafe mine shafts sealed off	Number of unsafe mine shafts sealed off	N/A	N/A	N/A	40 Shafts sealed off	40 Unsafe shafts sealed off	40 Unsafe shafts sealed off	40 Unsafe shafts sealed off

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Energy savings verified and quantified	Improved energy efficiency across all sectors	Reports on the planning, monitoring and verification of the implementation of EEDSM projects in industry, buildings, municipalities or residential sector to achieve 0.5 TWh savings	Number of energy savings (TWh) realised and verified from Energy Efficiency Demand Side Management (EEDSM) projects	0.5 TWh savings realised and verified from EEDSM projects	0.5 TWh savings realised and verified from EEDSM projects	0.5 TWh savings realised and verified from EEDSM projects	4 Quarterly reports on the planning, implementation, and monitoring of EEDSM projects in industry, buildings or residential sector to achieve 0.5 TWh savings	4 Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieved 0.5 TWh savings	4 Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieve 0.5 TWh savings	4 Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieve 0.5 TWh savings
							0.0194 TWh savings by EEDSM grant participating municipalities	4 Quarterly reports on the planning, implementation, monitoring, and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities	4 Quarterly reports on the planning, implementation, monitoring and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities	4 Quarterly reports on the planning, implementation, monitoring and achievement of 0.0197 TWh savings by EEDSM grant participating municipalities
Transformed Mining Sector	Gender Transformed Mining Sector	Mining Sector Women Empowerment and Gender Equality Strategy and implementation Plan drafted	Draft Mining Sector Women Empowerment and Gender Equality Strategy and implementation plan	N/A	N/A	N/A	N/A	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan drafted	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan approved and launched	Implementation of the approved Mining Sector Women Empowerment and Gender Equality Strategy

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Transformed Energy Sector	Gender Transformed Energy Sector	Implementation of the Energy Sector WEGE Strategy and Gender Policies and Frameworks	Number of Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	N/A	N/A	N/A	N/A	4 Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	4 Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	4 Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities on from INEP, Energy Efficiency, Derelict and Ownerless Mines and small-scale Mining Programmes	Percentage Preferential procurement to qualifying Women, Youth and People with Disabilities (PWDs) owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	N/A	N/A	N/A	N/A	20% of preferential procurement to qualifying Women, Youth and PWDs owned business/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	30% of preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	40% of preferential procurement to qualifying Women, Youth and PWDs owned business/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Small-scale miners financially supported	Number of small-scale miners supported	N/A	N/A	N/A	N/A	30 Small-scale miners supported	30 Small-scale miners supported	30 Small-scale miners supported
			Number of women small-scale miners supported financially	N/A	N/A	N/A	N/A	10 Women small-scale miners supported	10 Women small-scale miners supported	10 Women small-scale miners supported
Transformed Mining Sector	Youth transformed Mining Sector	Mining Sector Youth Empowerment Strategy and implementation plan drafted	Draft Mining Sector Youth Empowerment Strategy and implementation plan	N/A	N/A	N/A	N/A	Draft Mining Sector Youth Empowerment Strategy and implementation Plan	Mining Sector Youth Empowerment Strategy and implementation Plan approved and launched	Implementation of the approved Mining Sector Youth Empowerment Strategy
Transformed Energy Sector	Youth transformed Energy Sector	Approved Youth in Energy Sector Strategy and implementation plan	Draft Youth Energy Sector Strategy and implementation plan	N/A	N/A	N/A	N/A	Draft Youth Energy Sector Strategy and Implementation plan approved	Youth in Energy Sector Strategy and Implementation plan launched	Youth in Energy Sector Strategy implementation

5.5.2 Programme 5: Output indicators: annual and quarterly targets

Programme 5 - Mineral and Energy Resources Programmes and Projects (PP)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Supply of electricity secured	Additional power generation capacity secured	Procurement of additional generation capacity	Request for Proposals (RFP) to procure additional capacity from renewable energy issued	Request for Proposals (RFP) for 513 MW from storage issued	N/A	Request for Proposals (RFP) for 513 MW from Storage issued	N/A	N/A
				Request for Proposals (RFP) 2 600 MW (BW 6) from renewable energy issued	N/A	Request for Proposals (RFP) 2 600 MW (BW 6) from renewable energy issued	N/A	N/A
				Request for Proposals (RFP) 1 600 MW from renewable energy (BW 7) developed	N/A	N/A	Request for Proposals (RFP) 1 600 MW (BW7) from renewable energy developed	N/A
				Request for Proposals (RFP) for 1 500 MW from coal issued	N/A	N/A	N/A	Request for Proposals (RFP) for 1 500 MW from coal issued
				Request for Proposals (RFP) for 3 000 MW from gas issued	N/A	N/A	N/A	Request for Proposals (RFP) for 3 000 MW from gas issued
				Issue concurrence to NERSA for Section 34 determination in line with Integrated Resource Plan (IRP) 2019	Issue concurrence to NERSA for a Section 34 determination in line with Integrated Resource Plan (IRP) 2019	N/A	N/A	N/A

Programme 5 - Mineral and Energy Resources Programmes and Projects (PP)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Improve capacity to deliver basic services	Renewable Energy Sector Industrialisation and localisation	Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	Renewable Energy Sector Master plan approved	Progress Report on implementation of renewable energy master plan	Progress Report on implementation of renewable energy master plan	Progress Report on implementation of renewable energy master plan
Improve capacity to deliver basic services	Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technology	15 000 Additional households electrified with non-grid electrification to achieve the 2022/23 target	Conclude allocations and contracting with service providers in line with the allocated budget	2 000 Additional households electrified through non-grid technology	5 000 Additional households electrified through non-grid technology	8 000 Additional households electrified through non-grid technology
		Report on the monitoring and verification of the implementation of grid electrification of additional households by Eskom and contracted municipalities	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of grid electrification of households towards the national commitment in the MTSF	4 Quarterly reports on the monitoring and verification of the implementation of the grid electrification of additional 200 000 households by Eskom and contracted municipalities	Report on the monitoring and verification of the implementation of the grid electrification of additional 35 000 households by Eskom and contracted municipalities	Report on the monitoring and verification of the implementation of the grid electrification of additional 45 000 households by Eskom and contracted municipalities	Report on the monitoring and verification of the implementation of the grid electrification of additional 60 000 households by Eskom and contracted municipalities	Report on the monitoring and verification of the implementation of the grid electrification of additional 60 000 households by Eskom and contracted municipalities
Improve capacity to deliver basic services	Electrification of additional households	Master plan for electrification of additional households	Number of Electrification Master plans developed	6 Electrification Master plans developed (KwaZulu-Natal, Eastern Cape, Gauteng, Limpopo, Mpumalanga and North West provinces)	Inception Phase reports for KZN, GP, EC, LIM, MP, KZN and NW provinces	Status Quo reports for GP, EC, LIM, MP, KZN and NW provinces	Future Demand, Needs, Analysis and Modelling reports for GP, EC, LIM, MP, KZN and NW provinces	Electrification Master Plan reports for GP, EC, LIM, MP, KZN and NW provinces.

Programme 5 - Mineral and Energy Resources Programmes and Projects (PP)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
State of geological infrastructure improved	AMD mitigated	Ingress Control of potential AMD water	Number of ingress control measures implemented	1 Ingress control measure implemented	Progress Report on the performance monitoring of passive treatment	Progress Report on the performance monitoring of passive treatment	Progress Report on the performance monitoring of passive treatment	1 Ingress control measure implemented
	State of geological infrastructure improved	Derelict and ownerless mine sites rehabilitated	Number of derelict and ownerless mine sites rehabilitated	3 Derelict and ownerless mine sites rehabilitated	Progress Report on rehabilitation of derelict and ownerless mine	Progress Report on rehabilitation of derelict and ownerless mine	1 Derelict and ownerless mines rehabilitated	2 Derelict and ownerless mines rehabilitated
		Unsafe mine shafts sealed off	Number of unsafe mine shafts sealed off	40 Unsafe mine shafts sealed off	10 Unsafe mine shafts sealed off	10 Unsafe mine shafts sealed off	10 Unsafe mine shafts sealed off	10 Unsafe mine shafts sealed off
Energy savings verified and quantified	Improved energy efficiency across all sectors	Reports on the planning, monitoring and verification of the implementation of EEDSM projects in industry, buildings, municipalities or residential sector to achieve 0.5 TWh savings	Number of energy savings (TWh) realised and verified from Energy Efficiency Demand Side Management (EEDSM) projects	4 Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieved 0.5 TWh savings	Report on the number of EEDSM projects identified in industry, buildings or residential sector that contribute 0.5 TWh savings	Report on the energy consumption baselines and EEDSM project plans in industry, buildings or residential sector	Report on the implementation of the identified EEDSM projects in industry, buildings or residential sector to achieve 0.5 TWh savings	Report on the achievement of 0.5 TWh savings from EEDSM projects in industry, buildings, or residential sector
				4 Quarterly reports on the planning, implementation, monitoring and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities	Report on the energy consumption baselines and EEDSM project plans submitted by municipalities	Report on the consultation with municipalities on their submitted energy consumption baselines and EEDSM project plans	Report on the monitoring and implementation of the EEDSM projects by municipalities	Report on the implementation, monitoring and achievement of 0.0196 TWh savings achieved from EEDSM projects implemented by municipalities

Programme 5 - Mineral and Energy Resources Programmes and Projects (PP)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan	Draft Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan drafted	Development of 1 st Draft on Mining Sector Women Empowerment and Gender Equality	Stakeholder Consultation on Mining Sector Women Empowerment and Gender Equality Strategy (Discussion document)	Reviewed and Consolidated Mining Sector Women Empowerment and Gender Equality Strategy (2 nd Draft)	Final Draft Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender Policies and Frameworks	Number of Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	4 Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks quarterly	Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks	Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality Strategy and Gender policies and Frameworks
Transformed Mining and Energy Sector	Transformed Mining and Energy Sector	Preferential procurement to qualifying Women, Youth and People with Disabilities (PWDs) owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Percentage of Preferential procurement to qualifying Women, Youth and People with Disabilities (PWDs) owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	20% of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Quarterly report on 20% of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Quarterly report on 20% of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Quarterly report on 20% of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Quarterly report on 20% of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes

Programme 5 - Mineral and Energy Resources Programmes and Projects (PP)					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Transformed Mining Sector	Number of small-scale miners supported	30 small-scale miners supported	0	8	12	10
			Number of Women small-Scale Miners supported financially	10 women owned small-scale miners supported	0	3	3	4
Transformed Energy and Mining Sector	Transformed Energy and Mining Sector	Mainstream Youth in the Energy and Mining Sector Programmes and Projects	Draft Mining Sector Youth Strategy and Implementation Plan	Draft Mining Sector Youth Strategy and Implementation Plan approved	1 st Draft Mining Sector Youth Strategy and Implementation Plan produced	Stakeholder Consultation on Mining Sector Youth Strategy and Implementation Plan (discussion document)	Youth in Mining Sector Strategy and Implementation Plan (2 nd Draft) reviewed	Draft Mining Sector Youth Strategy and Implementation Plan (Final Draft) approved
			Draft Youth Energy Sector Strategy and Implementation Plan	Draft Youth Energy Sector Strategy and Implementation Plan approved	1 st Draft Youth in Energy Sector Strategy and Implementation Plan produced	Stakeholder Consultation on Youth in Energy Sector Strategy and Implementation Plan (discussion document)	Youth in Energy Sector Strategy and Implementation Plan (2 nd Draft) reviewed	Draft Youth Energy Sector Strategy and Implementation Plan approved

5.5.3 Programme 5: Explanation of Planned Performance over the Medium-Term Period

The programme and projects branch will pursue effective project and programme implementation, in line with project management framework. The effective tools to enable project implementation, monitoring and evaluation, such as information management system, will be pursued to ensure that the Project Management Office is capacitated and operational in year 2 of the MTSF period. This functionality is a critical dependency in ensuring that the IRP 2019 technologies are scoped and project managed to achieve the outputs translating to increased investment, increased energy availability factor, increased electricity reserve margin, additional MW commissioned and access to alternative energy sources.

The various energy interventions incorporated in the IRP 2019 will lead to improved energy infrastructure and increased access to more affordable energy. Affordable energy will be enabled by a streamlined regulatory environment. To this extent, and to further improve energy security, the programmes and projects branch will direct efforts in the first year of the MTSF at interventions in the form of expediting Power Purchase Agreements.

The programmes and projects branch will focus on the development of supporting strategies to improve the state of geological Infrastructure. These include the development of a strategy for AMD Mitigation and the implementation of mine water/wastewater management plans.

The Project Management Office will be key for integrating functions, resources, joint working frameworks, procurement, etc., to create synergies across the department, its entities and external parties through participation in joined-up plans to optimise the use of resources and to direct and mobilise funding in the priority energy and mining investment areas.

5.5.4 Programme 5: Programme Resource Considerations

Programme 5: Mineral and Energy Resources Programmes and Projects (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
	Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Programmes and Projects Management	2,287	3,813	4,614	6,118	6,118	-	6,104	6,098	6,418
Integrated National Electrification Programme	5,320,997	5,018,960	3,378,371	5,153,693	5,206,930	53,237	6,037,629	6,325,341	6,614,634
Programmes and Projects Management Office	33,348	34,514	59,070	67,794	67,794	-	67,157	67,275	70,293
Regional Programmes and Projects Management Office	20,174	20,901	67	20,537	-	-20,537	-	-	-
Electricity Infrastructure and Industry Transformation	6,060	5,848	5,675	6,171	6,171	-	120,204	6,199	6,477
Energy Efficiency Projects	344,775	333,653	228,863	327,841	254,182	-73,659	250,464	253,216	272,706
Renewable Energy Projects	75,824	80,079	78,733	83,562	185,221	101,659	158,660	158,944	166,324
Environmental Management Projects	11,015	152,814	157,216	165,090	195,724	30,634	200,174	198,561	207,476
Total	5,814,480	5,650,582	3,912,609	5,830,806	5,922,140	91,334	6,840,392	7,015,634	7,344,328

Programme 5: Mineral and Energy Resources Programmes and Projects (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
	Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	226,362	210,827	275,058	295,863	497,626	201,763	557,161	392,704	410,382
Compensation of employees	83,482	89,401	96,353	101,235	101,235	-	101,191	101,184	105,774
Salaries and wages	73,415	78,786	84,780	88,561	88,561	-	88,518	88,510	92,531
Social contributions	10,067	10,615	11,573	12,674	12,674	-	12,673	12,674	13,243
Goods and services	142,880	121,426	178,705	194,628	396,391	201,763	455,970	291,520	304,608
Administrative fees	732	872	199	2,555	2,558	3	2,198	1,328	1,386
Advertising	179	162	162	1,269	1,419	150	725	583	632
Minor assets	14	2	-	20	110	90	20	20	21
Audit costs: External	-	561	1,669	-	-	-	-	-	-
Catering: Departmental activities	1,307	1,620	70	1,686	1,585	-101	1,462	968	1,011
Communication (G&S)	790	758	813	2,292	2,292	-	1,923	940	982
Computer services	-	-	81	3,207	3,407	200	2,815	2,825	2,952
Consultants: Business and advisory services	7,274	5,135	148,927	134,455	336,228	201,773	402,792	253,079	264,376
Contractors	4,386	1,966	97	3,180	3,034	-146	3,269	3,280	3,427
Agency and support/ outsourced services	-	-	-	10,427	10,427	-	10,618	10,660	11,139
Fleet services (including government motor transport)	240	68	68	32	32	-	72	72	75
Consumable supplies	270	112	4	334	626	292	300	267	278
Consumables: Stationery, printing and office supplies	161	30	81	990	963	-27	924	775	809

Programme 5: Mineral and Energy Resources Programmes and Projects (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
	Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operating leases	253	126	23	-	-	-	-	-	-
Rental and hiring	14	45	-	150	70	-80	132	132	138
Transport provided: Departmental activity	41	92	-	-	-	-	-	-	-
Travel and subsistence	14,624	17,164	5,670	28,432	29,469	1,037	23,769	12,241	12,836
Training and development	86	-	-	135	282	147	-	-	-
Operating payments	110,378	90,303	20,508	496	659	163	425	333	348
Venues and facilities	2,131	2,410	333	4,968	3,230	-1,738	4,526	4,017	4,198
Transfers and subsidies	5,588,106	5,439,748	3,637,551	5,534,856	5,424,427	-110,429	6,283,231	6,622,930	6,933,946
Municipalities	2,119,501	2,086,885	1,551,349	2,224,031	2,224,031	-	2,341,872	2,436,138	2,553,903
Departmental agencies and accounts	70,241	74,151	73,615	95,367	75,182	-20,185	81,072	81,383	85,038
Foreign governments and international organisations	1,527	1,336	1,502	3,103	3,103	-	1,726	3,201	3,345
Public corporations	3,262,031	3,264,261	2,011,085	2,973,468	2,850,524	-122,944	3,618,267	3,851,376	4,024,339
Private enterprises	134,555	13,115	-	238,887	271,587	32,700	240,294	250,832	267,321
Households	251	-	-	-	-	-	-	-	-
Payments for capital assets	12	-	-	87	87	-	-	-	-
Other machinery and equipment	12	-	-	87	87	-	-	-	-
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	5,814,480	5,650,575	3,912,616	5,830,806	5,922,140	91,334	6,840,392	7,015,634	7,344,328

Programme 5: Mineral and Energy Resources Programmes and Projects (Details of Transfer Payments)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
	Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Various institutions: Integrated National Electrification Programme	134,555	13,115	-	232,269	264,969	32,700	233,502	244,014	260,197
Eskom - Integrated National Electrification Programme (Eskom) grant	3,262,031	3,124,053	1,982,985	2,824,257	2,824,257	-	3,588,162	3,821,156	3,992,762
Employee social benefits	251	-	-	-	-	-	-	-	-
South African National Energy Development Institute	70,241	74,151	73,615	75,182	75,182	-	81,072	81,383	85,038
International Renewable Energy Agency	1,177	1,336	1,106	1,284	1,284	-	1,331	1,337	1,397
International Energy Forum	350	-	396	381	381	-	395	397	415
International Partnership for Energy Efficiency Cooperation	-	-	-	1,438	1,438	-	-	1,467	1,533
Industrial Development Corporation	-	-	25,924	26,267	26,267	-	27,293	27,398	28,628
Various institutions: Water management solutions subsidies for marginal mines	-	-	-	6,618	6,618	-	6,792	6,818	7,124
Council for Geoscience	-	-	-	20,185	-	-20,185	-	-	-
Mintek: Expanded public works programme	-	2,632	2,176	2,750	-	-2,750	2,812	2,822	2,949
Mintek	-	137,576	-	120,194	-	-120,194	-	-	-
Integrated National Electrification Programme Grant	1,904,477	1,859,820	1,358,752	2,003,157	2,003,157	-	2,118,668	2,212,046	2,311,388
Energy Efficiency and Demand-Side Management Grant	215,024	227,065	192,597	220,874	220,874	-	223,204	224,092	242,515
Total Transfer Payments	5,588,106	5,439,748	3,637,551	5,534,856	5,424,427	-110,429	6,283,231	6,622,930	6,933,946

The Mineral and Energy Resources Programmes and Projects Branch accounts for 66.12% of the total departmental budget allocation for the 2022/23 financial year. Transfer payments accounts for 91.85% of the branch's total budget and include conditional grant payments to Eskom, municipalities, and non-grid service providers in respect of the National Electrification Programme; SANEDI, EEDSM programme, Industrial Development Corporation, assistance to mines and international membership fees. Goods and services accounts for R455.97 million of the total budget while compensation of employees contributes R101.19 million of the total budget.

Transfers and subsidies to public entities, municipalities and implementing agents account for an estimated 81.36 per cent (R25.8 billion) of the department's planned spending over the MTEF period. Total expenditure is expected to increase by 12.69 per cent, from R9.18 billion in 2021/22 to R10.35 billion in 2022/23. This increase is mainly due to a relatively low baseline in 2020/21 resulting from one-off reductions effected on the INEP in previous MTEF budget cycles. In 2023/24, the second year of the MTEF period, expenditure is expected to increase by 1.04 per cent and 4.32 per cent in the final year of 2024/25 in line with projected inflation increase.

5.5.5 Rehabilitating mines and the environment

To promote the health and safety of mine employees and people in surrounding communities, the department will continue to rehabilitate dangerous, derelict and ownerless mining sites. Over the medium-term, it aims to intensify its efforts to rehabilitate derelict and ownerless mines as well as sealing of dangerous shafts to promote the health and safety of mine employees and people in surrounding communities. Over the medium-term, it aims to rehabilitate 12 mines as well as sealing of 200 shafts/holdings.

5.5.6 Extending access to electricity

In support of government's policy to extend access to electricity for all South Africans, an additional 640 000 households are expected to be connected to the electricity grid over the medium-term. To enable this, six new substations are set to be built and nine substations upgraded. A further 15 000 households per year are expected to be provided with non-grid, mainly solar, electrification.

The INEP plans which projects to be prioritised given the limited budget, oversees and manages processes around the finance and implementation of the electrification programme, manages the annual planning processes including electrification infrastructure plans, and manages and coordinates technical audits for the programme. Between April 2019 and March 2021, through the electrification programme, an additional 381 405 houses have been connected to the national grid which brings us to a total of 7.9 million household connections. Over 135 municipalities are currently participating under the municipal grant programme with over 3 million household connections that were achieved through the municipal programme.

A majority of households to be electrified are in deep rural areas within the 44 priority districts in KwaZulu-Natal and the Eastern Cape. There is a need to build more bulk infrastructure in these areas to effect household connections. Where households are far from the national grid, connection will be through the use of off-grid home solar systems. The long-term sustainability of the off-grid solution is an area that requires focus; however, these will be identified on the finalisation of the Electrification Master Plan (EMP) and a Solar Home System (SHS) that will be provided to these areas will be one that can offer functions that are not only limited to lighting and charging but will be extended to refrigeration and will be coupled with LPG gas in order to enable beneficiaries to be able to cook.

Despite budget reductions, the MTSF target is still within reach. The electrification programme will be refined to ensure efficient utilisation of limited resources while continuing to contribute to socio-economic development, job creation and poverty alleviation. This means that municipalities funded under the INEP programme are not increasing nor decreasing as a result of INEP budget/grant reduction, however, the department has adopted a strategy of reducing allocations per municipality, due to the backlog demand of electrification. The main challenge with this strategy is that it is no longer feasible to complete most projects within the year of funding, and that the speed of electrification has reduced, thereby allowing the backlog of electrification to increase.

The lack of skills and resources in municipalities' technical departments to plan and manage large electrification projects contributes to some of the challenges mentioned above. In the year 2022/23, the department will continue to work closely with the Municipal Infrastructure Support Agent (MISA) to make sure that municipalities are capacitated and able to roll out electrification projects. Integrated planning with the Department of Human Settlements will also be improved.

Over the period ahead, the department will continue its efforts to ensure that all South Africans have access to electricity. Spending in the Integrated National Electrification Programme subprogramme is expected to increase at an average annual rate of 7.86 per cent, from R5.15 billion in 2021/22 to R6.62 billion in 2024/25. This is mostly due to once off additional allocations effected on these grants in 2022/23.

Transfers to Eskom are expected to increase at an average annual rate of 10.56 per cent, from R2.82 billion in 2021/22 to R3.99 billion in 2024/25, and transfers to municipalities are expected to increase at an average annual rate of 4.66 per cent, from R2 billion in 2021/22 to R2.31 billion in 2024/25. Transfers for non-grid connections are expected to increase at an average annual rate of 3.69 per cent, from R232.27 million in 2021/22 to R260.2 million in 2024/25. This is expected to enable 600 000 households to be connected to the grid and 45 000 households to be connected through non-grid technology over the MTEF period. The bulk of these households are in sparsely populated rural areas (mostly in KwaZulu-Natal, Eastern Cape, and Limpopo) and high-density informal settlements. To develop a cost-effective framework for expanding access to electricity, an additional R50 million is allocated in 2022/23 to finalise the electrification master plan.

An additional amount of R114 million is allocated through reprioritization within the department in the 2022/23 financial year as earmarked funds to the IPP Office to assist with funding required for the evaluation of IPP procurement programmes under the 2nd Determination during the 2022/23 financial year.

5.5.7 Electrification Master Plan (Allocations in 2019/20 and 2020/21)

Over the past two decades, South Africa has achieved a significant level of electrification and as a result, a significant number of households now have access to largely grid-connected power. Despite successes, the Department of Energy (DoE) and its delivery partners face several barriers to electrifying the remaining backlog. A significant portion of the remaining households to be electrified are in sparsely populated rural areas (mostly in KwaZulu-Natal, Eastern Cape and Limpopo) and the remainder in urban informal settlements, often densely packed shacks that are unsafe to connect to the grid.

It became a necessity for the department to come up with a new household electrification strategy to assist the department to reach universal access by 2025. Based on the experience of other countries that have successfully implemented large-scale electrification programs, a

national least-cost grid/off-grid master plan is commonly used to set rules and time frames for electrification rollout. It is often supplemented with clear guidelines for choosing technologies. South Africa does not have such a plan; electrification priorities are determined at the local level without national aggregation. The current status quo on this project is that the Professional Service Provider (PSP) will conduct the study within the KZN province, which has been approved, and the service provider is envisaged to begin the study in January 2022. The study withing the KZN is scheduled to be completed latest by November 2022. Concurrently, the DMRE has finalised the evaluation of bids to conduct the same study in five other provinces. These are Gauteng, Eastern Cape, Mpumalanga, Limpopo, and North West. The appointment of the PSPs is envisaged to be finalised by end March 2022. These PSPs will be given exactly eleven months (after signing of the contracts with the DMRE) to finalise the studies in the above-mentioned provinces.

The above implies that by the end of 2022/23, the DMRE would have finalised the studies in exactly six provinces with the remaining three provinces to be planned for in 2022/23 based on the available budget from the National Treasury.

5.5.8 Non-grid oversight, monitoring and verification

The objective of this project is to monitor and evaluate the SHS installations to ensure they are completed on time and are installed according to specification. The contractor is required to inspect and verify on a representative sample of private systems. The inspections will include field inspection of installation progress and systems installations to ensure that the systems are installed according to installation standards and good practice, are fully functional and that users have been instructed in the use and care of the systems. The department has appointed a panel of PSPs that will be conducting this exercise for the SHSs that will be installed from 2021/22 going forward. Supply Chain Processes are being followed in order to allocate work accordingly to the appointed panel.

5.5.9 Enhancing energy efficiency

To realise a target of 1.5 TWh of energy savings over the medium-term, allocations to the energy efficiency and demand-side management grant are expected to increase from R227.1 million in 2019/20 to R243.3 million in 2022/23. This will enable municipalities to undertake initiatives to upgrade municipal infrastructure that is not energy efficient, such as replacing street and traffic lights with greener technology.

5.6 Programme 6: Nuclear Energy Regulation and Management

Purpose: To manage the South African nuclear energy industry and control nuclear material in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

Functions:

- Implement nuclear energy policies to ensure security of energy supply;
- Manage and coordinate the implementation of the nuclear build programme and all matters relating to nuclear safety and technology, as required by legislation and international agreements.;
- Control nuclear material, equipment and related technologies and implement all matters related to nuclear non-proliferation and radiation security as required by legislation and international agreements;
- Implement the Technical Cooperation Programme and promote the utilisation of nuclear technology by interfacing with regional and inter-regional organisations in the nuclear field; and
- Lead South Africa’s global participation in promoting nuclear research, development and technology applications for peaceful use.

Strategic Linkages to Key National Frameworks including Medium-Term Strategic Framework (MTSF) and Economic Reconstruction and Recovery Plan (ERRP):

Framework	Linkage	Branch Outcome
MTSF	Priority 1: A capable, ethical and developmental state	<ul style="list-style-type: none"> • Improve security of supply for nuclear energy • Strengthen the Control of Nuclear Material and equipment • Strengthen physical protective measures for nuclear material and facilities • Strengthen and promote the utilization of nuclear technology
	<ul style="list-style-type: none"> • Improved leadership, governance and accountability 	
	Priority 2: Economic Transformation and Job Creation	
	<ul style="list-style-type: none"> • Supply of electricity secured 	
	Priority 3: Education, Skills and Health	
	<ul style="list-style-type: none"> • Skills training 	
	Priority 7: A better Africa and a Better world	
	<ul style="list-style-type: none"> • Trade and regional integration 	
ERRP (Area 1: Ensuring Energy Security)	<ul style="list-style-type: none"> • Preparation for Nuclear New Build Program • Procurement Framework for 2500MW Nuclear Programme • Exercise oversight on the Koeberg Nuclear Power Plant Long-Term Operation Program • Procurement of MPR • Procurement of CIFS 	<ul style="list-style-type: none"> • Improve security of supply for nuclear energy
CONSOLIDATED BRANCH OUTCOMES FOR 2022/23		
<ol style="list-style-type: none"> 1. Improve security of supply for nuclear energy; 2. Strengthen the control of nuclear material and equipment; 3. Strengthen physical protective measures for nuclear material and facilities; and 4. Strengthen and promote the utilisation of nuclear technology. 		

The Nuclear Programme aims to address the challenge of inadequate security of electricity supply and contribution to socio-economic benefits highlighted in the MTSF. Self-sufficiency in the utilisation of nuclear technology in the entire nuclear value chain, improved security of energy supply, utilisation of nuclear technology, and improved control of nuclear material and equipment and nuclear security will respond to the requirement to secure the supply of energy.

5.6.1 Programme 6: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Supply of electricity secured	Improved security of supply for nuclear energy	Increased supply of electricity for grid stability	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	N/A	N/A	Roadmap for implementation of the 2 500 MW nuclear programme developed	Procurement framework for the 2 500 MW nuclear programme developed	Request for Proposal for procurement of 2 500 MW nuclear programme issued	Procured 2 500 MW programme	Oversee the procurement process on for the 2 500 MW NNBP
		Oversight on implementation of the Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	N/A	N/A	4 Quarterly monitoring report of Koeberg Nuclear Power Plant Long Term Operation Program through established Technical Oversight Committee meetings	4 Monitoring reports of Koeberg Nuclear Power Plant Long Term Operation through established Technical Oversight Committee meetings	4 Quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	4 Monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Oversee the implementation plan for the Koeberg's LTO
		Policy oversight and direction for the establishment of the Central Interim Storage Facility (CISF) Project	Feasibility study for Central Interim Storage Facility (CISF) completed	N/A	N/A	Pre-feasibility Report submitted to Cabinet for approval to establish the Central Interim Storage Facility (CISF)	Feasibility Report for establishment of the Central Interim Storage Facility (CISF) submitted to Cabinet for approval	Feasibility study for Central Interim Storage Facility (CISF) completed and submitted to Cabinet for approval	Oversee the Procurement of the 4 Monitoring Reports of Central Interim Storage Facility (CISF) project	Oversee the implementation of the Central Interim Storage Facility (CISF) project
Supply of electricity secured	Improved security of supply for nuclear energy	Feasibility study on Multi Purpose Reactor (MPR)	Draft Feasibility Report for MPR completed	N/A	N/A	Pre-feasibility study submitted to approval authority	Draft Feasibility study on MPR completed and submitted for Gateway Review	Draft Feasibility study on Multi Purpose Reactor (MPR) completed and submitted for Gateway Review	Oversee completion of procurement of MPR through Task Team	Oversee the implementation of the MPR project

Outcome	Branch Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Supply of electricity secured	Strengthen the Control of Nuclear Material and equipment	Issued authorisations or denials of applications	% of authorisation applications processed within the 8-week time period.	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period
		Nuclear Safeguards inspections reports	Number of Nuclear Safeguards compliance inspections reports	N/A	N/A	20 Nuclear Safeguards compliance reports approved	40 Nuclear Safeguards compliance reports approved	40 Nuclear Safeguards compliance inspections reports approved	40 Nuclear Safeguards compliance inspections reports approved	40 Nuclear Safeguards compliance inspections reports approved
Supply of electricity secured	Strengthen physical protective measures for nuclear material and facilities	Nuclear Security inspections reports	Number of Nuclear Security compliance inspection reports	N/A	N/A	N/A	20 Nuclear Security compliance inspection reports approved	20 Nuclear Security compliance inspection reports approved	20 Nuclear Security compliance inspection reports approved	20 Nuclear Security compliance inspection reports approved
Supply of electricity secured	Strengthen and promote the utilization of nuclear technology	Improved Coordination of IAEA Technical Cooperation (TC) Programme	IAEA 2024-2029 Country Programme Framework	N/A	N/A	N/A	N/A	IAEA 2024-2029 Draft Country Programme Framework developed	IAEA 2024-2029 Country Programme Framework completed	IAEA 2024-2029 Country Programme Framework implemented
			IAEA Monitoring report on Technical Cooperation Programme	N/A	N/A	N/A	N/A	IAEA Annual report on the Technical Cooperation Programme produced	IAEA Annual report on the Technical Cooperation Programme/ produced	IAEA Annual report on the Technical Cooperation Programme produced
			Monitoring report on AFRA Programme	N/A	N/A	N/A	N/A	Monitoring report on AFRA Programme produced	Monitoring report on AFRA Programme produced	Monitoring report on AFRA Programme produced

5.6.2 Programme 6: Output Indicators: Annual and Quarterly Targets

Programme 6 - Nuclear Energy Regulation and Management					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Supply of electricity secured	Improve security of supply for nuclear energy	Increased supply of electricity for grid stability	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	Developed a Cabinet memorandum for nuclear power programme procurement decision	Established Project Management Office (PMO)	1 st Draft Request for Proposal	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued
		Oversight on implementation of the Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	4 Quarterly monitoring reports of Koeberg Nuclear Power Plant Long Term Operation Program through established Technical Oversight Committee meetings	Report on the monitoring of Koeberg Nuclear Power Plant Long Term Operation Program through established Technical Oversight Committee meetings	Report on the monitoring of Koeberg Nuclear Power Plant Long Term Operation Programme through established Technical Oversight Committee meetings	Report on the monitoring of Koeberg Nuclear Power Plant Long Term Operation through established Technical Oversight Committee meetings	Report on the monitoring of Koeberg Nuclear Power Plant Long Term Operation through established Technical Oversight Committee meetings
	Improve security of supply for nuclear energy	Policy oversight and direction for the establishment of the CISF Project	Feasibility study for Central Interim Storage Facility (CISF) completed	Feasibility study for Central Interim Storage Facility (CISF) completed and submitted to Cabinet for approval	Gateway Review of the CISF feasibility report	Address of comments from the Gateway Review by the CISF Ministerial Task Team	Feasibility Report approved by the Executive Authority	Feasibility study for CISF completed and submitted to Cabinet for approval

Programme 6 - Nuclear Energy Regulation and Management					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Supply of electricity secured	Improve security of supply for nuclear energy	Feasibility study on Multi Purpose Reactor (MPR)	Draft Feasibility Report for MPR completed	Draft Feasibility study on MPR completed and submitted for Gateway Review	Request for information (RFI) assessment report completed	Appointment of Engineering Procurement and Construction Management (EPCM)/Owners Engineers completed	1 st Draft Feasibility study completed and submitted for MPR Task Team review Gateway Review Service Provider appointed	Draft Feasibility study on MPR completed and submitted for Gateway Review
	Strengthen the Control of Nuclear Material and equipment	Issued authorisations or denials of	% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period	70% of authorisation applications processed within the 8-week time period
		Nuclear Safeguards compliance inspections reports	Number of Nuclear Safeguards compliance inspections reports	40 Nuclear Safeguards compliance inspections reports approved	10 Nuclear Safeguards compliance inspections reports approved	10 Nuclear Safeguards compliance inspections reports approved	10 Nuclear Safeguards compliance inspections reports approved	10 Nuclear Safeguards compliance inspections reports approved
	Strengthen physical protective measures for nuclear material and facilities	Nuclear Security compliance inspections reports	Number of Nuclear Security compliance inspections reports	20 Nuclear Security compliance inspections reports approved	5 Nuclear Security compliance inspections reports approved	5 Nuclear Security compliance inspections reports approved	5 Nuclear Security compliance inspections reports approved	5 Nuclear Security compliance inspections reports approved

Programme 6 - Nuclear Energy Regulation and Management					Q1	Q2	Q3	Q4
MTSF/ERRP Outcome	Branch Outcome	Outputs	Output Indicators	2022/23 Target				
Improve security of supply for nuclear energy	Strengthen and promote the utilisation of nuclear technology	Improved Coordination of IAEA Technical Cooperation (TC) Programme	IAEA 2024-2029 Country Programme Framework	IAEA 2024-2029 Draft Country Programme Framework developed	Review of 2018-2023 CPF	Consult with Stakeholders on the reviewed CPF	Consolidation of inputs and comments on draft CPF	IAEA 2024-2029 Draft CPF developed
			IAEA Monitoring report on Technical Cooperation Programme	IAEA Annual report on the Technical Cooperation Programme produced	Report on Implementation of New National projects	IAEA General Conference activities overseen	Report on the implementation of existing national projects	IAEA Annual report on the Technical Cooperation Programme produced
		Coordination of the AFRA Programme	Monitoring report on AFRA Programme	Monitoring report on AFRA Programme produced	Report on implementation of existing AFRA projects	Report on AFRA Regional Designated Centres produced	4 Site Visits conducted to new AFRA regional projects	Monitoring report on AFRA Programme produced

5.6.3 Programme 6: Explanation of Planned Performance over the Medium-Term Period

Preparations have commenced for a 2 500 MW NNBP in line with the IRP 2019. The 2 500 MW of the NNBP will be procured in line with IRP 2019 at a pace and scale that the country can afford. The Governance Framework for the coordination of the NNBP will be finalised, and this includes the development of a procurement framework for the NNBP.

In addition, work is underway to develop a feasibility study for the MPR. This MPR seeks to replace SAFARI-1 Research Reactor by 2030. In September 2021, Cabinet approved the setting up of the MPR. Necsca has issued a RFI for testing of the market on parameters such as cost, financing models and related parameters to have this as an input into the feasibility study. The final step will be to conduct a feasibility study to ensure the project is shovel ready for execution.

An allocation of R40 million has been granted following consultations with NT. This will ensure delivery of the feasibility report and related long lead activities are completed.

Cabinet has approved the project initiation of the Central Interim Storage Facility for safe storage of high-level radioactive waste. The development of feasibility study for the procurement of a CISF Project had commenced.

Production of radioisotopes for use in both the medical and industrial sectors have continued uninterrupted over the past year with special COVID-19 protocols employed. As a result of lower demand and logistical challenges, the production volumes dropped to 37% of pre-COVID-19 levels during the hard lockdown but this has gradually improved and is currently at 90% of the pre-COVID-19 levels.

During the COVID-19 pandemic Nuclear Technology Product company NTP, a subsidiary of Necsca, continued to fulfil the total demand for nuclear medicine products in South Africa. As a result of significant efforts to secure reliable production and logistics and also the mammoth vaccination drives in Europe and the USA, it is envisaged that NTP will return to normal operational levels in 2021 with I-131 now being exported.

Nuclear forms an integral part of South Africa's energy mix. The Koeberg Nuclear Plant LTO Project and the associated plant life extension activities are hardwired in the IRP 2019, thereby recognising the pivotal role that the plant plays in continued energy security for the country. The Koeberg Nuclear Power Plant will undergo planned maintenance outage, including the replacement of steam generators, during this year. The initial plan was to have the three old steam generators being replaced by the new ones for Unit 2 during June 2022 and replacement of three steam generators for Unit 1 from October 2022. The steam generator replacement project for Unit 2 was deferred to the next outage. The department will continue to exercise oversight on the Koeberg Nuclear Power Plant LTO to ensure security of energy supply.

The Koeberg Nuclear Power Plant's design life will be extended to 2045 by facilitating the IAEA SALTO mission, and providing policy guidance as well as grant relevant authorisations.

This falls beyond the MTSF period but key milestones will be targeted in the 5-year period to ensure readiness.

The department regulates and promotes peaceful usage of nuclear technology to contribute to the economy of our country. 270 companies have been issued with authorisations to acquire, possess, import, export, transport nuclear material and related equipment. 40 nuclear

safeguards and 20 nuclear security inspections are conducted in a period of 12 months to ensure compliance with national and internal obligations. The limited resources remain a challenge to ensure full coverage of the authorised companies. Initiatives are underway to capacitate this important area. The Number of inspections to be increased within the MTSF period to conduct inspections in all the companies within a financial year depending on the availability of resources.

The National Liaison Office (NLO) will continue to monitor the implementation of the IAEA Technical Cooperation Programme. The programme involves transfers of nuclear science and technology to build capacity with an emphasis on human resource development and transfer of equipment and expertise to other Member States. The programme mainly focuses on assisting the Government in strengthening the use of nuclear technology in the fields of energy; water resource management; human health; radiation technology; nuclear safety and agriculture, in alignment with the national priorities of the Medium-Term Strategic Framework and the NDP 2030.

The limited resources remain a challenge to fully realise the potential of the NLO. Initiatives to capacitate this office is underway. It is expected that the NLO will be fully operational in the MTSF period.

5.6.4 Programme Resource Considerations

Programme 6: Nuclear Energy Regulation and Management (Sub-Programmes)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Nuclear Energy Management	3,263	3,716	3,210	4,767	4,767	-	4,574	4,598	4,962
Nuclear Safety and Technology	857,728	1,021,753	1,089,134	1,094,622	1,094,622	-	1,149,557	1,115,809	1,166,348
Nuclear Non-Proliferation and Radiation Security	9,015	10,048	9,260	11,805	11,805	-	11,835	11,833	12,364
Total	870,006	1,035,517	1,101,604	1,111,194	1,111,194	-	1,165,966	1,132,240	1,183,674

Programme 6: Nuclear Energy Regulation and Management (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	54,485	34,424	25,387	39,105	39,105	-	37,702	37,755	40,037
Compensation of employees	21,625	22,209	22,059	28,034	28,034	-	28,012	28,036	29,244
Salaries and wages	19,394	19,942	19,712	24,536	24,536	-	24,514	24,538	25,589
Social contributions	2,231	2,267	2,347	3,498	3,498	-	3,498	3,498	3,655
Goods and services	32,860	12,215	3,328	11,071	11,071	-	9,690	9,719	10,793
Administrative fees	67	178	34	122	122	-	122	123	128
Advertising	184	193	242	352	352	-	190	191	196
Catering: Departmental activities	55	19	3	117	117	-	116	116	120
Communication (G&S)	428	336	240	329	329	-	322	323	338
Consultants: Business and advisory services	29,884	6,922	2,077	8,198	8,198	-	7,258	7,287	7,943
Legal services (G&S)	156	-	-	-	-	-	-	-	-
Science and technological services	-	732	-	-	-	-	-	-	-
Contractors	-	-	1	-	-	-	-	-	-
Fleet services (including government motor transport)	6	2	1	-	-	-	-	-	-
Consumable supplies	10	15	-	2	14	12	2	2	2
Consumables: Stationery, printing and office supplies	1	-	38	85	85	-	86	86	90
Operating leases	22	4	11	-	-	-	-	-	-
Rental and hiring	18	-	16	-	-	-	-	-	-
Travel and subsistence	1,878	2,721	213	1,573	1,571	-2	1,299	1,294	1,666
Operating payments	-	32	325	-	-	-	-	-	-
Venues and facilities	151	1,061	127	293	283	-10	295	297	310
Transfers and subsidies	769,082	1,001,093	1,076,217	1,072,089	1,072,089	-	1,128,264	1,094,485	1,143,637
Departmental agencies and accounts	62,042	90,595	89,864	95,255	95,255	-	97,612	97,435	101,810

Programme 6: Nuclear Energy Regulation and Management (Economic Classification)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Foreign governments and international organisations	24,326	20,067	20,202	24,324	24,324	-	22,460	25,051	26,176
Public corporations	682,714	890,431	966,151	952,510	952,510	-	1,008,192	971,999	1,015,651
Payments for capital assets	46,439	-	-	-	-	-	-	-	-
Software and other intangible assets	46,439	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	870,006	1,035,517	1,101,604	1,111,194	1,111,194	-	1,165,966	1,132,240	1,183,674
Public corporations	3,262,031	3,264,261	2,011,085	2,973,468	2,850,524	-122,944	3,618,267	3,851,376	4,024,339
Private enterprises	134,555	13,115	-	238,887	271,587	32,700	240,294	250,832	267,321
Households	251	-	-	-	-	-	-	-	-
Payments for capital assets	12	-	-	87	87	-	-	-	-
Other machinery and equipment	12	-	-	87	87	-	-	-	-
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	5,814,480	5,650,575	3,912,616	5,830,806	5,922,140	91,334	6,840,392	7,015,634	7,344,328

Programme 6: Nuclear Energy Regulation and Management (Details of Transfer Payments)	BASELINE						MEDIUM-TERM EXPENDITURE FRAMEWORK		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Voted (Main Appropriation)	Adjusted Appropriation	Budget Adjustments	Indicative Baseline	Indicative Baseline	Indicative Baseline
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
South African Nuclear Energy Corporation	663,552	699,989	765,235	728,939	728,939	-	757,087	760,083	794,218
National Nuclear Regulator	16,510	43,096	40,467	46,089	46,089	-	47,308	46,949	49,057
International Atomic Energy Agency	24,326	20,067	20,202	24,324	24,324	-	22,460	25,051	26,176
National Radioactive Waste Disposal Institute	45,532	47,499	49,397	49,166	49,166	-	50,304	50,486	52,753
NECSA – Decommissioning and decontamination of old strategic nuclear facilities – Stage 2	-	170,207	179,568	181,887	181,887	-	188,603	188,470	196,934
NECSA – Preparatory work for the new multipurpose reactor project	-	-	-	20,000	20,000	-	40,000	-	-
NECSA – Decommissioning and decontamination of old strategic nuclear facilities – Stage 1	19,162	20,235	21,348	21,684	21,684	-	22,502	23,446	24,499
Total Transfer Payments	769,082	1,001,093	1,076,217	1,072,089	1,072,089	-	1,128,264	1,094,485	1,143,637

The Nuclear Energy Regulation and Management Branch accounts for 11.27% of the department's total budget allocation and is inclusive of transfer payments to the South African Nuclear Energy Corporation, National Nuclear Regulator, National Radioactive Waste Disposal Institute and international membership. Transfer payments to the Mine Health and Safety Council and accounts for R4.7 million or 1.99% of the programme's total budget. Goods and services accounts for R35.98 million or 15.21% of the total budget. The programme's work is labour intensive and requires inspections to ensure that mining companies and petroleum license holders comply with legislative requirements. As a result, expenditure on compensation of employees accounts for an estimated 82.41% per cent (R195 million) of the programme's budget in the 2022/23 financial year.

5.6.5 Managing Nuclear Energy

The DMRE issued a non-binding RFI in June 2020. Following the market analysis (RFI process), it is clear that the potential bidders who responded to the RFI have collectively supplied over 240 of the 454 Nuclear Power Reactors in operation globally. This indicates a 53 percent of positive market appetite for the South African Nuclear New Build Programme. In August 2021, Nersa conditionally concurred to Ministerial Determination for the procurement of 2 500 MW of nuclear energy. Once the suspensive conditions have been addressed, the RFP for Nuclear New Build Programme will be issued.

The Nuclear Energy Regulation and Management programme accounts for an estimated 11.01 per cent (R3.49 billion) of the department's budget over the medium-term, mainly comprising of transfers to entities. The South African Nuclear Energy Corporation is allocated R2.9 billion over the MTEF period, of which R2.3 billion is for operational costs and R644.45 million for the decontamination and decommissioning of old nuclear facilities. In 2022/23, R40 million is earmarked for preparatory work to procure a multipurpose reactor to replace the ageing SAFARI-1 research reactor.

The National Radioactive Waste Disposal Institute is set to receive R153.5 million over the period ahead for its operationalisation while it finalises its application for a radioactive waste disposal licence from the National Nuclear Regulator and commences with the work towards the establishment of the Centralised Interim Storage Facility (CISF) by 2030.

5.6.6 Increased Nuclear Energy Public Awareness

The Nuclear Communication Strategy will be implemented to create public awareness and understanding of nuclear technology. Various interventions to be implemented involve – outreach, advertising, media engagement and targeted stakeholder events. Stakeholders will be requested to partner with the department to implement the strategy.

5.6.7 The IAEA Technical Cooperation Programme (TCP)

The department is the competent authority for the facilitation of the TCP in the country and works together with the Department of International Relations and Corporation which manages the international diplomatic processes related to the TCP and the Department of Science and Innovation which is responsible for the payment of the Technical Cooperation Fund (TCF) on behalf of the state.

The implementation of the TCP is undertaken through training courses, expert missions, fellowships, scientific visits and equipment disbursement. The TCP can also provide the necessary skills and equipment to establish or support sustainable technology in the IAEA Member State. There are six ongoing technical cooperation projects in the areas of Nuclear Radiation, Agriculture, Human Health and Radiation Safety under the Country Programme Framework for the cycle 2018-2023.

5.6.8 The African Regional Cooperative Agreement for Research, Development and Training related to Nuclear Science and Technology (AFRA)

The African Regional Cooperative Agreement (AFRA) is a regional collaborative agreement for Africa providing the basis for technical cooperation projects at regional level and provides a facilitating mechanism among the Member States through which African scientists and technicians exchange experience and information. South Africa became an AFRA member in 1990.

The Nuclear Branch administers all issues within the scope of nuclear technology and the AFRA programmes. The National Liaison Office monitors the participation of South Africa in 26 regional projects. South Africa has seven AFRA Regional Designated Centres which includes National Radioactive Waste Disposal Institute, South African Nuclear Energy Corporation, National Nuclear Regulator, Southern African Institute of Welding, Agricultural Research Council, National Metrology Institute of South Africa, Tygerberg Hospital and University of Cape Town Energy Research Centre.

The department authorises 263 companies to possess, use, export and import nuclear material, equipment and related technologies. These peaceful applications of nuclear contribute to socio-economic development in South Africa,

A total of 60 inspections consisting of 40 Nuclear Safeguards and 20 Radiation Security will be conducted per annum to ensure compliance with legislation and international obligations.

6. Updated Key Risks

Outcome	Key Risk	Mitigation
Functional, Efficient and Integrated Government	Valid invoices not paid within 30 days resulting in: <ul style="list-style-type: none"> • Reputational damage to DMRE • Adverse audit findings • Underspending of the budget • Negative impact of socio-economic growth in SMMEs • Non-compliance with prescripts i.e., Treasury Regulations 	<ul style="list-style-type: none"> • Regular monitoring of invoice registers and following up on outstanding invoices from project managers for certification process • Regular monitoring of contracts and age analysis to determine lack of movement in balances • Expediting process done regularly and follow up on long outstanding transactions
Functional, Efficient and Integrated Government	Non-compliance with Financial Management prescripts and procedures resulting in: <ul style="list-style-type: none"> • Adverse audit opinion • Incur irregular expenditure • Departmental reputational damage 	<ul style="list-style-type: none"> • Checklist developed to enforce strict adherence to Financial Management prescripts and Standards • Checklist developed to enforce compliance to MCS standards • All deviations from Supply Chain Management procedures applied correctly and duly approved • Regular information/awareness sessions and workshops conducted to update officials on Financial Management developments • Finalise the review of remaining SOP and policies
Increased Compliance with Licensing Conditions	Non-compliance to license conditions (Fuel quality testing and monitoring) resulting in: <ul style="list-style-type: none"> • Failure to achieve fuel specification and standard objectives • Loss of revenue collection due to adulteration and importation of off-spec petroleum products 	<ul style="list-style-type: none"> • Compliance conditions targeted workshops • Investigate further proposals made by stakeholders
Transformed petroleum and mining sectors (HDSA participation)	Non-compliance to licensing requirements in line with the Liquid Fuels Charter objectives resulting in: <ul style="list-style-type: none"> • Perpetuated inequalities in the sector (Failure to promote Section 9 of the constitution) • Inadequate reporting on the status of transformation 	<ul style="list-style-type: none"> • Continuous regular B-BBEE compliance audit • Implement the recommendation of the 2016 Petroleum Retail audit • SOPs for licensing processes to be aligned to B-BBEE framework
Secure Energy Supply	Lack of consensus on definition objective, and targets of just transition resulting in: <ul style="list-style-type: none"> • Challenges in developing Just transition and just energy transition policy framework for the department in particular 	<ul style="list-style-type: none"> • Department led just in transition (to engage with relevant role players) • Stakeholder consultation plan which includes identification of key stakeholders and key interest on just in transition
Greenhouse Gas Emission Reduction	Delays in approvals of carbon offsets projects resulting in: <ul style="list-style-type: none"> • Negative impact on the carbon tax regime in the country since it made provision for carbon taxpayers to use carbon offsets to reduce carbon tax liability • Investment in projects that will contribute to transition in carbon economy affected negatively 	<ul style="list-style-type: none"> • Periodic review of system implementation in consultation with IT • Appoint external experts to provide IT support • Finalise and implement draft carbon offset administration organisational plan

Outcome	Key Risk	Mitigation
Improved and streamlined regulatory, service delivery, operational, health and safety processes and collaboration across regulators and relevant role players	Exposure to occupational hazard resulting in occupational diseases, medical death and reputational damage to DMRE	<ul style="list-style-type: none"> • Input into review of the regulatory framework • Conduct inspections, audits, investigations and inquiries to enforce compliance
Additional Power Generation Capacity Secured	Inability to contract timeously, no power brought into the grid and resulting in load shedding	<ul style="list-style-type: none"> • Inter-department team (DMRE, NT and DPE) in place to mediate issues between Eskom, IPPO and NERSA • Escalation mechanism in place (DG to DG/Eskom CEO)
Electrification of additional households	Inability to reach access to electricity by households towards 180 000 grid and 15 000 non-grid resulting in: <ul style="list-style-type: none"> • Reputational damage and loss of credibility of the DMRE • Funding recouped by National Treasury result in loss to the programme • Illegal connection • Newly build houses not electrified • Service delivery protests 	<ul style="list-style-type: none"> • Propose for additional funding for INEP Grid monitoring and funding being ring fenced • Allocate additional resources to improve monitoring team • Improve collaboration between Human Settlement, COGTA and DMRE in terms of INEP projects
State of geological infrastructure improved	Unrehabilitated derelict and ownerless mine sites resulting in: <ul style="list-style-type: none"> • Illegal mining • Human and animal exposure to safety • blatant and environmental hazards, air pollution and water contamination 	<ul style="list-style-type: none"> • Continuous rehabilitation of derelict and ownerless mine sites
Improved security of supply for nuclear energy	Delayed procurement of the 2 500 MW nuclear energy programme resulting in threatened security of supply in line with IRP	<ul style="list-style-type: none"> • Develop a procurement framework with clear financing models • Implementation of the Nuclear communication strategy • Confirm the procure ring modalities soon after the Section 34 determination is made

7. Public Entities

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
National Energy Regulator of South Africa (NERSA)	<p>The mandate of NERSA, as contained in relevant legislation, is summarised as follows:</p> <ul style="list-style-type: none"> • Issuing of licences and setting pertinent conditions • Setting and/or approving tariffs and prices • Monitoring and enforcing compliance with licence conditions • Dispute resolution including mediation, arbitration and the handling of complaints • Gathering, storing and disseminating industry information • Setting of rules, guidelines and codes for the regulation of the three industries • Determination of conditions of supply and applicable standards • Registration of import and production activities 	<ul style="list-style-type: none"> • Accessible and affordable electricity for all citizens • Energy supply that is certain and secure for current and future user needs through the orderly development and operation on the electricity supply infrastructure • A regulatory environment that facilitates investment in electricity infrastructure • Regulatory certainty within the electricity industry <p>Piped Gas Industry Regulation</p> <ul style="list-style-type: none"> • Access to competitive gas prices and gas services • Efficient, sustainable and orderly development of the piped-gas industry aimed at security of supply • A regulatory environment that facilitates investment in piped-gas infrastructure • A competitive piped-gas industry • Regulatory certainty within the piped-gas industry <p>Petroleum Pipelines Industry</p> <ul style="list-style-type: none"> • Access to petroleum infrastructure • Efficient, sustainable and orderly development of a transformed petroleum pipelines industry aimed at security of supply • A regulatory environment that provides regulatory certainty and facilitates investment in petroleum pipeline infrastructure • A competitive petroleum pipelines industry <p>Transversal Regulatory and Organisational</p> <ul style="list-style-type: none"> • An enabling environment for the benefit of internal and external stakeholders with a skilled workforce that is empowered to work in a complex and ambiguous environment 	Nil
Central Energy Fund (CEF)	<p>The Mandate of CEF is derived from the CEF Act (Act No. 38 of 1977) and the Ministerial directives issued thereafter. The mandate is in essence to contribute to the security of energy supply for the country</p>	<ul style="list-style-type: none"> • Increase import volumes and add more trading skills • Leverage the SFF balance sheet and infrastructure for (heavy) condensate optimal sourcing • Leverage strategic partnerships to extend gas production from known PetroSA discoveries – source gas from the Brulpadda discovery and also consider acquiring an equity interest in the block • Source LNG from the Coega Hub Project and G-G supply options • Complete a feasibility study for infrastructure requirements and commercial viability for the LNG supply to the gas-to-liquids (GTL) process will be completed by December 2020 	Nil

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
African Exploration Mining and Finance Corporation (SOC) Ltd (AEMFC)	AEMFC is the State-Owned Mining Company established to secure South Africa's energy supply primarily through the mining and supply of coal for the generation of electricity, as well as securing other resources that will provide energy for the future, including key minerals for beneficiation in the energy and steel value chain	<ul style="list-style-type: none"> • Own and shareholder equity funding through strategic partnerships from other DMRE subsidiaries, FDI's and BRICS • Additional mining rights and acquisitions and ensure sustained Eskom uptake and diversifying clients • Identify minerals that are in demand for both clean energy (to support the IRP 2019) and other diversified minerals in general • Apply for mineral rights and identify key off-takers in collaboration with CGS, Mintek and DMRE support • Develop a regional and continental strategy to identify opportunities and offtake agreements for various minerals • Closer collaboration with CGS regarding maps • Conclude – in collaboration with the DMRE – the AEMFC Bill of 2016 	Nil
PetroSA	<p>Operate as a commercial entity and create value for the shareholder (Pay tax and dividends)</p> <p>Advance national objectives in the petroleum industry, e.g., Contribute to energy security of supply</p> <p>Complement and promote government policy and strategic thrust (Energy Security Master Plan and NDP)</p>	<p>PetroSA strategic initiatives</p> <ul style="list-style-type: none"> • Leverage strategic partnerships to extend gas production from known PetroSA discoveries • Source LNG • Coega Hub Project • G-G supply options • Source gas from the Brulpadda discovery Also consider acquiring equity interest in the block • Leverage SFF balance sheet and infrastructure for (heavy) condensate optimal sourcing • Develop a funding strategy for the decommissioning liability • Based on a clear turn-around plan and capacity to fund the liability in the long term, consider procuring a guarantee from CEF, NT or insurance • Increase commercial customers • Leverage SFF infrastructure for product supply • Improve cash conversion cycle (reduce debtors' book and inventory) • Optimise product slate • Increase plant reliability • Dispose non-core assets • Comprehensively review the cost structure 	Nil

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
iGAS	Per the Ministerial Directive of 2 October 2000, "iGAS will act as the official State agency for the development of the hydrocarbon gas industry in Southern Africa. iGAS is required to support the growth of the Southern African economy through active investments in Southern Africa for the provision of gas molecules and gas infrastructure	<ul style="list-style-type: none"> • Engage Mozambique on bi-lateral engagement on additional gas • Increase production from Coega LNG and focus on Eskom's repowering • Establish a greater indigenous gas supply • Pursue improved service delivery and migrate more services to iGAS • Encourage internal engagement between CEF subsidiaries to reduce internal competition and workshop with Transnet for closer collaboration, as well as increase support with the DMRE • Engage around policy and regulations • Acquire and merge Transnet pipelines with itself • Revise governance frameworks and delegation of authority, as well as develop iGAS specific policies • Commence recruitment of senior positions and project-specific roles 	Nil
Strategic Stock Fund (SSF)	s17(1) – The Minister may, in a prescribed manner, for the purposes of ensuring security of supply, direct any state-owned entity to acquire, maintain, monitor and manage national strategic energy feed-stocks and carriers. SSF is mandated to provide the country with security of supply of hydrocarbons and related infrastructure in case of emergency	<ul style="list-style-type: none"> • To promote Nile/Orange Project brand with the South Sudanese citizens • Thorough risk assessment and mitigation before we go into the states • Completion of the exploration program • Provide infrastructure for strategic fuel supply to DoD and Eskom • Ministerial directive to SFF to participate in strategic storage white product • Obtain approval of Strategic Stock Policy • Implement the Ministerial directive (DOT s79 determination) to TNPA to allocate capacity 	Nil

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
Petroleum Agency of South Africa (PASA)	<p>The Mandate of the Petroleum Agency is to promote exploration for onshore and offshore oil and gas resources and their optimal development on behalf of government. The Agency also regulates exploration and production activities, and acts as the custodian of the national petroleum exploration and production database</p>	<ul style="list-style-type: none"> • Increase licensing and exploration fees, promote revenue sharing agreements, offer sign-on bonuses, and secure funding for ECSCP via special MTEF allocation Focus on its financial efficiencies and revenue generation capability, as well as translate resources to economic value. • Establish effective use of its resources, improve workforce productivity • Introduce a performance management system, rework practices to align with BSC methodology and ensure that performance is impact and not output-based. Identify projects aligned to the NDP imperatives, and review fees structure • Increase exploration and production activities in SA, as well as regulate the exploration and production environment • Acquire, archive and enhance all petroleum exploration and production data, ensure a viable and sustainable Agency, and deliver national projects • Ensure an effective and efficient operating model that is aligned with policy imperatives while realising the mandate • Resolve inefficiencies in SOEs and establish PASA as an independent entity to regulate, promote and facilitate (this includes the storage of relevant data) the oil and gas industry • Intensify focus on oil and gas development • Closer collaboration with all stakeholders including CGS, SANEDI and NERSA in terms of the shale gas project; carbon capture project and streamlining the oil and gas regulatory value chain • Establish strategic relationships regulated by memorandums of understanding • Ensure regulatory and legislative certainty through several channels, including finalisation of the upstream oil and gas bill and development of comprehensive legal guidelines aligned with the objects of the MPRDA (e.g., optimal exploration, substantial and meaningful participation by HDSA) • Partition both onshore and offshore acreage to reasonably sized blocks informed by a benchmarking exercise to be undertaken • Develop and implement an acreage maturation chart will be implemented • Increase investment into South Africa 	Nil

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
South African National Energy Development Institute (SANEDI)	The National Energy Act outlines SANEDI's direct mandate, driven by the DMRE, which requires SANEDI to direct, monitor, conduct and promote energy research and promote energy efficiency measures throughout the economy	<ul style="list-style-type: none"> • Expanding donor reach – apply for Green/Climate Funds (GEF, EU) and explore funding from the Electricity tariff (1/2 cent Eskom, research and development funding), via the research component of the Multi-Year Price Determination – include discussions with NERSA and the DMRE • Address the unfunded mandate through an organisational review to focus and aligning and optimizing resources • Engage with other state entities, including the CSIR, Mintek, CEF, Technology Innovation Agency, NCPC, CGS, PASA, and PetroSA • Encourage DMRE to give priority to national projects and respond timeously • Implement a Skills Development and Talent Retention Policy • Assist the DMRE on legislative and regulation development regarding the IPR Act Listing, revision of the SANEDI Chapter, and regulations for Clean Technology interventions 	R 81 072
Mintek	The objects of Mintek are through research, development and technology transfer, to promote mineral technology, and to foster the establishment and expansion of industries in the field of minerals and products derived therefrom	<ul style="list-style-type: none"> • Work on a strategic realignment that covers all the identified areas: from the alignment of the entire organisation to the mandate as articulated in the Mineral Technology Act to engagements with customers and industry in particular • Align research and technology development operations to meet industry needs • Finalise the medium to long term Mintek Strategy, as well as launch the strategy and embark on a stakeholder engagement campaign to socialise them with the new strategic direction of the organisation • Conclude the operating model, as well as the macro-organisational structure. In preparation for this develop a series of position papers focusing on reviving and stimulating specific sectors within the minerals and mining space, which will make a meaningful contribution to the economy • Monitor the implementation of and reporting on the Science-Engineering-Technology Human Development Programme aimed primarily at developing skills, capacity and capabilities in science, engineering and technology, from junior level through to senior researcher levels 	R327 767

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
The Council for Geoscience (CGS)	<p>The CGS is one of the National Science Councils of South Africa and is the legal successor of the Geological Survey of South Africa, which was formed in 1912 by the amalgamation of 3 former Surveys, the oldest of which the Geological Commission of the Cape of Good Hope, was founded in 1895. The Geoscience Act (Act No. 100 of 1993) as amended, established the CGS in its present form.</p> <ul style="list-style-type: none"> • Serve as the national custodian of ALL geoscientific information and prospecting information relating to the earth, the marine environment and geomagnetic space • The systematic onshore and offshore geoscientific mapping of South Africa • Basic geoscience research into the nature and origin of rocks • The collection and curation of all geoscience data and act as a National Geoscience Repository • The compilation and development of comprehensive and integrated geoscience knowledge and information, such as geology, geophysics, geochemistry, engineering geology, economic geology, geochronology, palaeontology, geohydrological aquifer systems, geotechnical investigations, marine geology, geomagnetism, seismology, geohazards, environmental geology and other related disciplines • Promote the search for, and exploitation of, any minerals in the Republic • Bring to the notice of the Minister any information in relation to the prospecting for and mining of mineral resources, which is likely to be of use or benefit to the Republic • Promote the search for and the exploitation of any minerals in the Republic • Study (i) the distribution and nature of mineral resources and (ii) geo-environmental aspects of past, current and future mineral exploitation • Study the use of the surface and the subsurface of the land and the seabed, and from a geoscientific viewpoint advise government institutions and the general public on the judicious and safe use thereof with a view to facilitate sustainable development • Develop and maintain the National geoscientific library, the National geoscientific information centre, the National borehole core depository, the National geophysical and geochemical test sites, the National geoscience museum, the National seismological network and the National geoscience analytical facility • Conduct investigations and render prescribed specialised services to public and private institutions • Render geoscience knowledge services and advice to the State 	<ul style="list-style-type: none"> • Develop a long-term sustainable funding model that balances its mandate with commercial business • Establish continuous engagement with NT to advance the value proposition of investment in geosciences, as well as develop an aggressive commercial business development strategy in SA and abroad • Fast track the implementation of the Geoscience Technical Programme to catalyse investment in exploration. The goal is to ensure the long-term sustainable funding model that sustains the impact of the geosciences in South Africa • Full implementation of an Enterprise Resource Plan that integrates all business activities within the CGS. This includes developing an integrated operating model. Implement data policy guidelines together with the installation of suited technological infrastructure, in line with the ICT governance framework and data architecture • Full implementation of the integrated and multidisciplinary geoscience mapping programme, annual recapitalisation plan, and job evaluation and exploration of a sustainable funding model • Become a streamlined government business – conduct a detailed analysis of functional duplication of geosciences within the DMRE entities and streamline such activities to an entity with a legislated mandate for geosciences • Pursue the full implementation of legislation provisions: Technical amendment of the Geoscience Act, finalisation of the Geoscience Act Regulations and implementation of the geoscience data sharing model for PR and MR holders • Other resolutions include the full installation of Governance structures, the appointment of the CGS Board, maintenance of a fully capacitated EXCO and implementation of a Leadership Talent Management programme 	R355 761

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
Mine, Health and Safety Council (MHSC)	<ul style="list-style-type: none"> Advise the Minister on all OHS issues in the mining industry including legislation, research and promotion Review and develop legislation for recommendation to the Minister (Focus on Regulations) Oversee research in relation to health and safety in the mining industry Liaise with other bodies concerned with health and safety issues (MQA, State departments and various Stakeholders) Promote health and safety culture in the mining industry 	<ul style="list-style-type: none"> Focus on revenue diversification by developing and implementing the revenue generation strategy, outlining diverse revenue streams Develop a Fourth Industrial Revolution (4IR) implementation strategy Build a capacity scope that will include the employees of the MHSC, members of Council and its Advisory Committees Implement the promotion and dissemination strategy for target audiences, and build internal capacity within MHSC to improve turn-around times on MHSC processes, and research outcomes that incorporate changes in technology and development/ enhancement of safety tool Awareness that will result in reducing health and safety-related incidents, and enhanced skills and internal capacity within the MHSC Appoint the Social and Ethics Committee to focus on Procurement and Contract Management improvements and appoint a dedicated Compliance Office and Appointment of Compliance Officer, and improve continuous Review and Monitoring efforts 	R4 717
South African Nuclear Energy Corporation (Necsa)	<ul style="list-style-type: none"> Necsa is established in terms of Section 3(1) of the Nuclear Energy Act, 1999 (Act No. 46 of 1999). The act provides for the commercialisation of nuclear and related products and services, and delegates specific responsibilities to the corporation, including the implementation and execution of national safeguards and other international obligations. The South African Nuclear Energy Policy of 2008 directs Necsa to (i) investigate the entire nuclear fuel cycle with the aim of re-establishing viable fuel cycle facilities and (ii) serve as the anchor for nuclear energy research, development and innovation in South Africa Necsa is mandated to undertake and promote research and development in the field of nuclear energy and radiation sciences and technology. It also processes and enriches source material, special nuclear material and restricted material. Apart from protecting the South African environment from nuclear threats, it supplies the commercial application of nuclear and associated technology and fulfils the state's nuclear obligations. It is part of the Research and Regulation cluster in this report 	<ul style="list-style-type: none"> Necsa is yet to submit their resolutions 	RI 008 192

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
National Radioactive Waste Disposal Institute (NRWDI)	<p>A South African State-Owned Entity Dedicated to Professional Nuclear Waste Management and Disposal Services in terms of the NRWDI Act (Act No, 53 2008).</p> <ul style="list-style-type: none"> • Manage radioactive waste disposal on a national basis • Operate the national low-level waste repository at Vaalputs • Design and implement disposal solutions for all categories of radioactive waste • Develop criteria for accepting and disposing radioactive waste in compliance with applicable regulatory safety requirements and any other technical and operational requirements • Assess and inspect the acceptability of radioactive waste for disposal and issue radioactive waste disposal certificates • Manage, operate and monitor operational radioactive waste disposal facilities including related predisposal management of radioactive waste on disposal sites • Investigate the need for any new radioactive waste disposal facilities and to site, design and construct new facilities as required • Define and conduct research and development aimed at finding solutions for long-term radioactive waste management • Maintain a national radioactive waste database and publish a report on the inventory and location of all radioactive waste in the Republic at a frequency determined by the BOD • Manage ownerless radioactive waste on behalf of the Government, including the development of radioactive waste management plans for such waste • Assist generators of small quantities of radioactive waste in all technical aspects related to the management of such waste • Implement institutional control over closed repositories, including radiological monitoring and maintenance as appropriate • Implement any assignments or directives from the Minister regarding radioactive waste management • Provide information on all aspects of radioactive waste management to the public living around radioactive waste disposal facilities and to the public in general • Advise nationally on radioactive waste management • Co-operate with any person or institution in matters falling within these functions <p>Any other function necessary to achieve the objectives of the Institute</p>	<ul style="list-style-type: none"> • An effective, efficient and responsive NRWDI • Safe, secure and environmentally sustainable waste disposal operations • Centralised storage of spent nuclear fuel • Compliance with applicable statutory requirements 	R50 304

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
National Nuclear Regulator (NNR)	<p>The NNR is a public entity which is established and governed in terms of Section 3 of the NNR Act, (Act No. 47 of 1999).</p> <p>The fundamental objective of the NNR is to provide for the protection of persons, property and the environment against nuclear damage through the establishment of safety standards and regulatory practices suited for South Africa. To this end, the NNR provides oversight and assurance that activities related to peaceful use of nuclear energy in South Africa are carried out in a safe manner and in accordance with international principles and best practices</p>	<ul style="list-style-type: none"> • Maintain the implementation of regulatory programmes to assure effective nuclear safety regulation • Provide an effective oversight of the Long-Term Operations • Provide an independent radio-analytical verification capability and capacity • Ensure the long-term sustainability of the CNSS • Ensure proactive management of potential litigation • Enhance stakeholder engagements (internal and external) • Adequate funding for execution of NNR's mandate • Inclusion of previously disadvantaged individuals in economic activities • Provision of adequate and safe facilities for the site office 	R47 308
State Diamond Trader (SDT)	<p>State-owned entity established in 2007 in terms of Section 14 of the Diamond Act 56 of 1986 to operate in the diamond industry to support and facilitate growth in local diamond beneficiation.</p> <p>Our Mandate is to:</p> <ul style="list-style-type: none"> • Buy and sell rough diamonds for local beneficiation • promote equitable access to and beneficiation of the country's diamond resources • Grow SA diamond cutting and polishing industry by increasing HDSA for beneficiation • Address distortion created by excluding previously disadvantaged groups from economic participation (transform diamond industry) • Purchase up to 10% of the run of mine from SA producers • Sell to registered customers through an application and approved process 	<ul style="list-style-type: none"> • A transformed and inclusive diamond beneficiation industry that ensures an increased black ownership and participation in the sector • A capable workforce and developmental industry • A knowledge-based and innovative organization • Improve corporate performance accountability and transparency • A financially viable and sustainable entity 	Nil

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R'000)
South African Diamond and Precious Metals Regulator (SADPMR)	<p>The SADPMR was established in term of the Diamond Act (Act No. 56 of 1986), as amended and the Precious Metals Act (Act No. 36 of 2005). The SADPMR is responsible for the regulation of diamonds, gold and PGM.</p>	<p>Effective, efficient and development-orientated regulator</p> <ul style="list-style-type: none"> • Increased participation of B-BBEE suppliers • Financial Sustainability Strategy • Ensured compliance of Performance Management and Development System • Improved Turnaround time on procurement • Safe and secured work environment in line with the health and safety requirements • Implemented employee wellness programme • Promoted SADPMR brand • Provided effective and efficient legal support to the SADPMR • Ensured sound Corporate Governance <p>Compliance to legislation by SADPMR licensees</p> <ul style="list-style-type: none"> • Verified fair market value of diamonds • Ensured equitable access of diamonds in the DEEC • Reduced illicit trading in the Diamond and Precious Metals Industry <p>Job creation, skills development and value addition to diamond and precious metal industries</p> <ul style="list-style-type: none"> • Precious metals licenses issued within legislated time-frames • Diamond and Precious Metals Licenses issued to HDP's including women, youth and people with disabilities • Formulated and implemented SADPMR beneficiation strategy plan • Trained new entrants in diamond planning, marking, sorting, valuation and pricing • Formulated and implemented SADPMR beneficiation strategy plan <p>Transformation in the diamond and precious metals industries</p> <ul style="list-style-type: none"> • Assessment of the extent of transformation in the diamond and precious metals industries • New enterprise development/partnership projects created, monitored and maintained 	R62 894

8. Infrastructure Projects'

Project Name	Programme	Project Description	Outputs	Project Start Date	Project Completion Date	Total Estimated Cost	Current Year Expenditure
						R'000	R'000
INEP: Eskom grants	Mineral and Energy Resources Programmes and Projects	Provision of capital subsidies to Eskom to address electrification backlogs for permanently occupied residential dwellings, install bulk infrastructure and rehabilitate electrification infrastructure	Provision of capital subsidies to Eskom to address electrification backlogs for permanently occupied residential dwellings, install bulk infrastructure and rehabilitate electrification infrastructure	1 April 2022	31 March 2023	3,588,162	2,824,257
INEP: Municipal grants	Mineral and Energy Resources Programmes and Projects	Provision of capital subsidies to municipalities to address electrification backlogs for permanently occupied residential dwellings, install bulk infrastructure and rehabilitate electrification infrastructure	Provision of capital subsidies to municipalities to address electrification backlogs for permanently occupied residential dwellings, install bulk infrastructure and rehabilitate electrification infrastructure	1 April 2022	31 March 2023	2,118,668	2,003,157
INEP: Non-grid electrification technologies	Mineral and Energy Resources Programmes and Projects	Provision of capital subsidies to non-grid electrification service providers to address electrification backlogs	Provision of capital subsidies to non-grid electrification service providers to address electrification backlogs	1 April 2022	31 March 2023	233,502	264,969

9. Public-Private Partnerships (PPPs)

N/A

**PART D:
TECHNICAL INDICATOR
DESCRIPTIONS (TIDs)**



This Technical Indicator Descriptions was developed to support the Programme Performance Indicators as listed in the 2022/23 Annual Performance Plan

Programme I: Administration

Indicator number	I.1	I.2	I.3	I.4
Indicator title	% Reduction of wasteful and fruitless expenditure compared to prior year	% Reduction of irregular expenditure compared to prior year	% Receipt of an unqualified audit opinion for the year under review	% Resolution of reported incidents of corruption
Definition	Percentage in which wasteful and fruitless expenditure is eliminate to improve financial management capability within the department	Percentage in which irregular expenditure is reduced to improve financial management capability within the department	Percentage in which qualified audits are reduced on an annual basis to improve the internal control environment of the department	Percentage in which reported incidents of corruption are resolve to track response time to prevent and fight corruption in the department
Source of data	Final Management Report from the AG	Final Management Report from the AG	Final Management Report from the AG	Report on a number of resolved cases/incidents of fraud, corruption, irregularities and maladministration
Method of calculation/ assessment	Total value of wasteful and fruitless expenditure/total value for goods and services budget X 100	Total value of irregular expenditure/total value of goods and services budget X 100	Material Misstatement	Total number of resolved cases/total number of the reported cases X 100
Means of verification	Yearly – Wasteful and fruitless expenditure reports Q1–4 – Wasteful and fruitless expenditure reports	Yearly – Irregular expenditure report Q1–4 – Irregular expenditure report	Management report/audit report Q1,3,4 – N/A Q2 – Management report	Report on a number of resolved cases/incidents of fraud, corruption, irregularities and maladministration Q1–4 – Report on resolved cases/ incidents of fraud, corruption, irregularities and maladministration
Assumptions	None	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Annually	Quarterly
Desired performance	100% Reduction of wasteful and fruitless expenditure compared to prior year	100% Reduction of irregular expenditure compared to prior year	Receipt of an unqualified audit opinion for the year under review	95% Resolution of reported incidents of corruption
Indicator responsibility	Chief Director: Financial Management Services	Chief Director: Financial Management Services	Chief Director: Financial Management Services	Director: Risk and Integrity Management

Indicator number	1.9	1.10	1.11
Indicator title	Number of approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	Number of Approved Schedule 3A SOEs Annual Performance Plans tabled in Parliament	Number of SOEs Quarterly performance reports reviewed, and Ministerial submissions produced
Definition	The Shareholder Compact outlines the nature of the legal relationship between the Minister, the department and its entities	SOE Strategic Plans and Corporate Plans set out the annual targets and performance objectives of each SOE for that financial year	Quarterly performance reports produced by the department
Source of data	MTEF Document, NDP, Government Priorities, Prescripts, Acts and Legislation, Framework for Strategic Plans and APPs	MTEF Document, Strategic Plan, NDP, Government Priorities, Prescripts, Acts and Legislation, Framework for Strategic Plans and APPs	APP, Strategic Plan, framework for quarterly and annual reports
Method of calculation/ assessment	Approved shareholder compacts	Approved APP (SOEs) tabled in Parliament	Quarterly reports submitted to DPME
Means of verification	Yearly – 4 approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs Q1–3 – N/A Q4 – 4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	Yearly – Proof of tabling Q1–3 – N/A Q4 – Proof of tabling	Yearly – 4 QRs Q1 – Q4 Performance Report Q2 – Q1 Performance Report Q3 – Q2 Performance Report Q4 – Q3 Performance Report
Assumptions	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	None	None
Calculation type	Non-cumulative	Non-cumulative	Non-cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Quarterly	Quarterly
Desired performance	4 Approved Shareholder compacts and Corporate Plans of Schedule 2 SOEs	7 Approved Schedule 3A SOE's Annual Performance Plans tabled in Parliament	44 SOEs' quarterly performance reports reviewed and Ministerial submissions produced
Indicator responsibility	Compliance Manager: State-Owned Enterprise Oversight	Chief Director: State-Owned Enterprise Oversight	Chief Director: State-Owned Enterprise Oversight

Indicator number	1.12	1.14
Indicator title	Number of SOEs Annual Reports tabled in Parliament	Percentage of approved invoices from service providers paid within 30 days of receipt
Definition	Annual Reports for SOEs tabled in Parliament by the department	In line with Treasury instruction note, the DMRE aims to pay all its approved invoices within 30 days of receipt
Source of data	APP, Strategic plan, framework for quarterly and annual reports	Payment transaction reports and invoices
Method of calculation/ assessment	Quarterly Reports submitted to DPME Annual Report tabled in Parliament	(Number of approved invoices paid within 30 days of receipt/total number of approved invoices) X100
Means of verification	Yearly – Proof of tabling for AR Q1 – N/A Q2 – Proof of tabling for AR Q3–4 – N/A	Yearly – 30 days payment invoice report Q1–4 – 30 days payment invoice report
Assumptions	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A
Calculation type	Non-cumulative	Non-cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Monthly
Desired performance	11 SOEs' Annual reports tabled in Parliament	100% Approved invoices from service providers paid within 30 days of receipt
Indicator responsibility	Chief Director: State-Owned Enterprise Oversight	Chief Director: Financial Management Services

Programme 2: Minerals and Petroleum Regulation

Indicator number	2.1	2.2
Indicator title	Number of jobs to be enabled through the issuing of mining rights	Number of SLP development projects completed
Definition	Increase in the number of direct jobs created as per investment, along the mining value chain and mining-related communities to evaluate work programmes on potential jobs	List of projects completed that contribute towards Human Resources Development, Mine Community Development, Housing and Living Conditions, address Employment Equity issues, and processes to save jobs and manage downscaling and/or closure of mines
Source of data	Monthly and annual reports	Inspection reports
Method of calculation/assessment	Direct jobs to be created through issued mining rights	Number of SLP development projects completed per year
Means of verification	Monthly, Annual returns/Evaluated work programmes Yearly – 4000 Q1 – 1000 Q2 – 1000 Q3 – 1000 Q4 – 1000	Yearly – 120 (SLP Inspection Reports) Q1 – 30 Q2 – 30 Q3 – 30 Q4 – 30
Assumptions	Reports not recorded correctly	SLP inspection reports not recorded correctly
Disaggregation of beneficiaries (where applicable)	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A
Calculation type	Cumulative (Year-to-date)	Cumulative (Year-to-date)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
Desired performance	4 000	120
Indicator responsibility	Chief Directors:	Chief Directors:

Indicator number	2.3	2.4	2.5	2.6
Indicator title	Number of SLP inspections conducted	Number of legal compliance inspections (mineral laws-MLA) conducted	Number of mining economics (MWP/PWP) inspections conducted	Number of environmental inspections conducted
Definition	Inspections conducted to monitor compliance with Social Labour Plans	Inspections conducted to monitor legal compliance with the regulatory framework	Mining economics inspections (MWP/PWP) conducted to monitor legal compliance with the regulatory framework	Environmental compliance inspections conducted to monitor environmental compliance
Source of data	Inspection Reports, SLP annual progress reports	Inspection Reports, annual reports	Inspection reports, Mine economics annual progress reports	Inspection Reports and orders issued
Method of calculation/assessment	Total number of SLP inspections conducted per year	Total of number of legal compliance inspection conducted per year	Total number of mining economics (MWP/PWP) inspections conducted per year	Total number of environmental inspections conducted per year
Means of verification	Yearly – 212 (Inspection reports on SLP, annual Inspection reports) Q1 – 53 Q2 – 53 Q3 – 53 Q4 – 53	Yearly – 150 (Inspection reports, annual reports) Q1 – 37 Q2 – 38 Q3 – 38 Q4 – 37	500 (Inspection reports, mine economics annual progress reports) Q1 – 125 Q2 – 125 Q3 – 125 Q4 – 125	1 275 (Inspection reports and orders issued) Q1 – 319 Q2 – 319 Q3 – 319 Q4 – 318
Assumptions	None	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A
Calculation type	Cumulative (Year-to-date)	Cumulative (Year-to-date)	Cumulative (Year-to-date)	Cumulative (Year-to-date)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	212	150	500	1 275
Indicator responsibility	Regional Directors	Chief Director: Environmental Enforcement and Compliance	Chief Director: Environmental Enforcement and Compliance	Chief Director: Environmental Enforcement and Compliance

Indicator number	2.9	2.10	2.12
Indicator title	Number of petroleum retail site compliance inspections conducted	Number of fuel samples tested	Number of rights and permits issued to HDSA controlled entities
Definition	Random inspections conducted by regional inspectors to enforce compliance to petroleum license conditions in terms of the Petroleum Products Act (PPA) as amended	Samples taken by inspectors from the service station to analyse the quality of their fuel as per specification	Rights and permits issued to HDSA controlled entities to ensure implementation of transformation policies
Source of data	All relevant regulation	Fuel specification regulation	Petroleum Transformation Charter
Method of calculation/ assessment	Number of the petroleum retail site inspected	Compare the results of tested fuel samples against the specification fuel specification regulation	Total number of rights and permits issued to HDSA controlled entities per year
Means of verification	Yearly – 1 500 Q1 – 375 Q2 – 375 Q3 – 375 Q4 – 375	Report on fuel samples tested Yearly – 1 080 Q1 – 270 Q2 – 270 Q3 – 270 Q4 – 270	120 Issued and/or granted rights and permits, shareholders or Joint Venture agreements or members interest (CCs) and Identity documents Q1 – 30 Q2 – 30 Q3 – 30 Q4 – 30
Assumptions	Lack of regional inspectors to conduct inspections	Lack of regional inspectors to conduct inspections	Fronting, misleading information, transfer, and cession of rights
Disaggregation of beneficiaries (where applicable)	None	None	N/A
Spatial transformation (where applicable)	None	None	N/A
Calculation type	Cumulative (Year-to-date)	Cumulative (Year-to-date)	Cumulative (Year-to-date)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	1 500	1 080	120
Indicator responsibility	Chief Director: Petroleum Compliance Monitoring and Enforcement	Chief Director: Petroleum Compliance Monitoring and Enforcement	Chief Director: Environmental Enforcement and Compliance

Programme 3: Mining, Minerals and Energy Policy Development

Indicator number	3.1	3.2	3.3	3.4	3.5
Indicator title	Petroleum Products Bill tabled in Parliament	Mine Health and Safety Amendment (MHSA) Bill tabled in Parliament	National Petroleum Company Bill tabled in Parliament	Diamonds Amendment Bill tabled in Parliament	Amendments to Section 75, 76 and 77 of MPRDA regulation
Definition	The development of an Act that will govern and regulate the upstream petroleum sector	Review/Amendment of the MHSA of 1996 to regulate health and safety in the mines	The development of a Bill to establish a national petroleum company to improve operations and unlock synergies to stabilize the CEF Group whilst creating growth opportunities, to create a revitalised attractive vehicle for growth leveraging of the strength of the subsidiaries to secure funding for investment, to improve operational efficiencies through a fit for purpose operating model	Review/amendment of the Diamonds Act 1986 to regulate the diamond industry	Review/amendments to 3 Sections of the MPRDA Regulations for the petroleum industry
Source of data	MPRDA, Stakeholder Consultations, research	MHSA, Column document/ Gap analysis report, Stakeholder consultations	SOE Repurposing and Repositioning, Lease and Assign Model, UPRD, 2021, Petroleum Amendment Bill, 2019, Labour Act, Stakeholders, NERSA, TNPA, NT and State Attorneys	Diamonds Act 1986 (as amended)	MPRDA; MPRDA Regulations
Method of calculation/ assessment	Gazetted notice of introduction to Parliament	Gazetted notice of introduction to Parliament	Gazetted notice of introduction to Parliament	Gazetted notice of introduction to Parliament	Section 75, 76 and 77 of MPRDA regulation amended
Means of verification	Annually: Petroleum Products Bill gazette for public comments Q1 – Draft Bill Q2 – Stakeholder consultation report Q3 – Cabinet memo Q4 – Cabinet memo	Annually: Gazetted notice of introduction to Parliament Q1 – Gazette notice Q2 – Cabinet memo Q3 – Gazetted notice of introduction to Parliament Q4 – N/A	Annually: National Petroleum Company (NPC) Bill gazette for public comments Q1 – Cabinet memo Q2 – Gazette notice Q3 – Draft NPC Bill Q4 – Gazetted notice of introduction to Parliament	Annually: Gazette notice for public comments Q1 – Draft Bill Q2 – Report Q3 – Cabinet Memo Q4 – Gazette notice for public comments	Annually: Gazette notice for public comments Q1 – Draft regulations Q2 – Gazette notice for public comments Q3 – Gazette notice for implementation Q4 – N/A

Indicator number	3.1	3.2	3.3	3.4	3.5
Indicator title	Petroleum Products Bill tabled in Parliament	Mine Health and Safety Amendment (MHSA) Bill tabled in Parliament	National Petroleum Company Bill tabled in Parliament	Diamonds Amendment Bill tabled in Parliament	Amendments to Section 75, 76 and 77 of MPRDA regulation
Assumptions	Delays in the approval of the Bill	Delays in the approval of the Bill	Inability to secure the appointment of investment banking advisory services leading to delays in implementing the merger archetype	Delays in the approval of the Bill	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A	N/A
Calculation type	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Petroleum Products Bill gazette for public comments	Mine Health and Safety Bill submitted to Parliament	National Petroleum Company (NPC) Bill gazette for public comments	Diamonds Amendment Bill tabled in Parliament for public comments	Amended Section 75, 76 and 77 of MPRDA Regulations gazetted for implementation
Indicator responsibility	Director: Mineral and Petroleum Policy	Director: Mining and Mineral Policy	Director: Mining and Mineral Policy	Director: Mining and Mineral Policy	Director: Mining and Mineral Policy

Indicator number	3.7	3.8	3.9	3.10	3.11
Indicator title	Report on economic viability of shale gas exploration in South Africa produced	Beneficiation Master plan implementation plans developed	Number of Investment Promotion events held to attract investment in the sector	National Nuclear Regulator Amendment Bill tabled in Parliament	Radioactive Waste Management Fund (RWMF) Bill tabled in Parliament
Definition	Two of DMREs SOEs are busy with research to confirm the feasibility of shale gas exploration in South Africa	The development of a framework to guide orderly development of mineral value chains in the country and promote beneficiation	Initiatives implemented towards implementation of investment promotion strategy focusing on image and brand building, policy advocacy and investment promotion in South Africa	Publish the National Nuclear Regulator Amendment Bill for public comments to strengthen nuclear safety regulatory framework and address fragmented regulatory framework	The establishment of a Radioactive Waste Management Fund to manage funds for establishment of infrastructure high-level radioactive waste storage and disposal and specify how funds are to be utilised. The Bill will be submitted to Cabinet for tabling in Parliament following the public consultation
Source of data	Council for Geoscience (CGS), Petroleum Agency of South Africa PASA and research	MPRDA, Beneficiation strategy, mining master plan	Reports on the promotional activities undertaken, minutes of the engagements	National Nuclear Regulator Act, Stakeholder consultations, research	Study on the Financing Model for the Radioactive Waste Management Fund; benchmarking with other national Funds. Study on the business case on RWMF
Method of calculation/assessment	Draft report developed	Jewellery and Battery Minerals Value Chain implementation plans approved	Total number of events held to promote investment per year (Simple Count)	National Nuclear Regulator Bill tabled in Parliament	The Radioactive Waste Management Fund Bill submitted to be tabled in Cabinet

Indicator number	3.7	3.8	3.9	3.10	3.11
Indicator title	Report on economic viability of shale gas exploration in South Africa produced	Beneficiation Master plan implementation plans developed	Number of Investment Promotion events held to attract investment in the sector	National Nuclear Regulator Amendment Bill tabled in Parliament	Radioactive Waste Management Fund (RWMF) Bill tabled in Parliament
Means of verification	Annually: Economic modelling of the Mining and Energy sectors: economic recovery focused Q1 – I Report Q2 – I Report Q3 – I Report Q4 – I Report	Jewelry and Battery Minerals Value Chain implementation plans Q1 – Desktop research and benchmarking towards implementation plan Q2 – Stakeholder Consultations Q3 – Jewelry and Battery Minerals Value Chain implementation plans Q4 – Ministerial approval	Investment promotion initiatives implemented Q1 – N/A Q2 – Limpopo Mining Investment Conference – Report Q3 – North West Mining Investment Conference – Report Q4 – Northern Cape Mining investment – Report Investment promotion conferences and exhibitions participated in Q1 – Proof/ Reports on participation in Mining Indaba and PDAC Q2 – Proof/report on participation in China Mining Q3 – Proof/report on participation in Africa Energy Week and Africa Oil Week Q4 – Proof/reports on Africa Energy Forum	Annually: National Nuclear Regulator Bill tabled in Parliament Q1 – Bill submitted to Cabinet for tabling in Parliament Q2–4 – N/A	Annually: The Radioactive Waste Management Fund Bill is submitted to Cabinet Q1 – Report on public comments Q2 – Ministerial submission on tabling Q3 – Cabinet memo Q4 – N/A
Assumptions	The current restrictions in the country might delay the research equipment arriving in South Africa from overseas	Inability to have consultations with stakeholders and delays in approvals from Cabinet	COVID-19 restrictions in the country might restrict hosting of promotional events	Possible lack of support from stakeholder	Possible lack of support from stakeholder

Indicator number	3.7	3.8	3.9	3.10	3.11
Indicator title	Report on economic viability of shale gas exploration in South Africa produced	Beneficiation Master plan implementation plans developed	Number of Investment Promotion events held to attract investment in the sector	National Nuclear Regulator Amendment Bill tabled in Parliament	Radioactive Waste Management Fund (RWMF) Bill tabled in Parliament
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A	N/A
Calculation type	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Report on economic viability of shale gas exploration in South Africa produced	Jewelry and Battery Minerals Value Chain implementation plans approved by the minister	3 Investment promotions events hosted 6 Investment promotion events participated in	NNR Amendment Bill submitted to Cabinet for tabling in Parliament	Radioactive Waste Management Fund Bill submitted to Cabinet for tabling in Parliament
Indicator responsibility	DDG: MMEPD	Director: Beneficiation Economics	Chief Director: Economic Growth, Promotion and Global Relations	Director: Mining and Mineral Policy	Director: Nuclear Policy

Indicator number	3.13	3.14	3.15	3.15	3.17	3.18	3.19
Indicator title	Gas Act Amended Regulations Gazetted for public comments	Electricity Pricing Policy submitted to Cabinet	Electricity Regulation Act Bill tabled in Parliament	Gas Master Plan submitted to Cabinet for approval	Framework for a just transition to a low carbon economy developed	GHG reporting and assessment framework implementation monitored	Number of approved and registered carbon offsets projects
Definition	Act to regulate the gas industry to ensure compliance	A review of the current Electricity Pricing Policy to reflect changes in the sector	The Electricity Regulation Act (ERA) establishes a framework within which the electricity industry is regulated. The amendments enable the creation of the Transmission Systems Operator thus facilitating a non-discriminatory competitive power trading in the country	Development of a road map for the gas industry to strengthen the petroleum industry throughout the value chain by developing markets for South Africa through targeted beneficiation, reduced costs of inputs, and increased research and development	Development a just transition plan for the energy sector from a coal based to a clean energy-based economy where economic, social, environmental and labour aspects are considered	Development of GHG reporting and assessment framework from which projects can be identified, implemented, monitored and reported in line with the country's commitments under the UNFCCC	Carbon Offsets Programme administration as per the Carbon Offsets regulations to reduce carbon tax liabilities and this is in line with the overall Carbon Tax Act
Source of data	Gas Act, Stakeholders report, Industry (government, labour and industry)	ERA, NERSA, Public comments, research	ERA, NERSA, Public comments, research	IRP, Research, engagements with stakeholders (government, labour and industry)	Acts, Research, policy documents, strategies and reports Consultations with other organs of state, research institutions, civil society, NGOs and business	Acts, Research, policy documents, strategies and reports Consultations with other organs of state, research institutions, civil society, NGOs and business	Carbon Tax Act and other related frameworks
Method of calculation/ assessment	Inputs from the industry and stakeholder incorporated	Research and consultations	Inputs from the industry incorporated to develop a road map	The finalised Gas infrastructure development options report submitted to Cabinet	A developed Just Energy Transition plan	GHG reporting and assessment framework approved by the Minister	% of approved and listed carbon offset projects

Indicator number	3.13	3.14	3.15	3.15	3.17	3.18	3.19
Indicator title	Gas Act Amended Regulations Gazetted for public comments	Electricity Pricing Policy submitted to Cabinet	Electricity Regulation Act Bill tabled in Parliament	Gas Master Plan submitted to Cabinet for approval	Framework for a just transition to a low carbon economy developed	GHG reporting and assessment framework implementation monitored	Number of approved and registered carbon offsets projects
Means of verification	Annually: Gas Regulations gazetted for public comments Q1 – Concept report produced Q2 – Draft Gas regulations Q3 – Draft Gas regulations with consolidated comments from the Office of the State Law Advisor Q4 – Gas Regulations gazetted for public comments	Annually: Electricity Pricing Policy (EPP) gazetted for implementation Q1 – Public consultation on the Reviewed EPP Q2 – Cabinet Memo Q3 – Gazette Notice Q4 – N/A	Annually: Electricity Regulation Amendment (ERA) Bill submitted to Parliament for promulgation Q1 – Public consultation on the Amended ERA Bill Q2 – Cabinet Memo Q3 – Cabinet Memo – Electricity Regulation Amendment (ERA) Bill submitted to Cabinet for tabling in Parliament Q4 – N/A	Annually: Gas Master Plan Q1 – Base case report (inclusive of public inputs) tabled at NEDLAC Q2 – ESIED Cluster consultations. (Report/ Presentations to ESEID Cluster) Q3 – Desktop base-case model developed. (Base-case model report) Q4 – Cabinet memo	Annually: Approved Just energy transition plan Q1 – Report on data and information collected Q2 – Analysis report Q3 – Stakeholder consultation on the socio-economic report Q4 – Ministerial approval	Annually: GHG reporting and assessment framework submitted for Ministerial approval Q1–3 – N/A Q4 – Report on Implementation of the GHG framework	Annually: 4 carbon offset projects approved Q1 – 1 Project approved Q2 – 1 Project approved Q3 – 1 Project approved Q4 – 1 Project approved
Assumptions	Prolonged consultative process	Prolonged consultative process	Prolonged consultative process	Prolonged consultative process	Lack of inputs from stakeholders Indecision by role players	Inputs from stakeholders taking longer than anticipated	4 Projects to be approved
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Calculation type	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative

Indicator number	3.13	3.14	3.15	3.15	3.17	3.18	3.19
Indicator title	Gas Act Amended Regulations Gazetted for public comments	Electricity Pricing Policy submitted to Cabinet	Electricity Regulation Act Bill tabled in Parliament	Gas Master Plan submitted to Cabinet for approval	Framework for a just transition to a low carbon economy developed	GHG reporting and assessment framework implementation monitored	Number of approved and registered carbon offsets projects
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Gas Act Amended Regulations gazetted for public comments	Electricity Pricing Policy review submitted to Cabinet for final approval	Electricity Regulation Amendment Bill submitted to Cabinet for tabling in Parliament	Gas Master plan submitted to Cabinet for approval	Socio-Economic Baseline Report approved by the Minister	Report on the implementation of the GHG Framework	4 Approved and registered carbon offset projects
Indicator responsibility	Director: Gas Policy	Chief Director: Policy Planning	Chief Director: Policy Planning	Chief Director: Policy Planning	Director: Climate Change Management	Director: Climate Change Management	Director: Designated National Authority (CDM)

Indicator number	3.20	3.21
Indicator title	Number of quality mineral publications published	Number of Annual Energy statistics reports published
Definition	Reports detailing mineral reserves, production, sales and revenues, labour and remuneration, supply and demand as well developments and local and global economic outlooks and investment opportunities	Reports detailing fuel reserves, production, sales and revenues, labour and remuneration, supply and demand as well developments and local and global economic outlooks and investment opportunities
Source of data	Statistics collected through Section 28 of the MPRDA, Subscriptions, research and intelligence. Other sources referenced are from various local and international publications, Stats', Reserve Bank, National Treasury, Competition Commission, International Monetary Fund and World Bank	Subscriptions, research and intelligence. Other sources referenced are from various local and international publications, Stats', Reserve Bank, National Treasury, Competition Commission, International Monetary Fund and World Bank
Method of calculation	Published Publications (Simple Count)	Published energy statistical reports (Simple Count)
Means of verification	Annually: 8 quality publications published: Q1 – 1 Q2 – 1 Q3 – 2 Q4 – 4	Energy statistics reports published Q1 – N/A Q2 – Draft reports Q3 – Reports peer reviewed Q4 – 4 Published reports
Assumptions	Unavailability of references	Unavailability of references
Disaggregation of beneficiaries (where applicable)	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A
Calculation type	Cumulative	Non-cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
Desired performance	8	4 Annual Energy Statistics reports published (1 x Energy Price, 1 x Energy Balance, 1 x Energy Trade, 1 x Energy Statistics booklet)
Indicator responsibility	Chief Director: Economics Analysis and Statistics	Chief Director: Economics Analysis and Statistics

Indicator number	3.22	3.23	3.24
Indicator title	Number of progress reports on agreed areas of collaboration and cooperation implemented	New agreements concluded	Number of progress reports on multilateral strategic partnerships
Definition	Implementation of established partnerships with various strategic countries to collaborate with other countries to promote South Africa's mining and energy sectors	The signing of a new agreement (MOU) between the department on behalf of South Africa and another country to form a bilateral or several countries to form a multilateral agreement	Implementation of strategic partnerships in multilateral and bilateral agreements to manage the implementation of the minerals resource and energy diplomacy strategic partnerships through establishment and implementation of key areas of cooperation with various bilateral and multilateral fora
Source of data	Signed MOU on existing agreements on mining and energy	Signed agreement between the two countries/several countries on issues of mining or energy	Multilateral agreements on mining and energy the sectors
Method of calculation	Areas of cooperation in the existing agreements implemented	New Agreements Concluded	Areas of cooperation with multilateral strategic partnerships implemented (Simple Count)
Means of verification	Annually: 10 Existing bilateral agreements implemented Q1 – 10 Q2 – 10 Q3 – 10 Q4 – 10	Annually: 1 New bilateral agreement implemented Q1 – N/A Q2 – N/A Q3 – N/A Q4 – 1	Annually: 10 Existing multilateral agreements implemented Q1 – 10 Q2 – 10 Q3 – 10 Q4 – 10
Assumptions	Unavailability of stakeholders	Unavailability of stakeholders	Unavailability of stakeholders
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Non-Cumulative	Non-cumulative	Non-Cumulative
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	10	1	10
Indicator responsibility	Chief Director: Economic Growth, Promotion and Global Relations	Chief Director: Economic Growth, Promotion and Global Relations	Chief Director: Economic Growth, Promotion and Global Relations

Programme 4: Mine Health and Safety Inspectorate (MHSI)

Indicator number	4.1	4.2	4.3
Indicator title	% Reduction in occupational fatalities compared to prior year	% Reduction in occupational injuries compared to prior year	% Reduction in occupational diseases (including TB) compared to prior year
Definition	Monitor the number of people that die due to accidents at the mines	Monitor the number of people that get injured whilst on duty at the mines	Monitor the number of people that contract occupational diseases at the mines
Source of data	Data from the electronic accident reporting system	Data from the electronic accident reporting system	Health Incident Report
Method of calculation	Number of fatalities reported in the current quarter – number of fatalities reported in same quarter previous year/Number of fatalities reported in the same quarter in the previous year X 100	Number of injuries reported in the current quarter – number of injuries reported in same quarter previous year/Number of injuries reported in the same quarter in the previous year X 100	Number of diseases reported in the current quarter – number of diseases reported in same quarter previous year/Number of diseases reported in the same quarter in the previous year X 100
Means of verification	SAMRASS 1 and 2 forms Q1– 4 – 10%	SAMRASS 1 and 2 forms Q1– 4 – 5%	Health Incident Report Q1– 4 – 10%
Assumptions	Electronic accident reporting system (SAMRASS) failure.	Electronic accident reporting system (SAMRASS) failure	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	10%	5%	10%
Indicator responsibility	Director: Mine Safety	Director: Mine Safety	Director: Occupational Medicine

Indicator number	4.4	4.5	4.6
Indicator title	% of investigations completed (initiated vs completed)	% of inquiries completed (initiated vs completed)	Number of qualitative inspections conducted (cumulative, including individual and group audits)
Definition	Timely completion of initiated accident investigation in order to determine the causes of fatalities or injuries that occurred at the mines to prevent reoccurrence of accidents/incidents	Timely completion of initiated accident inquiries to determine the causes of fatalities that occurred at the mines	Counting the number of inspections conducted at mines as per the Inspection Procedure to monitor and enforce compliance with MHSA provisions
Source of data	Section 64 Accident Investigation reports	Section 72 Accident Inquiry reports	Inspection reports
Method of calculation	Number of Investigations completed per quarter/ Number of Investigations initiated per quarter X 100	Number of Inquiries completed per quarter/Number of Inquiries initiated per quarter X 100	Inspection reports
Means of verification	Section 64 Accident Investigation reports Q1 – 80% Q2 – 80% Q3 – 80% Q4 – 80%	Section 72 Accident Inquiry reports Q1 – 80% Q2 – 80% Q3 – 80% Q4 – 80%	Inspection reports Yearly – 8 000 Q1 – 2 000 Q2 – 2 000 Q3 – 2 000 Q4 – 2 000
Assumptions	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	80%	80%	8 000
Indicator responsibility	Principal Inspectors	Principal Inspectors	Principal Inspectors

Indicator number	4.7	4.8	4.9
Indicator title	Number of MHS Annual Report submitted to Parliament	% of identified necessary SLAs entered into to improve health and safety in mining	% Adherence to prescribed timeframes for Chief Inspector of Mines (CIOM) appeals
Definition	Detailed annual report on the performance of the mining industry on health and safety matters and activities of the Inspectorate	Monitoring of the implementation of agreement entered into with different stakeholders, including Mine Rescue Services	Measurement of response time to CIOM appeals. The prescribed response time on CIOM appeals is 30 days
Source of data	MHSI reporting systems	Monitoring report	CIOM appeals/memo
Method of calculation	Simple count	Number deliverables implemented/Total number of deliverables X 100	Number CIOM Appeals processed within 30 days versus the total number CIOM appeals processed X 100
Means of verification	MHS annual report Q1 – N/A Q2 – N/A Q3 – I Q4 – N/A	Monitoring report Q1 – 100% Q2 – 100% Q3 – 100% Q4 – 100%	CIOM appeals/memo Q1 – 100% Q2 – 100% Q3 – 100% Q4 – 100%
Assumptions	Delays in the provisions on information or inputs for the report	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Non-Cumulative	Non-Cumulative	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Quarterly	Quarterly
Desired performance	I	100%	100%
Indicator responsibility	Director: Support Service Unit	Director: Support Services Unit	Chief Inspector

Indicator number	4.10	4.11	4.13
Indicator title	% Adherence to prescribed timeframes for medical appeals	% Adherence to prescribed timeframes for MPRDA applications	% Administration of Government Certificate of Competency (GCC) exams policy
Definition	Measurement of response time to medical appeals. The prescribed response time on medical appeals is 90 days	Measurement of response time to MPRDA applications. The prescribed response time on MPRDA applications is 30 days	Administration of the Mine Government Certificate of Competency (GCC) Examination and issuing of the relevant Certificates in areas of mining, engineering and surveying
Source of data	Medical appeals	MPRDA applications	Administration of GCC exams
Method of calculation	Number Medical Appeals processed within 90 days/ Total number medical appeals processed X 100	Number MPRDA applications processed within 30 days/ Total number MPRDA applications processed X 100	Number of GCC exams steps implemented/ Total number of GCC exams steps X 100
Means of verification	Medical appeals register Q1 – 80% Q2 – 80% Q3 – 80% Q4 – 80%	MPRDA applications register Q1 – 80% Q2 – 80% Q3 – 80% Q4 – 80%	GCC exams report and GCC exams results Q1 – 100% Q2 – 100% Q3 – 100% Q4 – 100%
Assumptions	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Cumulative (Year-End)	Cumulative (Year-End)	Cumulative (Year-End)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	80%	80%	100%
Indicator responsibility	Medical Inspector	Principal Inspectors	Chief Director: TSU

Programme 5: Mineral and Energy Resources Programmes and Projects

Indicator number	5.1	5.2	5.3	5.4	5.5
Indicator title	Request for Proposals (RFP) to procure additional capacity from renewable energy issued	Approved renewable Energy Sector Master Plan	Number of households electrified through non-grid technology	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of grid electrification of households towards the national commitment in the MTSF	Number of Electrification Master Plans developed
Definition	Monitor the number of IPP procurement activities to improve Capacity Availability within the IPP	A strategic plan that outlines Renewable Energy activities that the Department of Energy can undertake over specified timeframes to achieve the stated goals and outcome	Households electrified using solar home system technology to improve lives of rural communities living far from grid electrification	Quarterly reports on the number of additional households to be electrified with grid electrification to improve lives of communities within the 44 Districts and 8 Metropolitan Municipalities as per Energy Electrification Master plan	Energy Electrification Master plan of additional households to be electrified with grid electrification to improve lives of communities within the 44 Districts and 8 Metropolitan Municipalities
Source of data	IRP 2019	Credible information from reports and journals as well as regulatory frameworks, Integrated Resource Plan 2010 and 2019	Credible information from reports and journals as well as regulatory frameworks, Integrated Resource Plan 2010 and 2019	Monthly reports on the allocation of funding and monitoring of progress on the number of additional households electrified with grid electrification	Monthly reports on the allocation of funding and monitoring of progress on the number of additional households electrified with grid electrification
Method of calculation	Additional megawatts commissioned	Renewable Energy Master plan in place	Municipal Allocated Systems (Allocation Letters); Committed/Delivered Systems versus Installed Systems	Municipal Allocated Systems (Allocation Letters); Committed/Delivered Systems versus Installed Systems	Municipal Allocated Systems (Allocation Letters); Committed/Delivered Systems versus Installed Systems
Means of verification	Q1 – Concurrence to NERSA for a Section 34 determination Q2 – RFP for 513 MW from Storage and 2 600 MW (BW 6) from renewable energy Q3 – Developed RFP 1 600 MW (BW 7) from renewable energy Q4 – RFP for 1 500 MW from coal and RFP for 3 000 MW from gas	COD Q1 – Renewable Energy Sector Master plan approved Q2– 4 – Report	Eskom and Municipalities Annual Report on Non-grid connection Q1 – Contracts with allocated municipalities Q2 – 2 000 Q3 – 5 000 Q4 – 8 000	Yearly – 4 Quarterly reports Q1 – Report Q2 – Report Q3 – Report Q4 – Report	Q1 – Inception Phase Report Q2 – Status Quo Report Q3 – Future Demand, Needs, Analysis and Modelling Report Q4 – Electrification Master plan report
Assumptions	None	None	None	None	None

Indicator number	5.1	5.2	5.3	5.4	5.5
Indicator title	Request for Proposals (RFP) to procure additional capacity from renewable energy issued	Approved renewable Energy Sector Master Plan	Number of households electrified through non-grid technology	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of grid electrification of households towards the national commitment in the MTSF	Number of Electrification Master Plans developed
Disaggregation of beneficiaries (where applicable)	N/A	N/A	Youth	Youth	Youth
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A	N/A
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Non-Cumulative	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Request for Proposals (RFP) for 513 MW from Storage issued Request for Proposals (RFP) 2 600 MW (BW 6) from renewable energy issued Request for Proposals (RFP) 1 600 MW from renewable energy (BW 7) developed Request for Proposals (RFP) for 1 500 MW from coal issued Request for Proposals (RFP) for 3 000 MW from gas issued Concurrence to NERSA for a Section 34 determination in line with Integrated Resource Plan (IRP) 2019 issued	Approved Renewable Energy Sector Master plan	15 000 Additional households electrified with non-grid electrification to achieve the 2022/23 target	4 Quarterly reports on the monitoring and verification of the implementation of the grid electrification of 200 000 additional households to be electrified with grid electrification to achieve the 2022/23 target	6 Electrification Master plans developed (KwaZulu-Natal, Eastern Cape, Gauteng, Limpopo, Mpumalanga and North West)
Indicator responsibility	DDG: Programmes and Projects	Director: Renewable Energy	Chief Director: Integrated National Electrification Programme	Chief Director: Integrated National Electrification Programme	Chief Director: Integrated National Electrification Programme

Indicator number	5.5	5.6	5.7	5.8
Indicator title	Number of ingress control measures implemented	Number of derelict and ownerless mine sites rehabilitated	Number of unsafe mine shafts sealed off	Number of energy savings (TWh) realised and verified from EEDSM projects
Definition	Acid Mine Drainage Strategy to address the environmental impacts associated with Acid Mine Drainage	Measurement of derelict and ownerless mines rehabilitated per annum	Measurement of shafts sealed off per annum	TWh per hour of energy savings from EEDSM projects realised. In order to report on the number of TWh per hour of energy savings from EEDM projects Planning and developing projects to achieve 0.5 TWh of energy savings per annum
Source of data	Report to the Inter-Ministerial Committee on Acid Mine Drainage	Derelict and Ownerless mines database	Derelict and Ownerless mines database	EEDSM projects register
Method of calculation	Acid Mine Drainage Strategy developed and approved	Reports on Derelict and Ownerless mines rehabilitated	Reports on shafts sealed off	Number of TWh per hour of energy savings realised from EEDSM projects
Means of verification	Yearly – 1 Ingress measure implemented Q1–3 – Progress reports Q4 – 1 Ingress measure implemented	Reports on Derelict and Ownerless mines rehabilitated Yearly – 3 derelict and ownerless mine sites rehabilitated Q1–2 – Progress reports Q3 – 1 Q4 – 2	Reports on shafts sealed off Yearly – 40 shafts sealed off Q1 – 10 Q2 – 10 Q3 – 10 Q4 – 10	Yearly – 0.5 TWh (Independent Measurement and Verification of energy savings) and 0.0194 TWh savings by EEDSM grant participating municipalities Q1 – Quarterly report Q2 – Quarterly report Q3 – Quarterly report Q4 – Quarterly report
Assumptions	None	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Quarterly	Quarterly	Quarterly

Indicator number	5.5	5.6	5.7	5.8
Indicator title	Number of ingress control measures implemented	Number of derelict and ownerless mine sites rehabilitated	Number of unsafe mine shafts sealed off	Number of energy savings (TWh) realised and verified from EEDSM projects
Desired performance	1 Ingress control measure implemented	3 Derelict and ownerless mine sites rehabilitated	40 Unsafe mine shafts sealed off	<p>Quarterly reports on the planning, implementation and monitoring of EEDSM projects in industry, buildings or residential sector to achieved 0.5 TWh savings</p> <p>Quarterly reports on the planning, implementation, monitoring, and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities</p>
Indicator responsibility	Chief Director: Environmental Management Projects	Chief Director: Environmental Management Projects	Chief Director: Environmental Management Projects	Director: Energy Efficiency

Indicator number	5.9	5.10	5.11	5.12	5.13
Indicator title	Draft Mining Sector Women Empowerment and Gender Equality Strategy (WEGE) and implementation plan	Number of Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality (WEGE) Strategy and Gender Policies and Frameworks	Percentage of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated projects budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Number of small-scale miners supported	Number of women small-scale miners supported financially
Definition	Strategy to mainstream Women Empowerment and Gender Equality in the mining and mineral sectors	Performance Report on implementation of Energy Sector Women Empowerment and Gender Equality Strategy	Budget spent on women owned, youth owned and PWDs companies from INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Grant for small-scale miners for the application of licenses/ permit excluding women including technical support and number of workshops with small-scale miners	Grant for women small-scale miners for the application of licenses/ permit including technical support and number of workshops with small-scale miners
Source of data	Constitution, National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, MPRDA, United Nations Sustainable Development Goals (UN SDGs)	Constitution, National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, Energy Sector WEGE Strategy, United Nations Sustainable Development Goals (UN SDGs)	National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, Public Preferential Procurement Regulations	MPRDA and Mining Charter	MPRDA and Mining Charter, National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, United Nations Sustainable Development Goals (UN SDGs)
Method of calculation	Desktop Study, Literature review, Discussion document, Consultations with stakeholders	Quarterly reports approved by Chief Director	Number of preferential procurements to qualifying women, youth and PWDs over the total number of projects procured from allocated projects budgets of INEP, Energy Efficiency, derelict and ownerless mines programmes X 100	Simple count	Simple count
Means of verification	Annually – Draft WEGE Strategy and Implementation Plan Q1 – 1 st Draft Mining and Mineral Sector WEGE Strategy Q2 – Discussion document on Mining and Mineral Sector WEGE Strategy Q3 – 2 nd Draft Mining and Mineral Sector WEGE Strategy Q4 – Final Draft Mining and Mineral Sector WEGE Strategy	Annually – 4 Quarterly reports Q1 – 4 – Quarterly reports	Annually – 20% Quarterly (budget) reports Q1 – 3 – Report Q4 – 20%	Annually – 30 Q1 – 0 Q2 – 8 Q3 – 12 Q4 – 10	Annually – 10 Q1 – 0 Q2 – 3 Q3 – 3 Q4 – 4

Indicator number	5.9	5.10	5.11	5.12	5.13
Indicator title	Draft Mining Sector Women Empowerment and Gender Equality Strategy (WEGE) and implementation plan	Number of Quarterly reports on implementation of Energy Sector Women Empowerment and Gender Equality (WEGE) Strategy and Gender Policies and Frameworks	Percentage of Preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated projects budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	Number of small-scale miners supported	Number of women small-scale miners supported financially
Assumptions	None	None	Lack of complying applicants, non-compliance by implementing agencies	Non-compliance by the Applicants	Non-compliance by the Applicants
Disaggregation of beneficiaries (where applicable)	Women, youth, persons with disabilities	Women, youth, persons with disabilities	Women, youth, persons with disabilities	HDSA excluding women	Women
Spatial transformation (where applicable)	Mining and Mineral Sector	Energy Sector	Energy and Mining sector	Small-scale mining sector	Small-scale mining sector
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan drafted	4 Quarterly reports on implementation of Energy Sector Empowerment and Gender Equality Strategy and Gender Policies and Frameworks	20% of preferential procurement to qualifying Women, Youth and PWDs owned businesses/entities from allocated project budgets of INEP, Energy Efficiency, Derelict and Ownerless Mines Programmes	30 Small-scale miners supported	10 Women owned small-scale miners supported
Indicator responsibility	Chief Director: Programmes and Project Management Office	Chief Director: Programmes and Project Management Office	Chief Director: Programmes and Project Management Office	Chief Director: Programmes and Project Management Office	Chief Director: Programmes and Project Management Office

Indicator number	5.14	5.15
Indicator title	Draft Mining Sector Youth Empowerment Strategy and implementation plan	Draft Youth Energy Sector Strategy and implementation plan
Definition	Strategy to mainstream Youth Empowerment in the mining and mineral sectors	Strategy to mainstream Youth Empowerment in the energy sectors
Source of data	Constitution, National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, MPRDA and United Nations Sustainable Development Goals (UN SDGs)	Constitution, National Strategic Framework on Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing, Energy Sector WEGE Strategy and United Nations Sustainable Development Goals (UN SDGs)
Method of calculation	Desktop Study, Literature review, Discussion document and Consultations with stakeholders	Quarterly reports approved by Chief Director
Means of verification	Annually – Strategy to mainstream Youth Empowerment in the mining and mineral sectors Q1 – 1 st draft Q2 – Discussion document Q3 – 2 nd draft Q4 – Final draft	Annually – Draft Youth energy sector and implementation plan Q1 – 1 st draft Q2 – Discussion document Q3 – 2 nd draft Q4 – Final draft
Assumptions	None	None
Disaggregation of beneficiaries (where applicable)	Women, youth, persons with disabilities	Women, youth, persons with disabilities
Spatial transformation (where applicable)	Mining and Mineral Sector	Energy Sector
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
Desired performance	Drafted Mining Sector Youth Empowerment Strategy and implementation Plan	Draft Youth Energy Sector Strategy and implementation plan approved
Indicator responsibility	Chief Director: Programmes and Project Management Office	Chief Director: Programmes and Project Management Office

Programme 6: Nuclear Energy Regulation Management

Indicator number	6.1	6.2	6.3	6.4
Indicator title	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Feasibility study for Central Interim Storage Facility (CISF) completed	Draft Feasibility Report for MPR completed
Definition	Implementing of the 2500 MW nuclear energy Programme to ensure security of supply of energy	Overseeing Koeberg Long Term Operation beyond 2024 to ensure security of supply of energy	Overseeing the establishment of the CISF in accordance with the Framework for Infrastructure Delivery and Procurement Management guideline to provide for the long-term storage of spent nuclear fuel from the country's nuclear reactors	Overseeing the project for a new Multi-Purpose Reactor to be procured 2024 in order to replace the aging SAFARI-1 research reactor to ensure South Africa retains and builds its position as a global leader in utilization and operation of nuclear research reactors
Source of data	Nuclear Build Programme Progress Report and National Nuclear Act, IRP 2019, NDP and National Nuclear Act	Koeberg Power Plant Life Extension Programme	Framework for Infrastructure Delivery and Procurement Management guideline, Framework Agreement for the CISF project	Necsa documents and DMRE internal records
Method of calculation	Request for proposal issued for 2 500 MW nuclear programme	Koeberg Power Plant Life Extension Programme	% of the implemented CISF Project plan	100% as per planned status
Means of verification	Yearly – Request for Proposals Q1 – Cabinet Memorandum on procurement of 2 500 MW nuclear new build programme Q2 – Terms of Reference/Charter for the Programme Management Office Q3 – Draft Request for Proposal Q4 – Published Request for Proposals	Yearly – 4 Quarterly Reports on Koeberg Programme Q1 – Quarterly report Q2 – Quarterly report Q3 – Quarterly report Q4 – Quarterly report	Yearly – Prefeasibility submitted to Cabinet (Minutes of Quarterly meetings/ reports of the Steering Committee on CISF) Q1 – Draft report Q2 – Report reviewed by steering committee Q3 – Final report Q4 – Cabinet memo	Feasibility report as per National Treasury Infrastructure Standard, related Ministerial Submissions, Cabinet Memoranda, Meeting Minutes, Ministerial Task Team Review comments, and Independent Gateway Review Reports Q2 – Draft report Q3 – Report reviewed by Ministerial Task Team Q4 – Draft Feasibility report submitted for independent Gateway Review
Assumptions	None	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A	N/A

Indicator number	6.1	6.2	6.3	6.4
Indicator title	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long Term Operation Programme (LTO)	Feasibility study for Central Interim Storage Facility (CISF) completed	Draft Feasibility Report for MPR completed
Calculation type	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	Request for Proposal for procurement of 2 500 MW Nuclear Programme issued	4 Monitoring Reports of Koeberg Nuclear Power Plant Long Term Operation through established Technical Oversight Committee meetings	Feasibility study for Central Interim Storage Facility (CISF) completed and submitted to Cabinet for approval	Draft Feasibility study on MPR completed and submitted for Gateway Review
Indicator responsibility	DDG: Nuclear Programme	DDG: Nuclear Programme	DDG: Nuclear Programme	Chief Director: Nuclear Safety and Technology

Indicator number	6.5	6.6	6.7
Indicator title	% of authorisation applications processed within the 8-week time period	Number of nuclear Safeguards compliance inspections reports approved	Number of Nuclear Security compliance inspections reports
Definition	To ensure authorization applications are approved within 8 weeks of receipt in order to account for and control of nuclear material and equipment. To ensure peaceful use of nuclear material and equipment and to prevent the diversion to non-peaceful purposes	The Nuclear compliance inspections are conducted in terms of sections 37, 38 and 39 of the Nuclear Energy Act, 1999 (Act 46 of 1999) to ensure compliance with sections 34 and 35 of the Act and International obligations related to Nuclear Non-proliferation	The Nuclear Security inspections are conducted to observe physical protective measures implemented by nuclear material holders
Source of data	Authorisation applications	Inspection reports	Inspection reports
Method of calculation	Number of authorisation applications approved within 8 weeks/total number of authorisation applications X 100	The number of inspections conducted per quarter	Number of inspections conducted per quarter
Means of verification	Yearly – 70% (Number of authorisations received) Q1 – 70% Q2 – 70% Q3 – 70% Q4 – 70%	Yearly – 40 Nuclear Safeguards compliance reports approved Q1 – 4 – 10 Nuclear Safeguards compliance reports approved	Yearly – 20 Nuclear Security compliance reports on inspections conducted Q1 – 4 – 5 Nuclear Security compliance reports on inspections conducted
Assumptions	None	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Cumulative (Year-to-date)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	70% of authorisation applications processed within the 8-week time period	40 Nuclear Safeguards compliance inspection reports approved	20 Nuclear Security compliance reports on inspections conducted
Indicator responsibility	Chief Director: Nuclear Non-Proliferation and Radiation Security	Chief Director: Nuclear Non-Proliferation and Radiation Security	Chief Director: Nuclear Non-Proliferation and Radiation Security

Indicator number	6.5	6.6	6.7
Indicator title	IAEA 2024-2029 Country Programme Framework	IAEA Monitoring report on Technical Cooperation Programme	Monitoring report on AFRA Programme
Definition	5 Year plan for technical cooperation program indicating nuclear application projects the country will be embarking on.	Annual report on National Technical Cooperation regional projects	Annual report on AFRA regional projects
Source of data	IAEA Country Programme Framework 2018–2023	IAEA Country Programme Framework 2018–2023	Regional strategic cooperative framework (RCF) 2019–2023
Method of calculation	Stakeholder consultation, draft approved by Director General	Engagement with project counterpart and site visits to the project institutions	Engagement with project counterpart and site visits to the project institutions
Means of verification	Yearly – Final Q1 – Review report Q2 – Draft framework Q3 – Revised framework Q4 – Final draft	Yearly – Annual Report Q1– 4 – Reports	Yearly – Annual Report Q1– 4 – Reports
Assumptions	Delay in stakeholder consultation	None	None
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Calculation type	Cumulative (Year-to-date)	Cumulative (Year-end)	Cumulative (Year-end)
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly	Quarterly
Desired performance	IAEA 2024-2029 Draft Country Programme Framework developed	IAEA Annual report on the Technical Cooperation Programme produced	Monitoring report on AFRA Programme produced
Indicator responsibility	Chief Director: National Liaison Office	Chief Director: National Liaison Office	Chief Director: National Liaison Office

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN



Annexure A: Amendments to the Strategic Plan

N/A

Annexure B: Conditional Grants

The DMRE administers conditional grants with regard to the National Electrification Programme and Energy Efficiency and Demand-Side Management EEDSM Programme. These conditional grants are summarised as follows (details provided in the Division of Revenue Act, 2014 [Act No.10 of 2014]):

Name of grant	Purpose	Outputs	Current annual budget (thousands)	Period of grant
Energy Efficiency and Demand Side Management (EEDSM) Grant	To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency	Amount of energy saved in Terawatt hour (TWh)	223,204	July 2022–June 2023
Electrification and Energy Programme and Project Management	Integrated National Electrification Programme: Eskom	Electrification households	3,588,162	April 2022–March 2023
Electrification and Energy Programme and Project Management	Integrated national electrification programme: Municipalities	Electrification households	2,118,668	April 2022–March 2023

Annexure C: Consolidated Indicators

N/A

Annexure D: District Development Model

Areas of intervention	Short Term 2022/23 APP				Medium-Term (2022/23–2024/25 – MTEF)			
	Project description	District Municipality/ Location: GPS coordinates	Responsibility of a Project leader	Responsibility of a Social partner	Project description	District Municipality/ Location: GPS coordinates	Responsibility of a Project leader	Responsibility of a Social partner
Electrified Households	Electrification of households	All 44 Districts and 8 Metropolitan Municipalities	Transfer funding to allocated Municipalities and Eskom as well as monitoring the implementation of electrification projects	Participate in their Municipalities IDP forums in order for their un-electrified areas to be prioritized and included in plans to be electrified	Electrification of households	All 44 Districts and 8 Metropolitan Municipalities	Transfer funding to allocated Municipalities and Eskom as well as monitoring the implementation of electrification projects	Participate in their Municipalities IDP forums in order for their un-electrified areas to be prioritized and included in plans to be electrified
Grid Connection								
Non-Grid Connection	Electrification of households using Solar Home System technology	District Municipalities with areas that are far from grid electrification	Monitor the implementation of the non-grid programme to insure all the standards are met	Participate in their Municipalities IDP forums in order for their un-electrified areas to be prioritized and included in plans to be electrified	Electrification of households using Solar Home System technology	District Municipalities with areas that are far from grid electrification	Monitor the implementation of the non-grid programme to insure all the standards are met	Participate in their Municipalities IDP forums in order for their un-electrified areas to be prioritized and included in plans to be electrified

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