

**2013/2014**

Department of Energy  
**ANNUAL PERFORMANCE PLAN**



**energy**

Department:  
Energy  
REPUBLIC OF SOUTH AFRICA



Secure and sustainable energy for socio-economic development.

## AIM

Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation to ensure energy security, promotion of environmentally-friendly energy carriers and access to affordable and reliable energy for all South Africans.

## MANDATE

Ensure secure and sustainable provision of energy for socio-economic development.

## VISION 2014

A transformed and sustainable energy sector with universal access to modern energy carriers for all by 2014.

## VISION 2025

Improving our energy mix by having 30% of clean energy by 2025.

## MISSION

To regulate and transform the sector for the provision of secure, sustainable and affordable energy.

## VALUES

*Batho-Pele  
(Sotho for  
"People First")*

Represents a Department of Energy that is service orientated, strives for excellence in service delivery and commits to continuous service delivery improvement for the achievement of a better-life-for-all and seeks to include all citizens through services and programmes.

*Ethics*

Represents our moral principles as reflected by the Code of Conduct for Public Servants, i.e. how we understand, know about and mean when we resolve what is right and what is wrong.

*Honesty*

Represents a facet of moral character and denotes positive, virtuous attributes such as integrity, truthfulness, and straightforwardness along with the absence of lying, cheating, or theft.

*Integrity*

Represents consistency of actions, values, methods, measures, principles, expectations, and outcomes and is regarded as the honesty and truthfulness or accuracy of one's actions.

*Accountability*

Represents the acknowledgment and assumption of responsibility for our actions, decisions, policies, administration and governance.

*Professionalism*

Represents workers who enjoy considerable work autonomy and are commonly engaged in creative and intellectually challenging work that requires impressive competence in a particular activity.

*Ubuntu*

Represents our interconnectedness and our approach that is open, available and affirming of others.

*My Public Servant  
– My Future  
(We belong, We care, We serve)*

Represents public servants at the centre of delivering quality services to the citizens in line with the dictates of the Constitution of the Republic.

It is hereby certified that this Annual Performance Plan and the amendment of the Strategic Plan:

- were developed by the management of the Department of Energy under the guidance of Minister Dipuo Peters (MP);
- take into account all the relevant policies, legislation and other mandates for which the Department of Energy is responsible; and
- accurately reflect the strategic outcome-oriented goals and objectives which the Department of Energy will endeavour to achieve over the period 2011/12 to 2016/17.



Yvonne Chetty (Ms)  
Chief Financial Officer



Lucas Mulaudzi (Mr)  
Acting Chief Operating Officer



Nelisiwe Magubane (Ms)  
Accounting Officer



Dipuo Peters (Ms) (MP)  
Minister of Energy  
Executive Authority



This APP was developed by the DoE  
under the guidance of the Minister.

# Table OF CONTENTS

## PART A: INTRODUCTION

<b>1. Foreword by the Minister</b>	<b>4</b>
<b>2. Deputy Minister's Foreword</b>	<b>8</b>
2.1 Integrated Energy Plan	8
2.2 Integrated Electrification Programme	8
2.3 Women, Youth and Persons with Disabilities Empowerment	8
<b>3. Director-General's Introduction</b>	<b>10</b>
3.1 Petroleum Regulation	10
3.2 Nuclear Energy	10
3.3 Renewable Energy	10
3.4 Integrated Energy Plan	11
3.5 International Engagements	11



## PART B: STRATEGIC OVERVIEW

<b>1. Updated Situational Analysis</b>	<b>12</b>
1.1 Performance Delivery Environment	12
1.2 Organisational Environment	13
<b>2. Revisions to Legislative and Other Mandates</b>	<b>14</b>
<b>3. Revisions to the Strategic Plan for 2011/12 to 2015/16</b>	<b>14</b>
<b>4. Overview of 2013/14 Budget and Medium-Term Expenditure Framework Estimates</b>	<b>16</b>
4.1 Expenditure Estimates	16
4.2 Relating Expenditure Trends to Strategic Outcomes-Oriented Goals	19

## PART C: PROGRAMME AND SUBPROGRAMME PLANS

<b>1. Programme 1: Administration</b>	<b>26</b>
1.1 Purpose	26
1.2 Strategic Objectives	26
1.3 Updates/Changes to Information	26
1.4 Subprogramme 1.1: Ministry	26
1.5 Subprogramme 1.2: Departmental Management	26
1.6 Subprogramme 1.3: Finance Administration	27
1.7 Subprogramme 1.4: Audit Services	33
1.8 Subprogramme 1.5: Corporate Services	36
1.9 Subprogramme 1.6: Office Accommodation	51
1.10 Subprogramme 1.7: Governance and Compliance	54
1.11 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	68
<b>2. Programme 2: Energy Policy and Planning</b>	<b>72</b>
2.1 Purpose	72
2.2 Strategic Objectives	72
2.3 Updates/Changes to Information	72
2.4 Subprogramme 2.1: Policy Analysis and Research	72
2.5 Subprogramme 2.2: Energy Planning	74
2.6 Subprogramme 2.3: Hydrocarbon Policy	77
2.7 Subprogramme 2.4: Electricity and Alternative Energy Policy	78
2.8 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	81





## PART C: PROGRAMME AND SUBPROGRAMME PLANS (CONTINUED)

<b>3. Programme 3: Energy Regulation</b>	<b>84</b>
3.1 Purpose	84
3.2 Strategic Objectives	84
3.3 Updates/Changes to Information	84
3.4 Subprogramme 3.1: Petroleum Compliance	84
3.5 Subprogramme 3.2: Petroleum Licensing and Permitting	86
3.6 Subprogramme 3.3: Petroleum Pricing	89
3.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	91
<b>4. Programme 4: Electrification and Energy Programme Management</b>	<b>94</b>
4.1 Purpose	94
4.2 Strategic Objectives	94
4.3 Updates/Changes to Information	94
4.4 Subprogramme 4.1: Integrated National Electrification Programme	94
4.5 Subprogramme 4.2: Energy Regional Offices	97
4.6 Subprogramme 4.3: Programme and Projects Management Office	98
4.7 Subprogramme 4.4: Electricity Infrastructure/Industry Transformation	99
4.8 Subprogramme 4.5: Community Upliftment Programmes and Projects	102
4.9 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	104
<b>5. Programme 5: Nuclear Energy</b>	<b>107</b>
5.1 Purpose	107
5.2 Strategic Objectives	107
5.3 Updates/Changes to Information	107
5.4 Subprogramme 5.1: Nuclear Safety and Technology	107
5.5 Subprogramme 5.2: Nuclear Non-Proliferation and Radiation Security	109
5.6 Subprogramme 5.3: Nuclear Policy	111
5.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	113

## PART C: PROGRAMME AND SUBPROGRAMME PLANS (CONTINUED)

<b>6. Programme 6: Clean Energy</b>	<b>116</b>
6.1 Purpose	116
6.2 Strategic Objectives	116
6.3 Updates/Changes to Information	116
6.4 Subprogramme 6.1: Energy Efficiency	116
6.5 Subprogramme 6.2: Renewable Energy	118
6.6 Subprogramme 6.3: Climate Change and Designated National Authority	119
6.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework	121



## PART D: LINKS TO OTHER PLANS

<b>1. Links to Long-Term Infrastructure and Other Capital Plans</b>	<b>124</b>
<b>2. Conditional Grants</b>	<b>124</b>
<b>3. Public Entities</b>	<b>125</b>
<b>4. Public-Private Partnerships</b>	<b>127</b>

## PART E: ANNEXURE

<b>A. Organisational Structures</b>	<b>128</b>
A.1 Approved Organisational Structure	128
A.2 Interim Operational Structure	129
A.3 Approved Macro-Organisational Structure	130
<b>B. Amendments to Revised Strategic Plan</b>	<b>131</b>
B.1 Strategic Outcomes-Oriented Goals	131
B.2 Strategic Objectives	131
<b>C. List of Acronyms</b>	<b>139</b>
<b>D. List of Tables</b>	<b>142</b>

## 1. FOREWORD BY THE MINISTER

The Department of Energy (DoE) continues on a journey to ensure the secure and sustainable provision of energy for socio-economic development, creating the space and environment necessary for economic growth and job creation.

Over the medium term, and in 2013/14 in particular, our focus will remain on the implementation of the Integrated Resource Plan (IRP) 2010 in an effort to guarantee that the diverse energy resources that South Africa has at its disposal are fully utilised to support economic growth and poverty alleviation in a more environmentally sensitive way.

The National Development Plan (NDP), which was adopted last year by Government, envisages that South Africa will have an adequate supply of electricity and liquid fuels by 2030 and that at least 95% of the population should have access to grid and non-grid electricity. Through a combination of existing and new programmes, we will address these proposals and we have already commenced the process of ensuring maximum alignment of the focus areas of the DoE with the NDP.

Gas and other renewable resources will supply at least 20 000 MW of the additional 45 600 MW needed by 2030. We will bring additional Independent Power Producers (IPPs) into the electricity market and this will be further enhanced when the Independent Systems and Market Operator Bill is signed into law.

As we committed to in last year's Annual Performance Plan (APP), we have finished the data collection and

the energy modelling which are essential elements of developing the Integrated Energy Plan (IEP). We will table the Draft Integrated Energy Planning Report in Cabinet in the first quarter of the 2013/14 fiscal year and once approved, it will be released for public comments and consultations which will take place during the first three quarters of the financial year. We expect a wide response of comments and, based on these, we will enhance the technical analysis work and make revisions where necessary before tabling the final IEP in Cabinet for adoption.

We are continuously working with all stakeholders and data providers to enhance and improve the quality of the statistics that we publish. To this end, our website now contains a direct link to the basic energy statistics page. Through comments and input from the public, we are able to enhance the data that we publish in order to provide end-users with the essential data that they require for planning or other purposes.

Our focus over the medium term will be on expanding the Electrification Programme to increase the number of households with connections to the grid, providing substation infrastructure and promoting energy efficient conservation through the expansion of the Solar Water Geyser Programme. Our focus will be on the increased access to modern energy sources implemented by Eskom and municipalities to reach the target of electrifying 645 000 households by 2015/16. We will provide support to municipalities with challenges in the provision of electricity.

The National Multi-Purpose Pipeline (NMPP) will be completed in this medium term by Transnet and will secure the supply of petroleum products to the inland



We commenced with the process of ensuring maximum alignment with the NDP.

markets over the long term. We will monitor the operations of this pipeline and the petroleum industry in general by, among others, conducting petroleum retail site inspections to ensure compliance with policy and legislation.

We will advance energy efficiency in the country by planning and coordinating initiatives and interventions focused on the development and improvement of the energy efficiency markets. We will continue to integrate and coordinate energy efficiency initiatives and interventions with relevant associate institutions, with a key focus on bringing on board provinces and key municipalities as partners on this programme during the coming period.

With regard to our state-owned companies during the planning period, the Central Energy Fund (CEF) will undertake the group reorganisation which was commenced during the 2011/12 financial year. The Reorganisation Plan for 2013 includes the filling of all senior management vacancies and the finalisation of the iGas incorporation into PetroSA and the African Exploration hiving off. The CEF (SOC) will also complete the solar park feasibility studies, while also investigating the development of new projects in the clean and renewable energy space. PetroSA's projects to support and extend the Gas to Liquid (GTL) refinery are expected to come on stream during the 2013/14 financial year. The technical studies for the Liquefied Natural Gas (LNG) Import Project are expected to be completed during the financial year and the feasibility studies and front end engineering and design studies for the Mthombo Project are expected to be progressed during the year.

The South African National Energy Research and Development Institute (SANEDI) will continue to ensure that effective internal systems and processes, and appropriate organisational structures are implemented to enable it to assume its role as an energy efficiency

champion in the South African economy. This will involve establishing a Renewable Energy Centre for Research and Development (RECORD). The SANEDI will finalise the Solar Roadmap processes in partnership with the International Energy Agency (IEA), DoE, Department of Science and Technology (DST), and the Technology Innovation Agency (TIA) during the financial year. During the year, the SANEDI will finalise the smart-grid vision with industry stakeholders and conduct a smart-grid scoping study using a sample of metropolitan municipalities as well as Eskom. The SANEDI will complete all its current Carbon Capture and Storage (CCS) projects such as the Zululand Project, the COCATE Transport Project and conduct public engagements for the Zululand Basin Programme. The SANEDI will also complete and start implementing the Shale Gas Investigation Work Plan during the 2013/14 financial year.

The Nuclear Energy Corporation of South Africa (NECSA) will continue with its programme to establish Low Enriched Uranium (LEU) fuel and target plate fabrication capabilities. Initiatives to investigate the different options for the replacement of SAFARI-1 with a multi-purpose research reactor for expanded research, fuel and material testing and radioisotope production are expected to continue during the 2013/14 financial year.

The National Energy Regulator of South Africa (NERSA) will, over the medium term, focus on improving oversight by conducting compliance audits. To rectify the existing electricity maintenance backlogs and support competition, the regulator will ensure effective economic regulation by developing appropriate regulatory frameworks.

The strategic focus of the National Nuclear Regulator (NNR) for the medium term will be on the establishment of the Emergency Control Centre, environmental samples testing facilities, the Koeberg Nuclear Power

Station and a new steam generator project.

The National Radioactive Waste Disposal Institute (NRWDI) will be established in 2013/14 with a mandate to fulfill the institutional obligation of managing the disposal of radioactive waste on a national scale.

Our strategic focus regarding international relations is the promotion of energy security, securing of resources for human and technical support in the Energy Sector, especially as it relates to building capacity in scarce and critical skills, technology transfer, industrialisation and job creation.

We have embarked on a number of international engagements in our quest to find solutions to our energy challenges and explored funding opportunities that could be available to South African investors in the Energy Sector.

Our engagement and participation in climate change is ongoing and we will continue to direct and advocate for South Africa's role in the Southern African Development Community (SADC) and the African continent at large with regard to issues of energy.

Among these ongoing endeavours in the continent and elsewhere in the world, will be the implementation of the Memorandum of Understanding (MoU) on the Grand Inga Project, the implementation of the agreement pertaining to the new refinery project and the implementation agreement on financial and technical support offered by Norway, European Union (EU) and Brazil, Russia, India, China and South Africa (BRICS) countries to promote clean energy technologies and energy access.

In addition, the regional integration of energy systems and markets should be encouraged and sufficient resources be used. We will continue our dialogue with partners in the continent to help Africa strategise on



how best to raise, mobilise and administer funding to deliver energy access to those in need.

In this regard, we will continue to engage our counterparts in the SADC on the strengthening of the Southern African Power Pool and the development of an IRP for the region, taking into account that our energy needs are interlinked and entwined.

Our participation in global energy bodies has further enhanced our role as a key decision maker on the global stage. We continue to play a leading role in organisations and platforms such as the Clean Energy Ministerial (CEM), the International Renewable Energy Agency and the International Energy Forum. This year, we will further strengthen our engagement and work towards an even more structured relationship with the IEA.

The Africa-EU Energy Partnership (AEEP) Forum Conference hosted by us in May 2012 contributed to the United Nations (UN) Conference on Sustainable Development (Rio+20) and the Sustainable Energy for All Initiative launched by the UN's Secretary General. The partnership highlighted the concrete target to expand energy access to more people in Africa. Subsequent to this, the Conference of Energy Ministers of Africa (CEMA) in Ethiopia in November 2012 resolved to take advantage of the new avenues that the Sustainable Energy for All Initiative opens to advance African national, regional and continental goals, including the Programme for Infrastructure Development in Africa.

In order to achieve our developmental goals, we will also continue to focus on the development of internal capacity, enabling us to carry out our mandate. All funded 560 positions, including those of the Director-General (DG) and Deputy Directors-General (DDGs), were filled by September 2012. We will also commence

operations based on its approved organisational structure in this calendar year.

The developments of the past few years and the progressive advances that we have made over the period since the formation of the DoE as a stand-alone organ of the state have qualitatively contributed to the emergence of a common vision for energy development and security in our country.

We need to continue to build on this work and ensure that we consolidate these into a continuous programme of action that would see us moving from the current challenges of the balance of demand and supply to a focus on the catalytic role that energy as an enabler has to play in the further evolution and implementation of the NDP.

Dipuo Peters (Ms) (MP)  
Minister of Energy



Our focus will be on the expansion of electrification programmes implemented by Eskom and municipalities to reach the target of electrifying 645 000 households by 2015/16.

## 2. DEPUTY MINISTER'S FOREWORD

Our Government's overriding Energy Policy objective is to ensure affordable, secure and sustainable energy for the economy and for society. This energy imperative is fundamental to our economic recovery and the successful implementation of our developmental objectives as outlined in the National Development Plan (NDP).

### 2.1 Integrated Energy Plan

We have released the Draft Integrated Energy Planning Report which is a significant milestone towards the finalisation of the Integrated Energy Plan (IEP). To ensure that we obtain comments from as wide-a-base as possible, we will conduct road shows in as many provinces as possible and will also invite the interested members of the public to actively participate in these road shows.

### 2.2 Integrated Electrification Programme

The Department of Energy (DoE) and our implementing partners have made remarkable progress in increasing access to electricity in South Africa. Electrification has more than doubled from 36% of the population in 1994 to 85% of formal housing (76% of all households) in 2012. Despite its successes to date, the Electrification Programme will fall short in meeting its target of electrifying 92% of formal households by 2014, as the backlogs defined in 2001/02. Instead, it is expected that 87% of all formal households and 78% of all households in the country will be electrified by 2014.

For the 2013/14 financial year, the Integrated National Electrification Programme (INEP) received an allocation of R3 775 799. The implementing agents, Eskom and municipalities, will receive R2 141 027 and R1 634 772, respectively.

Last year, we hosted the Electricity Indaba where shortcomings were identified in the current Electrification Programme. In addressing these challenges, we have introduced the New Electrification Roadmap. The key focus areas of the New Electrification Roadmap include the Electrification Master Plan based on the least cost approach that combines grid and high-quality non-grid solutions to support high backlog, low-delivering municipalities and ensure that electrification targets are met, in line with relevant Secretariat Internship Programmes (SIPs) (i.e. SIP 1, SIP 4, SIP 6 and SIP 10).

The DoE together with the Development Bank of Southern Africa (DBSA) will continue with implementing the agreement to accelerate the Electrification Programme in our country. A total sum of R2 billion over a period of three years has been approved. The so-called "Front-End Loading" applies to large municipal electrification projects, which in turn will apply to the DBSA for funding. The bank will conduct bank credit assessments and we will only support bank approved applications that are within the INEP.

### 2.3 Women, Youth and Persons with Disabilities Empowerment

It is essential that, as we pursue our Energy Policy objective, we maximise its return to women, youth and persons with disabilities. South Africa recognises the role of women, youth and persons with disabilities in the transition to clean energy solutions and overall developments in the Energy Sector. We recognise the urgent need to remove barriers that impose artificial ceilings on the advancement of these categories of persons, because there is much we can gain as a sector from their experience and knowledge.



We recognise the role of women, youth and persons with disabilities in Energy.

### *2.3.1 The Clean Energy, Education and Empowerment Initiative*

The African Union has declared 2010 to 2020 as the African Women's Decade and this includes, among others, fighting poverty and promoting economic empowerment of women through entrepreneurship, education and mentoring. The Clean Energy, Education and Empowerment (C-3E) Women's Initiative was launched with the initial support of eight governments at the first Clean Energy Ministerial (CEM) in July 2011 to cooperate in creating an environment where women across societies are in a position to actively contribute to the clean energy revolution. In working towards this goal, this year we plan to finalise our own C-3E strategy and work towards the launch of the African Chapter for the C-3E Programme, as South Africa is the only African country represented in the CEM.

### *2.3.2 HIV and AIDS Forum for Energy Sector*

The combating of HIV and AIDS, particularly its impact on the Energy Sector, will continue to be an area of focus during this period. We will be working towards the establishment of an HIV and AIDS Forum within the Energy Sector to consolidate the work of individual role players in the Energy Sector and augment the work of other government departments and the civil society in dealing with this challenge. The forum will assist us in monitoring, evaluating and reporting on HIV and AIDS in the Energy Sector.

### *2.3.3 Youth Indaba and Launch of Youth in Energy Forum*

The young people of today will be tomorrow's leaders in the Energy Sector. It is important, therefore, that we equip our youth with knowledge of the sector and encourage them to venture into education, skills and business in the Energy Sector. It is also imperative that we assist young entrepreneurs and the unemployed youth to gain access to comprehensive business development support services to grow and sustain their enterprises. The Youth Indaba and Youth in Energy

Forum are among the initiatives we are planning to host this year in order to achieve our goal of creating a platform of growth for young entrepreneurs.

We will also continue to embrace the "Take a Girl Child to Work Day" Initiative as a means of enabling girl children, especially from disadvantaged communities, to acquire transformational experience in the workplace and ensuring continuous development of women and young people and their participation in the economy of the country. We will also host the annual Learners' Focus Week for Grades 9 and 10 as an introduction of the Energy Sector's work to the learners.



Barbara Thompson (Ms) (MP)  
Deputy Minister of Energy



### 3. DIRECTOR-GENERAL'S INTRODUCTION

The Department of Energy's (DoE's) 2012/13 to 2015/16 Strategic Plan was reviewed during our annual planning session last year, in order to ensure that it still responds to the changing environment in the Energy Sector, the Minister of Energy's performance agreement and that it is aligned to our mandate, policies and relevant Cabinet decisions, most notably the recent Cabinet decision approving the National Development Plan (NDP). In refining our Annual Performance Plan (APP) for 2013/14, we have ensured that it is in line with the Specific, Measurable, Attainable, Realistic and Timely (SMART) principles and that it is aligned to our budget.

#### 3.1 Petroleum Regulation

Petroleum products are inputs to most business processes, therefore the pricing thereof should support increasing economic growth and reduce unemployment. In view of the continuous increases in the prices of petroleum products, we are working on the review of the Basic Fuel Price (BFP) to determine the appropriateness and relevance within the current environment.

We will also continue to support the redressing of past imbalances and promote participation of previously disadvantaged South Africans through the licensing of petroleum manufacturing, wholesale, and site and retail facilities. We will be implementing initiatives to improve and fast-track the processing of licence applications. We will also provide regulatory certainty through the full implementation of the Regulatory Accounting System (RAS) as well as monitored compliance to the regulations that govern the industry through fuel inspections. These actions will lead to an efficient manufacturing, wholesaling and retailing petroleum industry which will facilitate an environment that is

conducive to an efficient and commercially justifiable investment, creating employment opportunities, the development of small businesses in the Petroleum Sector as well as countrywide availability of petroleum products at affordable prices.

#### 3.2 Nuclear Energy

The DoE, together with relevant nuclear stakeholders, completed a self-evaluation process which was followed by an International Atomic Energy Agency (IAEA) peer review for the country's nuclear infrastructure. In addition, a seeding capital to put the National Radioactive Waste Disposal Institute (NRWDI) into operation has been secured. The gaps identified through the Integrated Nuclear Infrastructure Review (INIR) will be completed as part of an action plan by the Nuclear Energy Working Groups, with the DoE as a lead. The proposed amendment of the National Nuclear Regulator Act, 1999 (Act No. 46 of 1999) will provide a platform for enhancement of nuclear safety, following the lessons learned from Tokyo Electric Power Company's (TEPCO) Fukushima Daiichi Nuclear Power Plant.

#### 3.3 Renewable Energy

In 2010, Government approved the Integrated Resource Plan (IRP) that will contribute significantly to reducing the carbon footprint from the Energy Sector. A 42% target of new-build capacity has been allocated to renewable energy whilst it is also envisaged that energy efficiency interventions will also play a major role. In our quest for introducing renewable energy into the energy mix, we concluded agreements with 28 projects in November 2012, with the estimated capacity of over 1 100 MW and the construction of these projects has started. The Renewable Energy Independent Power Producers Procurement (REIPPP) Programme is being hailed as the best and most innovative internationally. South Africa's REIPPP



The REIPPP Programme is being hailed as the most innovative internationally.

Programme has just won Green Project Infrastructure of the Year by the Global Infrastructure Leadership Forum. This indeed demonstrates the state of readiness to diversify our energy mix. The REIPPP Programme is amongst the flagship programmes identified through the National Climate Change Response White Paper, 2011 as one of the measures to reduce the country's carbon footprint.

In this financial year, we will finalise the second review of the National Energy Efficiency Strategy which sets a national energy intensity target of 12% by 2015 for

all uses of energy. The target for industry and mining is set at 15% of the overall and we are optimistic that by working together we will be able to achieve these targets.

### 3.4 Integrated Energy Plan

Despite challenges with historical data to help us quantify energy consumption and energy end-use technologies within all sectors, we have been able to finalise the analytical work for the Integrated Energy Plan (IEP). To this end, we have published the Draft Integrated Energy Planning Report which will form the basis for stakeholder consultations. Through input from industry academic experts and the general public, we hope to obtain input which will improve our key assumptions and provide us with new sources of information and learning, to make the integrated energy planning development process one of continual learning and improvement.

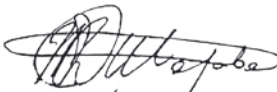
### 3.5 International Engagements

Our strategic focus regarding international relations is: promoting energy security; securing funding resources for human and technical support in the Energy Sector, especially as it relates to building capacity in scarce and critical skills; technology transfer; industrialisation; and job creation.

We continue to engage with national and international stakeholders to ensure access to information, technology, funding and best practice to contribute to the security of energy supply for the country. We have embarked on a number of international engagements in our quest to find solutions to our energy challenges and explored funding opportunities that could be available to South African investors in the Energy Sector.

Our engagement and participation in addressing climate change is ongoing and we continue to direct and advocate for South Africa's role in the Southern African Development Community (SADC) and the African continent at large regarding issues of energy. Amongst these ongoing endeavours in the continent and elsewhere in the world will be the implementation of the following: the regional Memorandum of Understanding (MoU) on the Grand Inga Project; the agreement pertaining to the Mthombo Project; and the agreement on financial and technical support offered by the Nordic, European Union (EU) and Brazil, Russia, India, China and South Africa (BRICS) countries to promote clean energy technologies and energy access.

In addition, the regional integration of energy systems and markets should be encouraged and sufficient resources used. In this regard, we will continue to engage our counterparts in the SADC on strengthening the Southern African Power Pool and the development of an IRP for the region, taking into account that our energy needs are interlinked and intertwined. Pursuant to the African Energy Ministers' Conference held in Johannesburg in September 2011, we will continue our dialogue with partners in the continent to help Africa strategise on how best to raise, mobilise and administer funding to deliver energy access to those in need.



Nelisiwe Magubane (Ms)  
Director-General: Energy



# Part B STRATEGIC OVERVIEW

## 1. UPDATED SITUATIONAL ANALYSIS

### 1.1 Performance Delivery Environment

#### 1.1.1 State of the Organisation

Following the strategic outcomes of the Department of Energy (DoE), the approved organisational structure was reviewed to align it with the mandate as well as the strategic priorities of the DoE (see paragraph 1.2). The alignment of the revised organisational structure to the strategic outcomes and service delivery agreements signed between the Minister and the President will, among others, ensure that the previous challenges relating to reporting and accountability lines are properly addressed. The approved organisational structure will be implemented in a phased-in approach due to financial constraints as contained in the DoE's Medium-Term Expenditure Framework (MTEF) allocations. As a result of the aforementioned, the DoE will continue to explore and embark on various interventions to improve the efficiency and effectiveness of the organisation within the limited baseline allocation. The DoE will also continue to creatively and innovatively implement an approved integrated Human Resource (HR) Plan in order to improve the state of the organisation's HR capacity and capabilities.

The DoE has also conducted a culture survey to determine the current underlining challenges within the organisation. Some of the critical issues identified relate to the enhancement and/or better application of the Performance Management and Development System as well as leadership and management training, both of which will be addressed in the 2013/14 financial year and going forward.

The development and implementation of the Human Resource Development (HRD) Strategy has, among others, led to the placement of 54 interns in various municipalities around the country; it is a programme that aims at addressing the critical skills shortages in the Energy Sector.

On the Communication front, the need to ensure that all target markets are adequately informed of energy issues is continuously growing and evolving. In order to ensure the communication and distribution of relevant information to all the defined internal and external stakeholders, the Chief Directorate Communication and Knowledge Management is implementing a schedule of activities and events aimed at broadening access to Energy Sector information.

Recognising the importance of an informed staff complement in the effort towards enhanced service delivery, the Director-General (DG) will continue to engage all employees at quarterly interactive sessions. Through these sessions, employees have the opportunity to constructively engage the leadership of the DoE on issues that impact on their ability to service the departmental mandate. Similarly, the accounting officer uses this platform to communicate the broad government vision and priorities that inform the evolving deliverables of the DoE.

The planned programme of public outreach and awareness campaigns and interactions with specific external audiences as well as the general public, addresses the need to communicate the Government's Energy Programme outside the DoE. In this respect, the DoE will strive to further enhance such efforts in all the areas of the mandate. The DoE



DoE chairs 1 SIP, co-chairs 2 SIPs, participates in 10 SIPs and are observers in 5 SIPs.

will continue to enhance and strengthen the working partnerships with the six state-owned enterprises that report to the Minister of Energy. These are the National Energy Regulator of South Africa (NERSA), National Nuclear Regulator (NNR), National Energy Corporation of South Africa (NECSA), Central Energy Fund (CEF), South African National Energy Research and Development Institute (SANEDI) and PetroSA. These six are responsible for dealing with electricity, hydrocarbons, and nuclear regulatory matters; developments in nuclear research; renewable energy; as well as development in the hydrocarbons sphere.

#### 1.1.2 Petroleum

The increase of the cost of energy threatens Government's efforts to reduce the cost of doing business in the economy. The import parity pricing principle adopted in the liquid fuels industry means that South Africa is exposed to the movements of prices of crude oil and the rand/dollar exchange rate. In this regard, the DoE must constantly seek to monitor and understand the geopolitical, financial and economic developments which have the potential to affect the cost and the ability to supply liquid fuels.

The commissioning of the trunk line of the 24-inch Multi-Products Pipeline between Durban and the inland market has somehow reduced the constraints to supply liquid fuels to the inland market of Gauteng. However, lack of investments in the associated infrastructure remains a concern because bottlenecks within the supply value chain are yet to be resolved.

The country's growing dependence on imports of liquid fuels to meet the demand has made security of supply even more vulnerable because of the external factors associated with importation as well as the constrained infrastructure. The anticipated growth in demand, though moderate, together with lower production rate of refineries are likely to exacerbate the problem.

#### 1.1.3 Electricity

Electricity supply remains constrained, with the reserve margin below the target range of about 19%. In order to ensure that we keep the lights on, numerous initiatives are planned for the year to increase supply in the short term and to reduce demand.

Due to the introduction of new generation capacity, there is upward pressure on electricity tariffs in order to fund the various programmes for infrastructure expansion. Eskom tariff increases over the next five years have been limited to 8% per annum and this will reduce the adverse impact of high tariff increases on economic growth. On the other hand, we need to ensure that Eskom continues to survive as a viable entity under the reduced tariff scenario.

#### 1.1.4 Energy Efficiency

Energy Efficiency (EE) remains the most viable option available in the short term to manage the electricity supply-demand imbalance. With the increase in tariffs, it is expected that there will be a reduction in demand.

#### 1.1.5 Integrated Energy Plan

The development of the Integrated Energy Plan (IEP) will outline our energy infrastructure plans for the next 30 years. The IEP will provide a blueprint for optimising the use of gas, petroleum products and electricity in a manner that aligns with Government's objectives of job creation, skills development and reducing poverty.

## 1.2 Organisational Environment

As was indicated in the 2011/12 situational analysis, the restructuring of the DoE resulted in the creation of the following four new line-function branches (Annexure A1), namely:

- Energy Policy Development
- Energy Operations
- Nuclear Energy
- Integrated Energy Planning

However, due to financial constraints, the aforementioned new line-function structure could not be implemented. The DoE continued to operate with the two line-function branches as delineated from the defunct structure of the Department of Minerals and Energy (Annexure A2), namely:

- Hydrocarbons and Energy Planning Branch
- Electricity, Nuclear and Clean Energy Branch

The support services components (Finance and Information Management; Office of the Chief Operations Officer and Corporate Services) also continued to operate with the minimum interim structure, so as to provide the required service to the line-function branches and to exercise an oversight role to the state-owned entities (SOEs) within the Energy Sector.

Following the re-alignment of the DoE's strategic outcomes-oriented goals (SOGs) for 2012/13, it became necessary to again restructure the DoE to ensure delivery in line with its new SOGs. The Minister of Energy therefore approved a new macro organisational structure for the DoE on 13 April 2011 (see Annexure A3) with the following line-function branches:

- Energy Planning and Policy
- Petroleum and Petroleum Products Regulation
- Nuclear
- Clean Energy
- Energy Programmes and Projects

The main criteria that the proposed organisational structure attempts to meet are the following:

- The intention with the new macro organisational structure and the restructuring of the main organisational components is to "renew" and "re-focus" the DoE.
- The organisational structure of the DoE should be mechanistic with adequate organic features to:
  - support innovative strategies;
  - allow for task variability and problem

- analysability; and
- make provision for scarce resources and the turbulent, dynamic and complex environment in which the DoE functions.

The DoE has commenced with the phased-in implementation of the new macro organisational structure during the 2012/13 financial year, and will continue to do so as funding becomes available. To date, the high-level structure (branches) was implemented and the relevant subordinate structures are in the process of being finalised. It is envisaged that it will be implemented in the first quarter of the 2013/14 fiscal year.

## 2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

The following legislation will be tabled during the 2013/14 financial year:

- Independent System and Market Operator Bill: To encourage Independent Power Producers' (IPP) participation in electricity generation through the establishment of an independent buyer. The Bill also deals with the procurement framework for IPPs.
- Electricity Regulation Second Amendment Bill: To provide a regulatory framework that promotes IPP participation and streamlines regulation to ensure security of supply.
- Energy Regulator Amendment Bill: To promote efficient regulation of the Energy Sector and address governance and structural issues at the National Energy Regulator of South Africa (NERSA).
- New Petroleum Products Bill: To promote an efficient, competitive and responsive petroleum infrastructure, participation of Historically Disadvantaged South Africans (HDSA) in the oil industry, and to improve the compliance monitoring and enforcement aspects.

- Gas Amendment Bill: To promote an efficient, competitive and responsive economic infrastructure, inclusive economic growth and leveraging available gas resources.
- National Nuclear Regulator Bill: To protect persons, property and the environment against nuclear damage; regulate vessels that are propelled by nuclear power or have radioactive material on board and nuclear installations and mineral processing facilities dealing with uranium and handling of naturally occurring radioactive material.

## 3. REVISIONS TO THE STRATEGIC PLAN FOR 2011/12 TO 2015/16

The Department of Energy (DoE) has published a Strategic Plan for the period 2010/11 to 2014/15. Due to changes in the service delivery environment, the DoE published a Revised Strategic Plan for the period 2011/12 to 2015/16 in March 2012.

In terms of the Framework for Strategic Plans and Annual Performance Plans "every institution must, in consultation with the National Treasury, develop a budget programme and subprogramme structure that is aligned to the main areas of service delivery responsibility within the institution's mandate. A budget programme is a main division within a department's budget that funds a clearly defined set of objectives based on the services or functions within the department's legislative and other mandates. It also constitutes a management unit established within a department responsible for the delivery of that defined set of services and functions."

In reality, however, the DoE's budget structure was aligned to the DoE's approved structure (Annexure A1) whereas the interim operational structure (Annexure A2) was still in operation during 2011/12 as well as in the first part of 2012/13 and the

new macro organisational structure (Annexure A3) was implemented in the course of 2012/13. The Revised Strategic Plan for 2011/12 to 2015/16 therefore had to reflect the actual status quo in terms of the organisational structure as on 1 April 2011. Deviating from this principle would have resulted in a situation where the strategic objectives would not be aligned with the performance indicators and targets for the 2011/12 fiscal year and thus creating a challenge in terms of the Annual Report for 2011/12.

In terms of the DoE's new organisational structure, National Treasury (NT) was approached for concurrence for a new budget structure to align the DoE's strategy, organisational structure and budget structure. The DoE's strategic outcomes-oriented goals (SOGs) and strategic objectives for 2012/13 therefore also needed to be revised to be in line with the macro organisational structure, the proposed new budget structure and the templates prescribed in terms of the Framework for Strategic Plans and Annual Performance Plans. This was done by means of publishing the realigned SOGs and strategic objectives in the 2012/13 Annual Performance Plan (APP).

NT has concurred with the new budget structure that is aligned with the macro organisational structure. This affords the DoE with the opportunity to align the Strategic Plan with the budget structure. The sequence and designations of the programmes, however, differ from what the DoE originally envisaged. In addition, there are some differences in wording/phrasing of, among others, the SOGs (Section 8 of Part D of the Revised Strategic Plan for 2011/12 to 2015/16). The strategic objectives (Section E of the Revised Strategic Plan for 2011/12 to 2015/16) are also different from what the DoE submitted in terms of the Estimate for National Expenditure (ENE). In order to have optimal alignment between the Revised Strategic Plan, the APP, the budget structure and the ENE, the table in Section 8 of Part D and the whole of Part E of the

Revised Strategic Plan for 2011/12 to 2015/16 are amended by Annexure B with effect from 1 April 2013.

Since the publication of the 2012/2013 APP, the Minister has also signed delivery agreements for Outcomes 7 and 9. An analysis of the additional delivery agreements indicated that the DoE does not need to expand on its SOGs, but that it needs to illustrate the alignment of the SOGs with all seven delivery agreements signed by the Minister. The first table in Section 8 of Part D of the Revised Strategic Plan for 2011/12 to 2015/16 is therefore replaced by the first table in Subsection 4.2 of Part C.



## 4. OVERVIEW OF 2013/14 BUDGET AND MEDIUM-TERM EXPENDITURE FRAMEWORK ESTIMATES

### 4.1 Expenditure Estimates

The Department of Energy's (DoE's) 2013/14 summarised Estimate of National Expenditure allocation (Vote 29) and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 1

	Baseline					MTEF		
	Audited Outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
<b>PROGRAMMES</b>								
Administration	98 214	121 602	192 689	181 745	242 447	220 958	230 388	239 620
Energy Policy & Planning	146 871	1 607 245	1 541 920	1 548 627	1 570 173	51 156	53 367	51 529
Energy Regulation	10 515	14 156	15 167	15 663	18 549	49 723	52 047	46 994
Electrification & Energy Programme Management	2 558 916	2 782 049	3 286 489	3 158 083	3 169 983	3 942 769	4 224 493	5 916 937
Nuclear Energy	609 914	612 344	642 266	598 358	642 978	709 992	657 039	679 542
Clean Energy	266 442	367 990	495 731	1 303 427	1 090 348	1 623 574	1 997 305	1 035 969
<b>Total for programmes</b>	<b>3 690 872</b>	<b>5 505 386</b>	<b>6 174 262</b>	<b>6 805 903</b>	<b>6 734 478</b>	<b>6 598 172</b>	<b>7 214 639</b>	<b>7 970 591</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>251 398</b>	<b>233 860</b>	<b>341 174</b>	<b>307 274</b>	<b>417 718</b>	<b>468 829</b>	<b>488 824</b>	<b>498 295</b>
Compensation of employees	133 253	142 826	184 837	196 260	207 371	247 562	271 946	285 433
Goods & services of which:	118 145	91 034	156 337	111 014	210 347	221 267	216 878	212 862
Administrative fees	1 223	1 997	2 407	2 752	2 179	2 994	3 102	3 658
Advertising	1 140	2 594	2 738	3 592	4 184	8 124	8 356	8 837
Assets less than the capitalisation threshold	1 158	753	242	329	2 287	2 439	2 441	2 556
Audit cost: External	1 032	1 879	4 104	2 294	7 273	2 496	2 705	2 955
Bursaries: Employees	555	416	837	31	670	1 030	1 030	31
Catering: Departmental activities	1 262	1 435	1 620	1 377	967	1 699	1 763	1 811
Communication (G&S)	4 622	4 236	5 745	6 215	6 073	7 172	7 445	7 948

	Baseline					MTEF		
	Audited Outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Computer services	3 092	2 834	6 599	2 561	3 423	13 462	7 259	6 654
Consultants & professional services: Business & advisory services	23 851	9 791	35 563	5 982	61 242	18 383	14 837	14 468
Consultants & professional services: Infrastructure & planning	-	-	-	-	-	1 800	1 300	1 360
Consultants & professional services: Laboratory services	201	-	-	-	-	4 008	4 191	4 309
Consultants & professional services: Legal costs	2	46	767	-	4 500	-	-	-
Contractors	9 130	3 115	1 515	1 208	3 730	1 596	1 654	1 748
Agency & support/outsourced services	498	416	426	978	979	10 404	10 523	2 082
Entertainment	9	83	119	47	40	115	118	123
Housing	3	-	-	-	-	-	-	-
Inventory: Fuel, oil & gas	4	9	17	17	19	18	18	19
Inventory: Learner & teacher support material	141	49	3	298	298	314	326	338
Inventory: Materials & supplies	116	150	124	299	465	239	248	256
Inventory: Medical supplies	-	-	-	-	-	3	-	-
Inventory: Medicine	-	-	24	-	10	-	-	-
Medsas inventory interface	-	-	-	-	-	2	2	-
Inventory: Other consumables	98	95	402	323	323	288	336	356
Inventory: Stationery & printing	1 572	1 692	2 457	3 449	3 131	5 204	4 289	4 497
Operating leases	12 302	17 284	25 832	41 284	49 784	41 308	41 624	43 764
Property payments	743	607	472	163	13 977	181	187	194
Transport provided: Departmental activities	-	-	-	-	-	3 839	4 070	4 124
Travel & subsistence	45 334	31 820	39 819	31 577	27 952	61 210	63 991	64 782
Training & development	1 208	1 323	2 738	609	1 154	290	425	572
Operating payments	6 552	3 447	13 655	1 556	9 961	5 496	4 783	4 260
Venues & facilities	2 297	4 963	8 110	4 073	5 726	27 153	29 855	31 160

	Baseline					MTEF		
	Audited Outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Rental & hiring	-	-	2	-	-	-	-	-
<b>Transfers &amp; subsidies</b>	<b>3 432 476</b>	<b>5 268 206</b>	<b>5 829 000</b>	<b>6 493 557</b>	<b>6 304 811</b>	<b>6 124 192</b>	<b>6 720 620</b>	<b>7 466 862</b>
Provinces & municipalities	1 074 554	1 253 382	1 376 611	1 351 443	1 351 443	1 815 494	1 720 073	2 258 095
Departmental agencies & accounts	96 007	81 536	55 530	81 022	99 022	202 504	196 382	123 950
Foreign governments & international organisations	-	-	-	-	-	13 577	12 055	12 481
Public corporations	2 254 934	3 902 820	4 223 644	4 933 947	4 767 576	4 001 109	4 695 115	4 970 881
Private enterprises	6 846	30 389	173 051	126 775	86 400	91 152	96 621	101 067
Households	135	79	164	370	370	356	374	388
Social benefits	133	57	66	370	370	356	374	388
Other transfers to households	2	22	98	-	-	-	-	-
<b>Payments for capital assets</b>	<b>6 752</b>	<b>3 320</b>	<b>4 029</b>	<b>5 072</b>	<b>11 949</b>	<b>5 151</b>	<b>5 195</b>	<b>5 434</b>
Transport equipment	597	736	1 259	-	-	-	-	-
Other machinery & equipment	5 763	2 584	2 770	5 072	11 278	5 151	5 195	5 434
Software & other intangible assets	392	-	-	-	671	-	-	-
<b>Payments for financial assets</b>	<b>246</b>	<b>-</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>3 690 872</b>	<b>5 505 386</b>	<b>6 174 262</b>	<b>6 805 903</b>	<b>6 734 478</b>	<b>6 598 172</b>	<b>7 214 639</b>	<b>7 970 591</b>

## 4.2 Relating Expenditure Trends to Strategic Outcomes-Oriented Goals

### 4.2.1 Programme of Action

The DoE is not a lead department in any of the 12 Government Outcomes; however, the Minister signed delivery agreements with regard to the following seven outcomes which are pursued by the indicated strategic outcomes-oriented goals (SOGs).

Table 2

Government Outcome	SOGs	Departmental Contribution
Outcome 2: A long & healthy life for all South Africans.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Electrification of clinics & health centres through the Intergrated National Electrification Programme (INEP); introduction of a more affordable & cleaner source of energy; Liquefied Petroleum Gas (LPG) for household heating & cooking needs; Free Basic Electricity (FBE); Inclining Block Tariffs (IBTs) & Solar Water Heaters (SWHs).
Outcome 4: Decent employment through inclusive economic growth.	SOG 1: Security of Supply – To ensure that energy supply is secure & demand is well managed. SOG 3: Regulation & Competition – To ensure that there is improved energy regulation & competition.	Energy security project implementation & local industrialisation of the main value chains to sustain economic growth & job creation.
Outcome 6: An efficient, competitive & responsive economic infrastructure network.	SOG 2: Infrastructure – To facilitate an efficient, competitive & responsive energy infrastructure network.	Ensure reliable generation, distribution & transmission of electricity, implement the Independent Power Producers (IPP) Programme, address the backlog challenges in the maintenance of the electricity distribution infrastructure; building of the New Multi-Product Pipeline (NMPP) between Durban & Johannesburg to ensure a reliable & sustainable supply of liquid fuels inland.
Outcome 7: Vibrant, equitable & sustainable rural communities & food security for all.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Electrification of rural households & building of bulk infrastructure through the INEP concentrating on 23 district municipalities that have been identified by the Department of Cooperative Governance & Traditional Affairs (CoGTA) & the Department of Rural Development & Land Reform (DRDLR) as the areas in the country that have the most deprived municipalities.
Outcome 8: Sustainable human settlement & improved quality of household life.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Support households & businesses via the Electrification Programme & the job opportunities presented by the Electrification Programme, the Integrated Energy Centres (IECs), & the installation & maintenance of solar systems & SWHs.

Government Outcome	SOGs	Departmental Contribution
Outcome 9: A responsive, accountable, effective & efficient local government system.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Electrification of households through the INEP & increased service delivery by all municipalities.
Outcome 10: Environmental assets & natural resources that are well protected & continually enhanced.	SOG 5: Environmental Assets – To ensure that environmental assets & natural resources are protected & continually enhanced by cleaner energy technologies. SOG 6: Climate Change – To implement policies that adapt to & mitigate the effects of climate change.	Development & implementation of policies to reduce greenhouse gas emissions & climate change impacts & improve air/atmospheric quality.

Note: In addition, the DoE also subscribes to Government Outcome 12 (an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship) through SOG 7, i.e. Corporate Governance – To implement good corporate governance for effective and efficient service delivery.



#### 4.2.2 National Development Plan

The National Development Plan (NDP) envisages that by 2030 South Africa will have an adequate supply of electricity and liquid fuels to ensure that economic activity and welfare are not disrupted and that at least 90% of the population should have access to grid connected or off-grid electricity. The plan proposes that gas and other renewable resources like wind, solar and hydro-electricity will be viable alternatives to coal and will supply at least 20 000 MW of the additional 29 000 MW of electricity needed by 2030. Other recommendations of the plan include diversifying power sources and ownership in the Electricity Sector, supporting cleaner coal technologies and investing in human and physical capital in the 12 largest electricity

distributors. The DoE will continue to address these proposals through a combination of new and existing programmes. Funds will continue to be allocated to the South African National Energy Development Institute (SANEDI) for research and development into a Carbon Capture and Storage (CCS) Project and for a hydraulic fracturing pilot to assess the potential for shale gas. The DoE aims to bring IPPs into the market when the Independent System and Market Operator Bill (2012) is signed into law. The DoE will also continue to implement the “mini” Approach to the Distribution Asset Management (ADAM) Programme by providing capital subsidies to nine municipalities to address the maintenance, refurbishment and backlog concerns in order to improve the quality of electricity supply.

#### 4.2.3 Strategic Integrated Projects

Cabinet adopted an infrastructure plan that is intended to transform the economic landscape of South Africa, create a significant number of new jobs, strengthen the delivery of basic services to the population and support the integration of African economies. Eighteen Strategic Integrated Projects (SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces.

The DoE chairs one of the projects, co-chairs two projects, participates in 10 projects and has observer status in five projects. The DoE's involvement can be categorised as follows:

Table 3

Lead Ministry - Chair		
SIP No.	SIP	Departmental Contribution
6	Integrated Municipal Infrastructure Project	The DoE is the lead ministry for this project. The DoE has appointed the Development Bank of Southern Africa (DBSA) as the implementing agent responsible for developing the business plan & for the programme management of the SIP. A business plan has been submitted to the Presidential Infrastructure Coordinating Commission (PICC) for review.

Table 4

Co-chair		
SIP No.	SIP	Departmental Contribution
8	Green Energy in Support of the South African Economy	This SIP is co-chaired by Minister Patel. The Industrial Development Corporation (IDC) has just been appointed as the implementing agent responsible for developing the business plan & for the programme management of the SIP.
10	Electricity Transmission & Distribution for All	This SIP is co-chaired by Minister Gigaba. Eskom has appointed DBSA as the implementing agent responsible for developing the business plan & for the programme management of the SIP.

Table 5

Participation		
SIP No.	SIP	Departmental Contribution
1	Unlocking the Northern Mineral Belt with the Waterberg as the Catalyst	Attendance of all meetings held by the various implementing agents for the relevant SIPs. Provide advice & policy input as & when required. Unlocking of any obstacles where the DoE may be of assistance.
2	Durban-Free State-Gauteng Logistics & Industrial Corridor	
3	South Eastern Node & Corridor Development	
4	Unlocking the Economic Opportunities in North West Province	
5	Saldanha-Northern Cape Development Corridor	
7	Integrated Urban Space & Public Transport Programme	
9	Electricity Generation to Support Socio-Economic Development	
14	Higher Education Infrastructure	
17	Regional Integration for African Cooperation & Development	
18	Water & Sanitation Infrastructure Master Plan	

Table 6

Observer Status		
SIP No.	SIP	Departmental Contribution
11	Agri-Logistics & Rural Infrastructure	Attendance of meetings held by the various implementing agents for the relevant SIPs in an observer status only.
12	Revitalisation of Public Hospitals & other Health Facilities	
13	National School Build Programme	
15	Expanding Access to Communication Technology	
16	SKA & Meerkat	

#### 4.2.4 Millennium Developmental Goals

The DoE also contributes to the following four of the United Nations Millennium Developmental Goals (MDGs) through the indicated SOGs.

Table 7

MDG	SOGs	Departmental Contribution
MDG 1: Eradicate extreme poverty & hunger.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	The DoE's focus is on the eradication of energy poverty through the implementation of the INEP, energy diversification & affordability, FBE, & IBTs.
MDG 3: Promote gender & equality & empower women.	SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Gender mainstreaming in DoE policies, support of women empowerment initiatives, introduction of clean energy initiatives & enhancement of women's participation in the Energy Sector.
MDG 7: Ensure environmental sustainability.	SOG 5: Environmental Assets – To ensure that environmental assets & natural resources are protected & continually enhanced by cleaner energy technologies. SOG 6: Climate Change – To implement policies that adapt to & mitigate the effects of climate change.	Introduction & support of sustainable clean & renewable energy initiatives.
MDG 8: Develop global partnerships for development.	SOG 7: Corporate Governance – To implement good corporate governance for effective & efficient service delivery.	International cooperation & collaboration at multilateral, bilateral & trilateral levels on energy issues.

#### 4.2.5 Selected Performance Indicators

The following performance indicators were selected in terms of the Estimate of National Expenditure:

Table 8

SOGs	Selected Performance Indicator	Planned Performance for 2013/14
SOG 1: Security of Supply – To ensure that energy supply is secure & demand is well managed.	MW reduction in electricity demand per year.	100 MW reduction in electricity demand.
	Number of TWh of energy savings realised in Energy Efficiency (EE) & demand side management & verified from EE & demand side management projects.	12 TWh energy savings realised in EE & demand side management, & verified from EE & demand side management projects.
SOG 2: Infrastructure – To facilitate an efficient, competitive & responsive energy infrastructure network.	Number of new bulk substations built per year.	6 new bulk substations built.
	Number of additional substations upgraded per year.	10 additional substations upgraded.
	Km of new medium voltage power lines constructed per year.	350 km of new medium voltage power lines constructed.
	Number of municipalities in which the refurbishment of key electrical networks will take place per year.	9 municipalities in which the refurbishment of key electrical networks took place.
SOG 3: Regulation & Competition – To ensure that there is improved energy regulation & competition.	Number of new petroleum retail site inspections per year.	1 500 new petroleum retail site inspections executed.
	Number of additional petroleum licence applications approved per year.	1 000 additional petroleum licence applications approved.

SOGs	Selected Performance Indicator	Planned Performance for 2013/14
SOG 4: Universal Access & Transformation – To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.	Number of new operational IECs established per year.	2 additional IECs established.
	Number of additional households electrified per year.	200 000 additional households electrified.
	Number of non-grid connections per year.	15 000 additional households connected through non-grid technologies.
	Value of expenditure on Black Economic Empowerment (BEE) & Small, Medium & Micro Enterprises (SMMEs) per year.	R933 million of expenditure with BEE and SMMEs.
SOG 5: Environmental Assets – To ensure that environmental assets & natural resources are protected & continually enhanced by cleaner energy technologies.	Number of SWH units installed in residential & commercial sectors per year.	129 679 SWH units installed in residential & commercial sectors.
SOG 6: Climate Change – To implement policies that adapt to & mitigate the effects of climate change.	Number of new renewable energy projects subsidised per year.	3 new renewable energy projects subsidised.
SOG 7: Corporate Governance – To implement good corporate governance for effective & efficient service delivery.	No performance indicators selected.	N/A

#### 4.2.6 Spending/Expenditure

The spending focus over the medium term will be on expanding the Electrification Programme to increase the number of households with connections to the grid, providing substation infrastructure and promoting EE through the expansion of the Solar Water Geyser Programme. Of the DoE's budget, 93,3% is transferred to the implementing municipalities, agencies and the state-owned company Eskom.

Between 2009/10 and 2012/13, significant spending is evident in the Energy Policy and Planning Programme as a result of allocations to Transnet of R4,5 billion for the construction of the multi-products pipeline from 2010/11 to 2012/13. Spending in the Electrification and Energy Management Programme increased over the same period to increase the number of households connected to the grid. Through this programme 5,5 million households have been electrified since its inception in 1994. The high spending in compensation of employees in 2012/13 is due to additional funds approved in the adjusted budget for remuneration of staff appointed in addition to the establishment.

Over the medium term, expenditure in the Electrification and Energy Management Programme is projected to grow significantly to provide for the expansion of electrification programmes, additional funding to pilot the ADAM Programme, and additional funding for research and development related to the CCS and hydraulic fracturing projects of the SANEDI. Over the same period, expenditure on current payments is expected to increase due to additional funding for improved conditions of service, allocations to capacitate the IPP unit within the Electrification and Energy Management Programme and funding allocated for the DoE's office accommodation costs.

As part of the Cabinet-approved budget reductions over the medium term, spending reductions will be made of R27,9 million in 2013/14, R61,7 million in 2014/15 and R33,9 million in 2015/16. These reductions will mainly be made on non-core goods and services items such as travel and subsistence and catering, and will be managed by introducing efficiency measures across all programmes.

The DoE has a funded establishment of 546 posts and 14 posts are filled in addition to this establishment. Five hundred and sixty positions were filled at the end of September 2012, the majority of which were at Salary Levels 7 to 10. The DoE reviewed its organisational structure and has been allocated additional funding to increase the approved establishment to 585 in 2015/16 in line with the resources required for the DoE to carry out its mandate. The ratio of support staff to line function staff is 1,2:1.

Consultants provide planning for the nuclear build, development of monitoring and reporting systems to improve the electrification planning and monitoring process, and strengthening of the monitoring capacity to ensure compliance with the Petroleum and Liquid Fuels Charter. The spike in spending on consultants in 2012/13 is due to a once-off allocation for research in preparation for the nuclear build.

#### 4.2.7 Infrastructure Spending

##### *Mega Project: Integrated National Electrification Programme*

The DoE makes transfer payments to Eskom and municipalities through the INEP. These transfers are used to fund infrastructure for the electrification of households and the building of substations. Between 2009/10 and 2012/13, R11,7 billion was spent by the INEP on electricity infrastructure, R4,2 billion went to municipalities and R7,2 billion went to Eskom. As a result of the spending over this period, 475 157 households received electricity connections, 15 bulk substations were built and nine bulk substations were upgraded.

Over the medium term, infrastructure spend is expected to increase from R3,5 billion in 2012/13 to R5,7 billion in 2015/16, which will be used to electrify 254 000 households in 2013/14, 300 000 in 2014/15 and 350 000 in 2015/16. Eighteen new bulk substations will also be built and 30 substations will be upgraded. R3,5 billion is allocated to Eskom over the medium term to fund the installation of high and low pressure solar water geysers. Municipalities receive an allocation of R538 million over the medium term to install EE lighting and technologies.

##### *Mega Project: Construction of the New Multi-Products Pipeline by Transnet*

The DoE received a budget allocation of R4,5 billion between 2010/11 and 2012/13 earmarked to be transferred to Transnet for the construction of the NMPP. Transfer payments to Transnet have been effected in accordance with the funding agreement, with the final payment being made during the last quarter of 2012/13. The full construction work on the pipeline, inclusive of support infrastructure which was initially planned for completion by the end of December 2011, will be concluded in December 2013.



# Part C

## PROGRAMME AND SUBPROGRAMME PLANS

### 1. PROGRAMME 1: ADMINISTRATION

(Branch: Financial Management Services, Branch: Corporate Services, Branch: Governance and Compliance, Chief Directorate: Ministerial and Parliamentary Services, Chief Directorate: Office of the Director-General [DG] and Directorate: Audit Services)

#### 1.1 Purpose

Provide strategic support and management services to the Ministry and the Department of Energy (DoE).

#### 1.2 Strategic Objectives

- SO 1.1 Finance and Supply Chain Management (SCM): To provide financial management, accounting, and supply chain and asset management services to the DoE.
- SO 1.2 Corporate Support: To provide corporate support to the DoE.
- SO 1.3 Governance and Compliance: To ensure good corporate governance and compliance by the DoE and state-owned entities (SOEs).
- SO 1.4 International Coordination: To support the Minister, Deputy Minister (DM), DG, DoE and Energy Sector with their international engagements and obligations.

#### 1.3 Updates/Changes to Information

The strategic objectives for this programme were consolidated as set out in Annexure B. The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as “N/A”.

#### 1.4 Subprogramme 1.1: Ministry

(Chief Directorate: Ministerial and Parliamentary Services)

This subprogramme provides executive support to the Minister and DM and provides a parliamentary service to the Minister, DM, DoE and Energy Sector. No strategic objectives, performance indicators or targets were set for this subprogramme.

#### 1.5 Subprogramme 1.2: Departmental Management

(Chief Directorate: Office of the DG and Offices of Deputy Directors-General [DDGs])

This subprogramme provides executive support to the DG and DDGs. No strategic objectives, performance indicators or targets were set for this subprogramme.



Programme 1 provides strategic support and management services.

## 1.6 Subprogramme 1.3: Finance Administration

(Branch: Financial Management Services)

This subprogramme provides financial management, accounting, and supply chain management services to the DoE.

### 1.6.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 9

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.1 Finance & Supply Chain Management"	1.3.1	Number of budget submissions, as per National Treasury (NT) requirements for the current cycle.	N/A	N/A	4 budget submissions submitted to NT.	4 budget submissions submitted to NT.	4 budget submissions submitted to NT.	4 budget submissions submitted to NT.	4 budget submissions submitted to NT.
	1.3.2	Number of monthly reports submitted to NT in compliance to Public Finance Management Act (PFMA) & Treasury Regulations (TR) requirements.	N/A	N/A	12 in-year-monthly (IYM) reports submitted to NT.	12 IYM reports submitted to NT.	12 IYM reports submitted to NT.	12 IYM reports submitted to NT.	12 IYM reports submitted to NT.
	1.3.3	Number of monthly budget expenditure statements sent to branches to monitor spending patterns.	N/A	N/A	12 (monthly) budget expenditure statements submitted to branches.	12 (monthly) budget expenditure statements submitted to branches.	12 (monthly) budget expenditure statements submitted to branches.	12 (monthly) budget expenditure statements submitted to branches.	12 (monthly) budget expenditure statements submitted to branches.
	1.3.4	Percentage of compliance with revenue surrenders to NT as per revenue management schedule.	N/A	N/A	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 1.1 Finance & Supply Chain Management" (continued)	1.3.5	Number of debtors age-analysis reports compiled.	N/A	N/A	12 debtors age-analysis reports compiled.	12 debtors age-analysis reports compiled.	12 debtors age-analysis reports compiled.	12 debtors age-analysis reports compiled.	12 debtors age-analysis reports compiled.
	1.3.6	Number of (monthly) bank reconciliations completed & submitted to NT.	N/A	N/A	12 (monthly) bank reconciliations completed & submitted to NT.	12 (monthly) bank reconciliations completed & submitted to NT.	12 (monthly) bank reconciliations completed & submitted to NT.	12 (monthly) bank reconciliations completed & submitted to NT.	12 (monthly) bank reconciliations completed & submitted to NT.
	1.3.7	Number of (monthly) asset reconciliations performed.	N/A	N/A	12 asset reconciliations performed.	12 asset reconciliations performed.	12 asset reconciliations performed.	12 asset reconciliations performed.	12 asset reconciliations performed.
	1.3.8	Number of asset verifications conducted.	N/A	N/A	16 asset verifications conducted.	16 asset verifications conducted.	16 asset verifications conducted.	16 asset verifications conducted.	16 asset verifications conducted.
	1.3.9	Percentage of approved transfers processed from transferring branches as per drawing schedule.	N/A	N/A	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.
	1.3.10	Percentage of payments of approved invoices within 30 days of receipt.	N/A	N/A	This was not fully achieved as there were exceptions with valid reasons.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.
	1.3.11	Number of reports on payments of approved invoices within 30 days of receipt submitted to NT.	N/A	N/A	This was not fully achieved as there were exceptions with valid reasons.	12 reports submitted to NT.	12 reports submitted to NT.	12 reports submitted to NT.	12 reports submitted to NT.
	1.3.12	Number of compliance reports submitted to NT.	N/A	N/A	12 compliance reports submitted to NT.	12 compliance reports submitted to NT.	12 compliance reports submitted to NT.	12 compliance reports submitted to NT.	12 compliance reports submitted to NT.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.1 Finance & Supply Chain Management" (continued)	1.3.13	Number of interim (quarterly) financial statements submitted to NT.	N/A	N/A	4 interim (quarterly) financial statements submitted to NT.	4 interim (quarterly) financial statements submitted to NT.	4 interim (quarterly) financial statements submitted to NT.	4 interim (quarterly) financial statements submitted to NT.	4 interim (quarterly) financial statements submitted to NT.
	1.3.14	Number of consolidated Annual Financial Statements (AFSs) work plans developed & circulated to all role players.	N/A	N/A	Developed & circulated 1 AFS work plan.	Developed & circulated 1 AFS work plan.	Developed & circulated 1 AFS work plan.	Developed & circulated 1 AFS work plan.	Developed & circulated 1 AFS work plan.
	1.3.15	Number of AFSs submitted to NT & Auditor-General of South Africa (AGSA).			2 AFSs submitted to NT & AGSA.	2 AFSs submitted to NT & AGSA.	2 AFSs submitted to NT & AGSA.	2 AFSs submitted to NT & AGSA.	2 AFSs submitted to NT & AGSA.
	1.3.16	Percentage of compliance in aligning SCM policies to NT SCM prescripts.	N/A	N/A	The Travel & Accommodation Policy was drafted; however, this was not adopted due to the extended feedback sessions & long consultation processes.	100% alignment of SCM policies to NT SCM prescripts.	100% alignment of SCM policies to NT SCM prescripts.	100% alignment of SCM policies to NT SCM prescripts.	100% alignment of SCM policies to NT SCM prescripts.
	1.3.17	Percentage of compliance to SCM policies & prescripts.	N/A	N/A	Not fully compliant mainly due to urgent/emergency procurement.	100% compliance to the SCM checklist.	100% compliance to the SCM checklist.	100% compliance to the SCM checklist.	100% compliance to the SCM checklist.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 1.1 Finance & Supply Chain Management" (continued)	1.3.18	Number of awareness & training sessions on SCM matters.	N/A	N/A	4 awareness & training sessions conducted on SCM matters.	2 awareness & training sessions conducted on SCM matters.	2 awareness & training sessions conducted on SCM matters.	2 awareness & training sessions conducted on SCM matters.	2 awareness & training sessions conducted on SCM matters.
	1.3.19	Number of reviews of commitment & accrual register.	N/A	N/A	12 reviews of commitment & accrual register conducted.	12 reviews of commitment & accrual register conducted.	12 reviews of commitment & accrual register conducted.	12 reviews of commitment & accrual register conducted.	12 reviews of commitment & accrual register conducted.
	1.3.20	Number of procurement plan submissions to NT.	N/A	N/A	1 procurement plan submission to NT.	1 procurement plan submission to NT.	1 procurement plan submission to NT.	1 procurement plan submission to NT.	1 procurement plan submission to NT.
	1.3.21	Number of updates to the supplier database.	N/A	N/A	1 update performed on the supplier database.	1 update performed on the supplier database.	1 update performed on the supplier database.	1 update performed on the supplier database.	1 update performed on the supplier database.
	1.3.22	Number of warehouse inventory counts & reconciliations.	N/A	N/A	4 warehouse inventory counts & reconciliations performed.	4 warehouse inventory counts & reconciliations performed.	4 warehouse inventory counts & reconciliations performed.	4 warehouse inventory counts & reconciliations performed.	4 warehouse inventory counts & reconciliations performed.

1.6.2 Quarterly Targets 2013/14

Table 10

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
1.3.1 Number of budget submissions, as per NT requirements for the current cycle.	Quarterly	4 budget submissions submitted to NT.	N/A	2 budget submissions submitted to NT.	1 budget submission submitted to NT.	1 budget submission submitted to NT.
1.3.2 Number of IYM reports submitted to NT in compliance to PFMA & TR requirements.	Monthly	12 IYM reports submitted to NT.	3 IYM reports submitted to NT.	3 IYM reports submitted to NT.	3 IYM reports submitted to NT.	3 IYM reports submitted to NT.
1.3.3 Number of monthly budget expenditure statements sent to branches to monitor spending patterns.	Monthly	12 (monthly) budget expenditure statements sent to branches.	3 (monthly) budget expenditure statements sent to branches.	3 (monthly) budget expenditure statements sent to branches.	3 (monthly) budget expenditure statements sent to branches.	3 (monthly) budget expenditure statements sent to branches.
1.3.4 Percentage of compliance with revenue collected surrendered to NT as per the revenue management schedule.	Monthly	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.	100% of revenue collected surrendered to NT.
1.3.5 Number of debtors age-analysis reports compiled.	Monthly	12 debtors age-analysis reports compiled.	3 debtors age-analysis reports compiled.	3 debtors age-analysis reports compiled.	3 debtors age-analysis reports compiled.	3 debtors age-analysis reports compiled.
1.3.6 Number of (monthly) bank reconciliations completed & submitted to NT.	Monthly	12 (monthly) bank reconciliations completed & submitted to NT.	3 (monthly) bank reconciliations completed & submitted to NT.	3 (monthly) bank reconciliations completed & submitted to NT.	3 (monthly) bank reconciliations completed & submitted to NT.	3 (monthly) bank reconciliations completed & submitted to NT.
1.3.7 Number of (monthly) asset reconciliations performed.	Monthly	12 (monthly) asset reconciliations performed.	3 (monthly) asset reconciliations performed.	3 asset (monthly) reconciliations performed.	3 asset (monthly) reconciliations performed.	3 asset (monthly) reconciliations performed.
1.3.8 Number of asset verifications conducted.	Quarterly	16 asset verifications conducted.	4 asset verifications conducted.	4 asset verifications conducted.	4 asset verifications conducted.	4 asset verifications conducted.
1.3.9 Percentage of approved transfers processed from transferring branches as per drawing schedule.	Monthly	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.	100% of approved transfers processed.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.3.10	Percentage of payments of approved invoices within 30 days of receipt.	Monthly	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.	100% of approved invoices paid within 30 days of receipt.
1.3.11	Number of reports on payments of approved invoices within 30 days of receipt submitted to NT.	Monthly	12 reports submitted to NT.	3 (monthly) reports on payments of approved invoices within 30 days of receipt submitted to NT by the 7th of each month.	3 (monthly) reports on payments of approved invoices within 30 days of receipt submitted to NT by the 7th of each month.	3 (monthly) reports on payments of approved invoices within 30 days of receipt submitted to NT by the 7th of each month.	3 (monthly) reports on payments of approved invoices within 30 days of receipt submitted to NT by the 7th of each month.
1.3.12	Number of compliance reports submitted to NT.	Monthly	12 compliance reports submitted to NT.	3 compliance reports submitted to NT.	3 compliance reports submitted to NT.	3 compliance reports submitted to NT.	3 compliance reports submitted to NT.
1.3.13	Number of interim (quarterly) financial statements submitted to NT.	Quarterly	4 interim (quarterly) financial statements submitted to NT.	1 interim (quarterly) financial statement submitted to NT.	1 interim (quarterly) financial statement submitted to NT.	1 interim (quarterly) financial statement submitted to NT.	1 interim (quarterly) financial statement submitted to NT.
1.3.14	Number of consolidated AFS work plans developed & circulated to all role players.	Annually	Developed & circulated 1 AFS work plan.	N/A	N/A	1 AFS work plan developed by 31 December.	1 AFS work plan circulated to all role players by 31 January.
1.3.15	Number of AFSs submitted to NT & AGSA.	Annually	2 AFSs submitted to NT & AGSA.	1 draft AFS submitted to NT & AGSA by 31 May.	1 final AFS submitted to NT & AGSA by 31 July.	N/A	N/A
1.3.16	Percentage of compliance in aligning SCM policies to NT SCM prescripts.	Monthly	100% alignment of SCM policies to NT SCM prescripts.	SCM policy aligned as per instruction notes issued by NT, where applicable.	SCM policy aligned as per instruction notes issued by NT, where applicable.	SCM policy aligned as per instruction notes issued by NT, where applicable.	SCM policy aligned as per instruction notes issued by NT, where applicable.
1.3.17	Percentage of compliance to SCM policies & prescripts.	Monthly	100% compliance to the SCM checklist.	100% compliance to SCM policies & prescripts, i.e. orders generated only after SCM checklist criteria are met.	100% compliance to SCM policies & prescripts, i.e. orders generated only after SCM checklist criteria are met.	100% compliance to SCM policies & prescripts, i.e. orders generated only after SCM checklist criteria are met.	100% compliance to SCM policies & prescripts, i.e. orders generated only after SCM checklist criteria are met.
1.3.18	Number of awareness & training sessions on SCM matters.	Quarterly	2 awareness & training sessions conducted on SCM matters.	N/A	1 awareness & training session on SCM matters conducted.	1 awareness & training session on SCM matters conducted.	N/A
1.3.19	Number of (monthly) reviews of commitment & accrual register.	Monthly	12 (monthly) reviews of commitment & accrual register conducted.	3 (monthly) reviews of commitment & accrual register conducted.	3 (monthly) reviews of commitment & accrual register conducted.	3 (monthly) reviews of commitment & accrual register conducted.	3 (monthly) reviews of commitment & accrual register conducted.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.3.20	Number of procurement plan submissions to NT.	Annually	1 procurement plan submitted to NT.	1 procurement plan submitted to NT.	N/A	N/A	1 procurement plan submitted to NT.
1.3.21	Number of updates to the supplier database.	Annually	1 update performed to the supplier database.	Maintain the supplier database.	Invitation of suppliers to register on the supplier database by 30 September.	1 update to the supplier database.	Maintain the supplier database.
1.3.22	Number of warehouse inventory counts & reconciliations.	Quarterly	4 warehouse inventory counts & reconciliations performed.	1 warehouse inventory count & reconciliation performed.	1 warehouse inventory count & reconciliation performed.	1 warehouse inventory count & reconciliation performed.	1 warehouse inventory count & reconciliation performed.

## 1.7 Subprogramme 1.4: Audit Services

(Directorate: Audit Services)

This subprogramme provides an audit and support service to the DoE.

### 1.7.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 11

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 1.3 Governance & Compliance"	1.4.1	Percentage of satisfaction for internal audit services rendered in terms of: – Client satisfaction; & – Audit Committee satisfaction.	N/A	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Execution of Risk-Based Annual Audit Plan with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Execution of Risk-Based Annual Audit Plan with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Execution of Risk-Based Annual Audit Plan with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Execution of Risk-Based Annual Audit Plan with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets			
			Audited/Actual Performance			Estimated Performance				
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.4.2	Internal Audit Strategic Plan reviewed & updated.	N/A	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Internal Audit Strategic Plan reviewed & updated.	Internal Audit Strategic Plan reviewed & updated.	Internal Audit Strategic Plan reviewed & updated.	Internal Audit Strategic Plan reviewed & updated.	
	1.4.3	Internal Audit Annual Plan compiled.	N/A	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Internal Audit Annual Plan compiled.	Internal Audit Annual Plan compiled.	Internal Audit Annual Plan compiled.	Internal Audit Annual Plan compiled.	
	1.4.4	Internal Audit Charter & Audit Committee Charter reviewed.	N/A	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Internal Audit Charter & Audit Committee Charter reviewed.	Internal Audit Charter & Audit Committee Charter reviewed.	Internal Audit Charter & Audit Committee Charter reviewed.	Internal Audit Charter & Audit Committee Charter reviewed.	
	1.4.5	Auditor-General (AG) management letter addressed.	N/A	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	Completion of the approved Annual Internal Audit Plan by the Audit Committee.	AG management letter addressed.	AG management letter addressed.	AG management letter addressed.	AG management letter addressed.	

1.7.2 Quarterly Targets 2013/14

Table 12

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
1.4.1 Percentage of satisfaction for internal audit services rendered in terms of: – Client satisfaction; & – Audit Committee satisfaction.	Quarterly	Execution of Risk-Based Annual Audit Plan with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Risk-Based Annual Audit Plan executed with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Risk-Based Annual Audit Plan executed with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Risk-Based Annual Audit Plan executed with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.	Risk-Based Annual Audit Plan executed with: – 70% client satisfaction achieved; & – 70% Audit Committee satisfaction achieved.
1.4.2 Internal Audit Strategic Plan reviewed & updated.	Annually	Internal Audit Strategic Plan reviewed & updated.	Prepare a draft Strategic Plan & Annual Internal Audit Plan.	Finalise the 3-year Strategic & Annual Internal Audit Plan (consider inputs from management, the Audit Committee & the AG).	Present the 3-year Strategic & Annual Internal Audit Plan to the Audit Committee & Auditor.	Internal Strategic Plan reviewed & updated.
1.4.3 Internal Audit Annual Plan compiled.	Annually	Internal Audit Annual Plan compiled.	Present 1st draft Internal Audit Annual Plan to the Audit Committee for approval.	Internal Audit Annual Plan to the Audit Committee approved.	N/A	N/A
1.4.4 Internal Audit Charter & Audit Committee Charter reviewed.	Annually	Internal Audit Charter & Audit Committee Charter reviewed.	N/A	Internal Audit Charter & Audit Committee Charter reviewed & approved.	N/A	N/A
1.4.5 AG management letter addressed.	Quarterly	AG management letter addressed.	Internal audit action (tracking document).	Prepare an action plan to address matters raised by the AG in the management letter.	Perform a follow-up audit on the AG Management Letter Action Plan.	Present AG Management Letter Action Plan & audit reports to management.  Present the AG Management Letter Action Plan & follow-up audit reports to the Audit Committee & the AG.  Update Internal Audit Action Plan (tracking document).

## 1.8 Subprogramme 1.5: Corporate Services

(Branch: Corporate Services)

This subprogramme provides corporate support to the DoE.

### 1.8.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 13

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support"	1.5.1	Human Resources (HR) Plan, Human Resource Development (HRD) Strategy, organisational structure, occupational categories, skills audit, Workplace Skills Plan, Training Programme, Annual Health & Wellness Agenda, & HR recruitment, selection, development & retention to fulfil DoE's mandate.	N/A	N/A	HR Plan developed & phase 1 of the HR Plan implemented.	Implementation of phase 2 of the HR Plan & compile a report on phase 1 of the HR plan progress.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.
	1.5.2	Implementation of phase 3 of the HR Plan.	N/A	N/A	N/A	*Rephrased target.	Finalisation of phase 3 of the HR Plan.	Finalisation of phase 4 of the HR Plan.	HR Plan fully implemented by 31 March 2016.
	1.5.3	Review of phase 2 of the HR plan progress.	N/A	N/A	N/A	*Rephrased target.	Finalisation of the review of phase 2 of the HR Plan progress.	Finalisation of the review of phase 3 of the HR Plan progress.	Finalisation of the review of phase 4 of the HR Plan progress.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.4	Number of HR policies reviewed/ updated in line with broader public service prescripts.	N/A	N/A	N/A	*Rephrased target.	4 HR policies reviewed/ updated in line with broader public services prescripts.	4 HR policies reviewed/ updated in line with broader public services prescripts.	4 HR policies reviewed/ updated in line with broader public services prescripts.
	1.5.5	Number of policy awareness sessions/ presentations conducted with staff.	N/A	N/A	N/A	*Rephrased target.	8 workshops conducted at head office & regional offices on 4 policies.	8 workshops conducted at head office & regional offices on 4 policies.	8 workshops conducted at head office & regional offices on 4 policies.
	1.5.6	Review support services organisational structure in line with the departmental strategic objectives.	N/A	N/A	N/A	*Rephrased target.	Finalisation of support services organisational structure.	N/A	N/A
	1.5.7	Defined organisational culture for DoE.	N/A	N/A	N/A	*Rephrased target.	Implementation of all the identified organisational culture survey recommendations for the DoE for 2013/14 as per the Implementation Plan.	Implementation of 1 of the identified organisational culture survey recommendations for the DoE for 2013/14 as per the Implementation Plan.	Implementation of 1 of the identified organisational culture survey recommendations for the DoE for 2013/14 as per the Implementation Plan.
	1.5.8	Percentage of reduction in vacancy rate.	N/A	N/A	N/A	*Rephrased target.	Vacancy rate reduced to 10%.	Vacancy rate reduced to 10%.	Vacancy rate reduced to 10%.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.9	Percentage of the training programmes implemented according to the Annual Training Plan.	N/A	N/A	N/A	*Rephrased target.	100% of training programmes implemented.	100% of training programmes implemented.	100% of training programmes implemented.
	1.5.10	Number of meetings held in accordance with the General Public Service Sector Bargaining Council (GPSSBC) rules for chambers (Departmental Bargaining Chamber [DBC] & multilateral).	N/A	N/A	N/A	*Rephrased target.	Conducted 4 DBC & 4 multilateral meetings in line with the GPSSBC rules for chambers.	Conducted 4 DBC & 4 multilateral meetings in line with the GPSSBC rules for chambers.	Conducted 4 DBC & 4 multilateral meetings in line with the GPSSBC rules for chambers.
	1.5.11	Number of training/ awareness sessions on labour relation conducted.	N/A	N/A	N/A	*Rephrased target.	Training/ awareness sessions on labour relation conducted.	12 training/ awareness sessions on labour relation conducted.	12 training/ awareness sessions on labour relation conducted.
	1.5.12	Turnaround time for finalisation of grievance & misconduct cases.	N/A	N/A	N/A	*Rephrased target.	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases maintained at 30 days & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases maintained at 30 days & 45 days, respectively.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.13	Number of wellness programmes implemented within the DoE in terms of the 4 pillars of the Department of Public Service & Administration (DPSA) wellness strategy.	N/A	N/A	N/A	*Rephrased target.	4 approved wellness programmes implemented.	4 approved wellness programmes implemented.	4 approved wellness programmes implemented.
	1.5.14	Percentage of performance agreements submitted.	N/A	N/A	N/A	*Rephrased target.	50% of performance agreements submitted.	65% of performance agreements submitted.	80% of performance agreements submitted.
	1.5.15	Percentage of employment of people with disabilities.	N/A	N/A	N/A	*Rephrased target.	1,8% of employment of people with disabilities.	2% of employment of people with disabilities.	2% of employment of people with disabilities.
	1.5.16	Percentage of women in middle management.	N/A	N/A	N/A	*Rephrased target.	47% of women in middle management.	50% of women in middle management.	50% of women in middle management.
	1.5.17	Percentage of women in Senior Management Service (SMS) positions.	N/A	N/A	N/A	*Rephrased target.	42,5% of women in SMS positions.	45% of women in SMS positions.	50% of women in SMS positions.
	1.5.18	Number of Management Information Systems (MISs) reports submitted on Energy Efficiency (EE).	N/A	N/A	N/A	*Rephrased target.	12 of MIS reports submitted on EE.	12 of MIS reports submitted on EE.	12 of MIS reports submitted on EE.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.19	Number of Department of Labour (DoL) reports submitted on EE.	N/A	N/A	N/A	*Rephrased target.	1 DoL report submitted on EE.	1 DoL report submitted on EE.	1 DoL report submitted on EE.
	1.5.20	Records Management Plan developed, approved & implemented.	N/A	N/A	File Plan was developed & approved by National Archives.	Records Management Plan developed, approved & implemented.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.
	1.5.21	Percentage of employees in the DoE trained on the Records Management Policy & Procedures.	N/A	N/A	N/A	*Rephrased target.	50% of employees in the DoE trained on the Records Management Policy & Procedures.	70% of employees in the DoE trained on the Records Management Policy & Procedures.	80% of employees in the DoE trained on the Records Management Policy & Procedures.
	1.5.22	Number of serviceable vehicles maintained.	N/A	N/A	N/A	*Rephrased target.	29 of serviceable vehicles maintained.	29 of serviceable vehicles maintained.	29 of serviceable vehicles maintained.
	1.5.23	A safe & secure working environment.	N/A	N/A	N/A	Phase 2 of the Savannah River Site (SRS) Plan implemented by 30 June 2012 & review implementation of phase 1.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.
	1.5.24	Percentage of new candidates screened as per the Minimum Information Security Standard (MISS).	N/A	N/A	N/A	*Rephrased target.	95% of new candidates screened as per the MISS.	100% of new candidates screened as per the MISS.	100% of new candidates screened as per the MISS.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.25	Number of vetting investigations conducted as per the MISS.	N/A	N/A	N/A	*Rephrased target.	60 vetting investigations conducted as per the MISS.	70 vetting investigations conducted as per the MISS.	80 vetting investigations conducted as per the MISS.
	1.5.26	Number of physical security audits conducted as per the MISS.	N/A	N/A	N/A	*Rephrased target.	9 physical security audits conducted as per the MISS.	10 physical security audits conducted as per the MISS.	10 physical security audits conducted as per the MISS.
	1.5.27	Approved & implemented Communication Strategy & Plan.	N/A	N/A	Draft Communication Strategy & Plan implemented.	Implement, align & evaluate DoE communication strategy in line with the national priorities.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.
	1.5.28	Communication Strategy (including Action Plan) approved.	N/A	N/A	N/A	*Rephrased target.	Approved DoE Communication Strategy (including Action Plan).	Approved DoE Communication Strategy (including Action Plan).	Approved DoE Communication Strategy (including Action Plan).
	1.5.29	Number of Public Participation Programmes (PPPs) conducted.	N/A	N/A	N/A	*Rephrased target.	20 PPPs conducted.	20 PPPs conducted.	20 PPPs conducted.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.30	Number of external communication campaigns conducted in support of prioritised energy programmes (EE; Independent Power Producers [IPPs]; Nuclear Build Prog; Secretariat Internship Programmes [SIPs]).	N/A	N/A	N/A	*Rephrased target.	4 external communication campaigns conducted.	4 external communication campaigns conducted.	4 external communication campaigns conducted.
	1.5.31	Number of weekly media monitoring reports.	N/A	N/A	N/A	*Rephrased target.	50 weekly media monitoring reports.	50 weekly media monitoring reports.	50 weekly media monitoring reports.
	1.5.32	Rate of response to media inquiries within the timelines given/ requested.	N/A	N/A	N/A	*Rephrased target.	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).
	1.5.33	Number of media statements issued by the DoE.	N/A	N/A	N/A	*Rephrased target.	9 media statements issued by the DoE.	9 media statements issued by the DoE.	9 media statements issued by the DoE.
	1.5.34	Number of structured (face-to-face) media interactions.	N/A	N/A	N/A	*Rephrased target.	8 structured (face-to-face) media interactions.	8 structured (face-to-face) media interactions.	8 structured (face-to-face) media interactions.
	1.5.35	Number of internal network sessions conducted.	N/A	N/A	N/A	*Rephrased target.	8 internal network sessions conducted.	8 internal network sessions conducted.	8 internal network sessions conducted.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 1.2 Corporate Support" (continued)	1.5.36	Number of internal marketing campaigns implemented.	N/A	N/A	N/A	*Rephrased target.	4 internal marketing campaigns implemented.	4 internal marketing campaigns implemented.	4 internal marketing campaigns implemented.
	1.5.37	Number of updates conducted on the events calendar.	N/A	N/A	N/A	*Rephrased target.	50 updates conducted on the events calendar.	50 updates conducted on the events calendar.	50 updates conducted on the events calendar.
	1.5.38	Number of publications developed.	N/A	N/A	N/A	*Rephrased target.	8 publications developed.	8 publications developed.	8 publications developed.
	1.5.39	Number of website updates.	N/A	N/A	N/A	*Rephrased target.	50 website updates.	50 website updates.	50 website updates.
	1.5.40	Number of intranet updates.	N/A	N/A	N/A	*Rephrased target.	50 intranet updates.	50 intranet updates.	50 intranet updates.
	1.5.41	Number of updated stakeholder databases.	N/A	N/A	N/A	*Rephrased target.	1 updated stakeholder database.	1 updated stakeholder database.	1 updated stakeholder database.
	1.5.42	Number of stakeholder engagements conducted.	N/A	N/A	N/A	*Rephrased target.	4 stakeholder engagements conducted.	4 stakeholder engagements conducted.	4 stakeholder engagements conducted.
	1.5.43	Number of cluster sessions attended as per the Government Communication Information System (GCIS) schedule.	N/A	N/A	N/A	*Rephrased target.	8 cluster sessions attended as per the GCIS schedule.	8 cluster sessions attended as per the GCIS schedule.	8 cluster sessions attended as per the GCIS schedule.
	1.5.44	Establish resource centre.	N/A	N/A	N/A	Develop a Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
“SO 1.2 Corporate Support” (continued)	1.5.45	Percentage of requests relating to legal services processed within prescribed or agreed timeframes.	N/A	N/A	N/A	100% of requests processed within prescribed or agreed timeframes.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.2 Corporate Support" (continued)	1.5.46	Percentage of availability of Wide Area Network (WAN).	N/A	N/A	95% of WAN availability achieved.	95% of WAN availability achieved.	95% of WAN availability achieved.	95% of WAN availability achieved.	95% of WAN availability achieved.
	1.5.47	Percentage of availability of server.	N/A	N/A	95% of server availability achieved.	95% of server availability achieved.	95% of server availability achieved.	95% of server availability achieved.	95% of server availability achieved.
	1.5.48	Developed petroleum licencing lodgment module.	N/A	N/A	Reengineering of the petroleum licencing system was in progress. Project schedule was affected by scope creep in the form of development of function to calculate penalty fee on late licence renewal.	Develop 1 petroleum licencing lodgment module.	Develop 1 petroleum licencing lodgment module.	Maintain 1 petroleum licencing lodgment module.	Maintain 1 petroleum licencing lodgment module.
	1.5.49	Number of regional offices where data lines have been installed.	N/A	N/A	Virtual Private Network (VPN) Project was put on hold as the network equipment could not be deployed at regional offices due to access restrictions.	Install 1 data line at each of the 9 regional offices.	Maintain 1 data line at each of the 9 regional offices.	Maintain 1 data line at each of the 9 regional offices.	Maintain 1 data line at each of the 9 regional offices.

1.8.2 Quarterly Targets 2013/14

Table 14

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
1.5.1 HR Plan, HRD Strategy, organisational structure, occupational categories, Skills Audit & Workplace Skills Plan & Training Programme, Annual Health & Wellness Agenda, & HR recruitment, selection, development & retention to fulfill DoE's mandate.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.5.2 Implementation of phase 3 of the HR Plan.	Quarterly	Finalisation of phase 3 of the HR Plan.	Quarterly progress reports on the implementation of phase 3 of the HR Plan submitted.	Quarterly progress reports on the implementation of phase 3 of the HR Plan submitted.	Quarterly progress reports on the implementation of phase 3 of the HR Plan submitted.	Quarterly progress reports on the implementation of phase 3 of the HR Plan submitted.
1.5.3 Review of phase 2 of the HR Plan progress.	Quarterly	Finalisation of the review of phase 2 of the HR Plan's progress.	Review report of HR Plan implementation submitted to the DPSA by 30 June.	No target set.	Publish review of HR Plan by 31 December.	No target set.
1.5.4 Number of HR policies reviewed/updated in line with broader public service prescripts.	Quarterly	4 HR policies reviewed/ updated in line with broader public services prescripts.	1 HR policy reviewed/ updated in line with broader public services prescripts.	1 HR policy reviewed/ updated in line with broader public services prescripts.	1 HR policy reviewed/ updated in line with broader public services prescripts.	1 HR policy reviewed/ updated in line with broader public services prescripts.
1.5.5 Number of policy awareness session/ presentations conducted with staff.	Quarterly	8 workshops conducted at head office & regional offices on 4 policies.	2 workshops conducted at head office & regional offices on 4 policies.	2 workshops conducted at head office & regional offices on 4 policies.	2 workshops conducted at head office & regional offices on 4 policies.	2 workshops conducted at head office & regional offices on 4 policies.
1.5.6 Review support services organisational structure in line with the departmental strategic objectives.	Quarterly	Finalised support services organisational structure.	Conduct work-study investigation on support services organisational structure.	Compile job descriptions & conduct job evaluations for support services organisational structure.	Obtain approval from DoE Minister & concurrence from Minister of DPSA.	Implement the approved support services organisational structure.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.5.7	Defined organisational culture for DoE.	Quarterly	Implementation of all the identified organisational culture survey recommendations for DoE for 2013/14 as per the Implementation Plan.	Commence with facilitation & coordination of the implementation of culture survey recommendations as per the Implementation Plan.	Quarterly report on the facilitation & coordination of the implementation of culture survey recommendations as per the Implementation Plan.	Quarterly report on the facilitation & coordination of the implementation of culture survey recommendations as per the Implementation Plan.	Quarterly report on the facilitation & coordination of the implementation of culture survey recommendations as per the Implementation Plan.
1.5.8	Percentage reduction in vacancy rate.	Quarterly	Vacancy rate reduced to 10%.	Vacancy rate reduced to 15%.	Vacancy rate reduced to 13%.	Vacancy rate reduced to 11%.	Vacancy rate reduced to 10%.
1.5.9	Percentage of the training programmes implemented according to the Annual Training Plan.	Quarterly	100% of training programmes implemented.	No target set.	40% of training programmes implemented.	30% of training programmes implemented.	30% of training programmes implemented.
1.5.10	Number of meetings held in accordance with the GPSSBC rules for chambers (DBC & multilateral).	Quarterly	Conducted 4 DBC & 4 multilateral meetings in line with the GPSSBC rules for chambers.	1 DBC & 1 multilateral meeting held.	1 DBC & 1 multilateral meeting held.	1 DBC & 1 multilateral meeting held.	1 DBC & 1 multilateral meeting held.
1.5.11	Number of training/awareness sessions on labour relation conducted.	Quarterly	Training/awareness sessions on labour relation conducted.	No target set for quarter.	4 training/awareness sessions on labour relation conducted.	4 training/awareness sessions on labour relation conducted.	4 training/awareness sessions on labour relation conducted.
1.5.12	Turnaround time for finalisation of grievance & misconduct cases.	Quarterly	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.	Turnaround time for finalisation of grievance & misconduct cases improved by 30 & 45 days, respectively.
1.5.13	Number of wellness programmes implemented within the DoE in terms of the 4 pillars of the DPSA wellness strategy.	Quarterly	4 approved wellness programmes implemented.	1 approved wellness programme implemented.	1 approved wellness programme implemented.	1 approved wellness programme implemented.	1 approved wellness programme implemented.
1.5.14	Percentage of performance agreements submitted.	Quarterly	50% of performance agreements submitted.	50% compliance with the submission of performance agreements.	Recommend corrective action for no submission of the performance agreements & work plans.	No target set.	No target set.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.5.15	Percentage of employment of people with disabilities.	Annually	1,8% of employment of people with disabilities.	No target set.	No target set.	No target set.	1,8% of employment of people with disabilities.
1.5.16	Percentage of women in middle management.	Annually	47% of women in middle management.	No target set.	No target set.	No target set.	47% of women in middle management.
1.5.17	Percentage of women in SMS positions.	Annually	42,5% of women in SMS positions.	No target set.	No target set.	No target set.	42,5% of women in SMS positions.
1.5.18	Number of MIS reports submitted on EE.	Quarterly	12 of MIS reports submitted on EE.	Publish 3 MIS reports.	Publish 3 MIS reports.	Publish 3 MIS reports.	Publish 3 MIS reports.
1.5.19	Number of DoL reports submitted on EE.	Annually	1 DoL report submitted on EE.	No target set.	1 EE analysis report to DoL (for 1 October 2013).	No target set.	No target set.
1.5.20	Records Management Plan developed, approved & implemented.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.5.21	Percentage of employees in the DoE trained on the Records Management Policy & Procedures.	Annually	50% of employees in the DoE trained on the Records Management Policy & Procedures.	No target set.	25% of employees in the DoE trained on the Records Management Policy & Procedures.	No target set.	25% of employees in the DoE trained on the Records Management Policy & Procedures.
1.5.22	Number of serviceable vehicles maintained.	Quarterly	29 serviceable vehicles maintained.	29 serviceable vehicles maintained.	29 serviceable vehicles maintained.	29 serviceable vehicles maintained.	29 serviceable vehicles maintained.
1.5.23	A safe & secure working environment.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.5.24	Percentage of new candidates screened as per the MISS.	Annually	95% of new candidates screened as per the MISS.	No target set.	No target set.	No target set.	95% of new candidates screened as per the MISS.
1.5.25	Number of vetting investigations conducted as per the MISS.	Quarterly	60 vetting investigations conducted as per the MISS.	15 vetting investigations conducted as per the MISS.	15 vetting investigations conducted as per the MISS.	15 vetting investigations conducted as per the MISS.	15 vetting investigations conducted as per the MISS.
1.5.26	Number of physical security audits conducted as per the MISS.	Quarterly	9 physical security audits conducted as per the MISS.	2 physical security audits conducted as per the MISS.	2 physical security audits conducted as per the MISS.	2 physical security audits conducted as per the MISS.	3 physical security audits conducted as per the MISS.
1.5.27	Approved & implemented communication strategy & plan.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.5.28	Approved DoE communication strategy (including Action Plan).	Quarterly	Approved DoE communication strategy (including Action Plan).	Draft communication strategy (including Action Plan).	Approved communication strategy (including Action Plan).	N/A	N/A

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.5.29	Number of PPPs conducted.	Quarterly	20 PPPs.	5 PPPs conducted.	5 PPPs conducted.	5 PPPs conducted.	5 PPPs conducted.
1.5.30	Number of external communication campaigns conducted in support of prioritised energy programmes (EE IPPs Efficiency; Nuclear Build Prog; SIPs).	Quarterly	4 external communication campaigns conducted.	1 external communication campaign conducted.	1 external communication campaign conducted.	1 external communication campaign conducted.	1 external communication campaign conducted.
1.5.31	Number of weekly media monitoring reports.	Weekly	50 weekly media monitoring reports.	13 weekly media monitoring reports.	13 weekly media monitoring reports.	11 weekly media monitoring reports.	13 weekly media monitoring reports.
1.5.32	Rate of response to media inquiries within the timelines given/ requested.	Daily	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).	Daily response to media enquiries (24 hrs electronic media; 48 hrs print media).
1.5.33	Number of media statements issued by the DoE.	Quarterly	36 media statements issued by the DoE.	9 media statements issued by the DoE.	9 media statements issued by the DoE.	9 media statements issued by the DoE.	9 media statements issued by the DoE.
1.5.34	Number of structured (face-to-face) media interactions.	Quarterly	8 structured (face-to-face) media interactions.	2 structured (face-to-face) media interactions.	2 structured (face-to-face) media interactions.	2 structured (face-to-face) media interactions.	2 structured (face-to-face) media interactions.
1.5.35	Number of internal network sessions conducted.	Quarterly	8 internal network sessions conducted.	2 internal network sessions conducted.	2 internal network sessions conducted.	2 internal network sessions conducted.	2 internal network sessions conducted.
1.5.36	Number of internal marketing campaigns implemented.	Quarterly	4 internal marketing campaigns implemented.	1 internal marketing campaign implemented.	1 internal marketing campaign implemented.	1 internal marketing campaign implemented.	1 internal marketing campaign implemented.
1.5.37	Number of updates conducted on the events calendar.	Weekly	50 updates conducted on the events calendar.	13 updates conducted on the events calendar.	13 updates conducted on the events calendar.	11 updates conducted on the events calendar.	13 updates conducted on the events calendar.
1.5.38	Number of publications developed.	Quarterly	13 publications developed.	3 publications developed.	4 publications developed.	3 publications developed.	3 publications developed.
1.5.39	Number of website updates.	Weekly	50 website updates made.	13 website updates made.	13 website updates made.	13 website updates made.	11 website updates made.
1.5.40	Number of intranet updates made.	Weekly	50 intranet updates made.	13 intranet updates made.	13 intranet updates made.	13 intranet updates made.	11 intranet updates made.
1.5.41	Number of updated stakeholder database.	Quarterly	1 updated stakeholder database.	1 updated stakeholder database.	1 updated stakeholder database.	1 updated stakeholder database.	1 updated stakeholder database.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.5.42	Number of stakeholder engagements conducted.	Quarterly	4 stakeholder engagements conducted.	1 stakeholder engagement conducted.	1 stakeholder engagement conducted.	1 stakeholder engagement conducted.	1 stakeholder engagement conducted.
1.5.43	Number of cluster sessions attended as per the GCIS schedule.	Quarterly	8 cluster sessions attended as per the GCIS schedule.	2 cluster sessions attended as per the GCIS schedule.	2 cluster sessions attended as per the GCIS schedule.	2 cluster sessions attended as per the GCIS schedule.	2 cluster sessions attended as per the GCIS schedule.
1.5.44	Establish resource centre.	Annually	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.	Implement Resource Centre Strategy & Plan.
1.5.45	Percentage of requests relating to legal services processed within prescribed or agreed timeframes.		7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.	7. 100% of the following requests received processed within prescribed or agreed timeframes: 7.1. Draft & vet legislation including subordinate legislation administered by the DoE; 7.2. Comply with legal processes for conclusion of international agreements as set out in Chapter 5 of the 2006 Manual on Executive Acts of the President of the RSA; 7.3. Vet contracts entered into by the DoE & advise on implications; 7.4. Research & draft legal opinions; 7.5. Process appeals to the Minister for decision; 7.6. Manage all litigation for & against the DoE/ Minister; & 7.7. Ensure that PAJA & PAIA are complied with.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.5.46	Percentage of availability of WAN.	Monthly	95% of WAN availability achieved.	95% of WAN availability.	95% of WAN availability.	95% of WAN availability.	95% of WAN availability.
1.5.47	Percentage of availability of server.	Monthly	95% of server availability achieved.	95% of server availability.	95% of server availability.	95% of server availability.	95% of server availability.
1.5.48	Developed petroleum licensing lodgment module.	Annually	Develop 1 petroleum licensing lodgment module.	Develop & display 1 licensing lodgment module as per project schedule.	Develop & display 1 licensing lodgment module as per project schedule.	Develop & display 1 licensing lodgment module as per project schedule.	Develop & display 1 licensing lodgment module as per project schedule.
1.5.49	Number of regional offices where data lines have been installed.	Quarterly	Maintain 1 data line at each of the 9 regional offices.	Install data lines at 2 regional offices.	Install data lines at 2 regional offices.	Install data lines at 2 regional offices.	Install data lines at 2 regional offices.

### 1.9 Subprogramme 1.6: Office Accommodation

(Branch: Corporate Services)

This subprogramme provides office accommodation and related support to the DoE.

#### 1.9.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 15

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance	2013/14	2014/15	2015/16
		2009/10	2010/11	2011/12	2012/13			
"SO 1.2 Corporate Support"	1.6.1 Effective & efficient accommodation & facilities services provided to the DoE.			Department of Public Works (DPW) secured alternative office accommodation & relocation scheduled for July 2012.	2. Relocation of identified DoE offices to new accommodation.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.
	1.6.2 Facilities management framework implemented	N/A	N/A	N/A	Facilities management framework implemented.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.	Target was rephrased & is reflected below.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
	1.6.3 Number of DoE office accommodation facilities maintained.	N/A	N/A	N/A	*Rephrased target.	9 DoE office accommodation facilities maintained.	10 DoE office accommodation facilities maintained.	10 DoE office accommodation facilities maintained.	
	1.6.4 Number of regional offices relocated to new accommodation.	N/A	N/A	N/A	*Rephrased target.	2 regional offices relocated to new accommodation.	3 regional offices relocated to new accommodation.	2 regional offices relocated to new accommodation.	
	1.6.5 Alternative office accommodation procured & relocated.	N/A	N/A	N/A	Development & approval of immovable asset management plan.	Target was rephrased & incorporated in 1.6.3 & 1.6.4	Target was rephrased & incorporated in 1.6.3 & 1.6.4	Target was rephrased & incorporated in 1.6.3 & 1.6.4	

1.9.2 Quarterly Targets 2013/14

Table 16

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
1.6.1 Effective & efficient accommodation & facilities services provided to the DoE.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.6.2 Facilities management framework implemented.	N/A	Target was rephrased & is reflected below.	N/A	N/A	N/A	N/A
1.6.3 Number of DoE office accommodation facilities maintained.	Annually	9 DoE office accommodation facilities maintained.	No target set.	No target set.	No target set.	9 DoE office accommodation facilities maintained.
1.6.4 Number of regional offices relocated to new accommodation.	Annually	2 regional offices relocated to new accommodation.	No target set.	No target set.	No target set.	2 regional offices relocated to new accommodation.
1.6.5 Alternative office accommodation procured & relocated.	N/A	Target was rephrased & incorporated in 1.6.3 & 1.6.4.	N/A	N/A	N/A	N/A

## 1.10 Subprogramme 1.7: Governance and Compliance

(Branch: Governance and Compliance)

This subprogramme ensures good corporate governance and compliance by the DoE and SOEs.

It should be noted that this subprogramme is not listed as a subprogramme in terms of the Estimate of National Expenditure. However, NT will be requested to do this with effect from the 2014/15 fiscal year.

### 1.10.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 17

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance"	1.7.1 Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee.	N/A	Draft Enterprise Management Strategy, which includes the Fraud Prevention Plan, developed.	Revised Risk Management Strategy in place.	Enterprise Risk Management System Fact Finding Workshops Strategy reviewed & recommendation implemented.	Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee by the end of June each year.	Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee by the end of June each year.	Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee by the end of June each year.	
	1.7.2 Number of quarterly Risk Management Reports presented to the Risk Management Committee within 1 month after the end of each quarter.	N/A	4 quarterly Risk Management Reports presented to the Risk Management Committee.	4 quarterly Risk Management Reports presented to the Risk Management Committee.	4 quarterly Risk Management Reports presented to the Risk Management Committee.	4 quarterly Risk Management Reports presented to the Risk Management Committee.	4 quarterly Risk Management Reports presented to the Risk Management Committee.	4 quarterly Risk Management Reports presented to the Risk Management Committee.	

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.7.3	Percentage of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	N/A	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).
	1.7.4	Number of progress reports on anti-fraud & corruption cases presented to Risk Management Committee, Audit Committee & Public Service Commission.	N/A	Anti-Fraud & Corruption Prevention Plan developed.	Anti-Fraud & Corruption Prevention Plan.	4 progress reports on anti-fraud & corruption cases presented to Risk Management Committee, Audit Committee & Public Service Commission.	4 progress reports on anti-fraud & corruption cases presented to Risk Management Committee, Audit Committee & Public Service Commission.	4 progress reports on anti-fraud & corruption cases presented to Risk Management Committee, Audit Committee & Public Service Commission.	4 progress reports on anti-fraud & corruption cases presented to Risk Management Committee, Audit Committee & Public Service Commission.
	1.7.5	Percentage of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	N/A	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.
	1.7.6	Percentage of alleged fraud & corruption cases investigated & resolved.	N/A	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.7.7	Percentage of compliance with tabling Strategic Plan (when applicable) & Annual Performance Plan (APP) in Parliament by the stipulated timelines.	N/A	Strategic Plan tabled in Parliament by the stipulated timelines.	Strategic Plan tabled in Parliament by the stipulated timelines.	APP tabled in Parliament by the stipulated timelines.	Strategic Plan (when applicable) & APP tabled in Parliament by the stipulated timelines.	Strategic Plan (when applicable) & APP tabled in Parliament by the stipulated timelines.	Strategic Plan (when applicable) & APP tabled in Parliament by the stipulated timelines.
	1.7.8	Strategic Plan & APP operationalised through operational & business plans.	N/A	N/A	N/A	Strategic Plan & APP operationalised through operational & business plans.	Strategic Plan & APP operationalised through operational & business plans.	Strategic Plan & APP operationalised through operational & business plans.	Strategic Plan & APP operationalised through operational & business plans.
	1.7.9	Service Delivery Improvement Plans developed, implemented & adhered to.	No target with regard to Service Delivery Improvement Plans.	No target with regard to Service Delivery Improvement Plans.	No target with regard to Service Delivery Improvement Plans.	Basic Service Delivery Improvement Plans developed, implemented & adhered to.	Service Delivery Improvement Plans developed, implemented & adhered to.	Service Delivery Improvement Plans developed, implemented & adhered to.	Service Delivery Improvement Plans developed, implemented & adhered to.
	1.7.10	Results based Monitoring & Evaluation (M&E) aligned with relevant NT, Department of Monitoring & Evaluation (DPME), & the Planning, Monitoring, Evaluation & Reporting Framework & Strategy of the DoE.	N/A	Programme Performance, Monitoring & Evaluation Unit established.	Quarterly reporting template & other foundational documents introduced.	Updated Monitoring & Evaluation Policies & Procedures of the DoE.	Performance site visits introduced & 4 or more conducted according to Branch Business Plan.	Performance site visits introduced & 6 or more conducted according to Branch Business Plan.	Performance site visits introduced & 8 or more conducted according to Branch Business Plan.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.7.11	Number of M&E compilation reports prepared & submitted & evidence sampled.	N/A	N/A	4 M&E compilation reports prepared & submitted & evidence sampled.	4 M&E compilation reports prepared & submitted & evidence sampled.	4 M&E compilation reports prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	4 M&E compilation reports prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	4 M&E compilation reports prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.
	1.7.12	Number of evaluations in accordance with 3-year Departmental Evaluation Plan.	N/A	N/A	N/A	Terms of Reference (TOR) for the evaluation of energy data collection, management & dissemination in South Africa produced.	1. Develop a 3-year Departmental Evaluation Plan aligned with National Development Plan (NDP). 2. Commission 1 external mixed-methods evaluation dependent on funding (evaluation of energy data collection, management & dissemination in South Africa).	Conduct 1 internal or 1 external evaluation in accordance with the 3-year Departmental Evaluation Plan.	Conduct 1 internal or 1 external evaluation in accordance with the 3-year Departmental Evaluation Plan.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets					
		Audited/Actual Performance			Estimated Performance							
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16				
"SO 1.3 Governance & Compliance" (continued)	1.7.13	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced quarterly.	N/A	N/A	N/A	Performance Improvement Plans introduced.	Produce 32 Branch Improvement Plans & 4 Departmental Improvement Plans & submit to EXCO for implementation monitoring.	Produce 32 Branch Improvement Plans & 4 Departmental Improvement Plans & submit to EXCO for implementation monitoring.	Produce 32 Branch Improvement Plans & 4 Departmental Improvement Plans & submit to EXCO for implementation monitoring.			
	1.7.14	Coordinate & consolidate performance information inputs for Annual Report & submission to NT by 15 September.	N/A	N/A	N/A	Annual Report template distributed to branches.	Annual Report produced by 15 September of each fiscal year.	Annual Report produced by 15 September of each fiscal year.	Annual Report produced by 15 September of each fiscal year.			
	1.7.15	Coordinate & consolidate Management Performance Assessment Tool (MPAT) inputs & submit to DPME.	N/A	N/A	N/A	MPAT submitted on time & appeal of moderated scores filed.	MPAT questionnaire & supporting evidence submitted online by requested deadline.	MPAT questionnaire & supporting evidence submitted online by requested deadline.	MPAT questionnaire & supporting evidence submitted online by requested deadline.			
	1.7.16	SOE Oversight Framework completed & approved by Minister.	N/A	Draft Departmental SOE Oversight Framework.	Draft Oversight Framework completed.	SOE Oversight Framework completed & approved by Minister.	N/A	N/A	N/A			

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.7.17	SOE Strategic Plans & APPs reviewed, analysed & submitted to the Minister for approval by 28 February annually.	All Schedule 3A SOE Strategic Plans approved by the Minister.	All Schedule 3A SOEs Strategic Plans approved by the Minister.	All schedule 3A SOE Strategic Plans approved by the Minister.	All Schedule 3A SOE Strategic Plans & APPs approved by the Minister.	Final draft submissions of Schedule 3A SOE Strategic Plans & APPs reviewed, analysed & submitted to Minister for approval.	Final draft submissions of Schedule 3A SOE Strategic Plans & APPs reviewed, analysed & submitted to the Minister for approval.	Final draft submissions of Schedule 3A SOE Strategic Plans & APPs reviewed, analysed & submitted to the Minister for approval.
	1.7.18	National Energy Regulator of South Africa (NERSA) electricity, piped-gas & petroleum pipelines levies & National Nuclear Regulator (NNR) authorisation fees submitted to the Minister for approval.	NERSA levies & NNR authorisation fees approved by the Minister with concurrence of the Minister of Finance.	NERSA levies & NNR authorisation fees approved by the Minister with concurrence of the Minister of Finance.	NERSA levies & NNR authorisation fees approved by the Minister with concurrence of the Minister of Finance.	NERSA levies & NNR authorisation fees approved by the Minister with concurrence of the Minister of Finance.	NERSA electricity, piped-gas & petroleum pipelines levies & NNR authorisation fees submitted to the Minister for approval.	NERSA electricity, piped-gas & petroleum pipelines levies & NNR authorisation fees submitted to the Minister for approval.	NERSA electricity, piped-gas & petroleum pipelines levies & NNR authorisation fees submitted to the Minister for approval.
	1.7.19	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval by 31 March annually.	All Schedule 2 SOEs Shareholder Compacts & Corporate Plans approved by the Minister.	All Schedule 2 SOEs Shareholder Compacts & Corporate Plans approved by the Minister.	All Schedule 2 SOEs Shareholder Compacts & Corporate Plans approved by the Minister.	All Schedule 2 SOEs Shareholder Compacts & Corporate Plans approved by the Minister.	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval.	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval.	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 1.3 Governance & Compliance" (continued)	1.7.20	All SOE quarterly performance reports with recommendations submitted to the Minister for approval within 30 days of receipt.	All SOE quarterly performance reports reviewed, analysed & submitted to the Minister.	All SOE quarterly performance reports reviewed, analysed & submitted to the Minister.	All SOE quarterly performance reports reviewed, analysed & submitted to the Minister.	All SOE quarterly performance reports reviewed, analysed & submitted to the Minister.	SOE quarterly performance reports reviewed, analysed & submission drafted for Ministerial approval within 30 days of receipt of reports.	SOE quarterly performance reports reviewed, analysed & submission drafted for Ministerial approval within 30 days of receipt of reports.	SOE quarterly performance reports reviewed, analysed & submission drafted for Ministerial approval within 30 days of receipt of reports.
	1.7.21	SOE boards fully capacitated with the correct skills & gender mix.	All board vacancies filled within required timelines.	All board vacancies filled within required timelines.	All board vacancies filled within required timelines.	All board vacancies filled within required timelines.	Cabinet Memoranda for filling SOE board vacancies drafted & submitted for Ministerial & Cabinet approval within 2 months of vacancy arising.	Cabinet Memoranda for filling SOE board vacancies drafted & submitted for Ministerial & Cabinet approval within 2 months of vacancy arising.	Cabinet Memoranda for filling SOE board vacancies drafted & submitted for Ministerial & Cabinet approval within 2 months of vacancy arising.
	1.7.22	Number of SOEs board performance assessments submitted to the Minister.	1 SOEs board performance assessment submitted to the Minister.	1 SOEs board performance assessment submitted to the Minister.	1 SOEs board performance assessment submitted to the Minister.	1 SOEs board performance assessment submitted to the Minister.	2 SOEs board performance assessments submitted to the Minister.	2 SOEs board performance assessments submitted to the Minister.	2 SOEs board performance assessments submitted to the Minister.
	1.7.23	Develop policy guidelines & templates for populating Standard Operating Procedures (SOPs).	N/A	N/A	N/A	N/A	Develop policy guidelines & templates for populating SOPs.	Monitor performance against approved DoE Compliance Framework.	Monitor performance against approved DoE Compliance Framework.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 1.3 Governance & Compliance" (continued)	1.7.24	Amendment of SOPs.	N/A	N/A	Register of SOPs developed.	SOPs drafted for all branches.	Review, amend (where necessary) & submit SOPs for approval.	Review, amend (where necessary) & submit SOPs for approval.	Review, amend (where necessary) & submit SOPs for approval.
	1.7.25	Number of quarterly performance reports submitted to the Audit Committee.	N/A	N/A	N/A	N/A	4 quarterly performance reports submitted to the Audit Committee.	4 quarterly performance reports submitted to the Audit Committee.	4 quarterly performance reports submitted to the Audit Committee.
"SO 1.4 International Coordination"	1.7.26	Number of bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	N/A	22 bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	22 bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	76 of bilateral intergovernmental engagements/ visits hosted in the Energy sector, excluding Africa (inbound & outbound).	22 bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	22 bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	22 bilateral intergovernmental engagements/ visits hosted in the Energy Sector, excluding Africa (inbound & outbound).
	1.7.27	Number of bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	N/A	4 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	4 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	24 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	16 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	16 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).	16 bilateral intergovernmental engagements/ visits hosted in the Energy Sector with African states (inbound & outbound).
	1.7.28	Number of multilateral engagements/ visits hosted in the Energy Sector in Africa & globally (inbound & outbound).	N/A	3 multilateral engagements/ visits hosted in the Energy Sector.	5 multilateral engagements/ visits hosted in the Energy Sector.	13 multilateral engagements/ visits hosted in the Energy Sector.	12 multilateral engagements/ visits hosted in the Energy sector.	12 multilateral engagements/ visits hosted in the Energy sector.	12 multilateral engagements/ visits hosted in the Energy sector.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance		2013/14	2014/15	2015/16
		2009/10	2010/11	2011/12	2012/13				
"SO 1.4 International Coordination" (continued)	1.7.29	Number of progress reports on the implementation of international Energy Sector agreements.	N/A	1 progress report on the implementation of international Energy Sector agreements.	1 progress report on the implementation of international Energy Sector agreements.	1 progress report on the implementation of international Energy Sector agreements.	5 progress reports on the implementation of international Energy Sector agreements.	5 progress reports on the implementation of international Energy Sector agreements.	5 progress reports on the implementation of international Energy Sector agreements.
	1.7.30	Number of statutory Southern African Development Community (SADC) intergovernmental energy meetings attended.	N/A	1 statutory SADC intergovernmental energy meeting attended.	1 statutory SADC intergovernmental energy meeting attended.	1 statutory SADC intergovernmental energy meeting attended.	1 statutory SADC intergovernmental energy meeting attended.	1 statutory SADC intergovernmental energy meeting attended.	1 statutory SADC intergovernmental energy meeting attended.
	1.7.31	Number of SADC prioritised Energy Sector projects carried out.	N/A	2 SADC prioritised Energy Sector projects carried out.	2 SADC prioritised Energy Sector projects carried out.	2 SADC prioritised Energy Sector projects carried out.	2 SADC prioritised Energy Sector projects carried out.	2 SADC prioritised Energy Sector projects carried out.	2 SADC prioritised Energy Sector projects carried out.
	1.7.32	Number of Annual Reports submitted to the Minister.	N/A	N/A	1 Annual Report submitted to the Minister.	1 Annual Report progress report submitted to the Minister.	1 Annual Report progress report submitted to the Minister.	1 Annual Report progress report submitted to the Minister.	1 Annual Report progress report submitted to the Minister.

1.10.2 Quarterly Targets 2013/14

Table 18

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
1.7.1 Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee.	Annually/ Quarterly.	Risk Management Implementation Plan (including risk register) approved by the Risk Management Committee by the end of June each year.	Draft & present Risk Management Implementation Plan for approval by the Risk Management Committee.	Progress report on the Implementation Plan presented to Risk Management Committee & Audit Committee.	Progress report on the Implementation Plan presented to Risk Management Committee & Audit Committee.	1. Progress report on the Implementation Plan presented to Risk Management Committee & Audit Committee. 2. Conduct annual risk assessment. 3. Draft & produce risk register for adoption by the Risk Management Committee & approval by the Accounting Officer.
1.7.2 Number of quarterly risk management reports presented to the Risk Management Committee within 1 month after the end of each quarter.	Quarterly	4 quarterly risk management reports presented to the Risk Management Committee.	1 risk management report presented to the Risk Management Committee.	1 risk management report presented to the Risk Management Committee.	1 risk management report presented to the Risk Management Committee.	1 risk management report presented to the Risk Management Committee.
1.7.3 Percentage of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	Annually	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).	N/A	N/A	N/A	100% of senior management provided with prescripts & procedures for managing conflict of interest in the DoE (e.g. gifts, declaration & outside work).
1.7.4 Number of progress reports on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.	Quarterly	4 progress reports on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.	1 progress report on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.	1 progress report on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.	1 progress report on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.	1 progress report on anti-fraud & corruption cases presented to the Risk Management Committee, Audit Committee & Public Service Commission.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.7.5	Percentage of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	Quarterly	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.	100% of active alleged fraud & corruption cases referred to the DoE that are responded to within a prescribed period of 40 days.
1.7.6	Percentage of alleged fraud & corruption cases investigated & resolved.	Quarterly	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.	100% of alleged fraud & corruption cases investigated & resolved.
1.7.7	Percentage compliance with tabling Strategic Plan (when applicable) & APP in Parliament by the stipulated timelines.	Annually	Strategic Plan (when applicable) & APP tabled in Parliament by the stipulated timelines.	N/A	Submit 1st draft of Strategic Plan (when applicable) & APP tabled in Parliament by 31 August 2013.	Submit 2nd draft of Strategic Plan (when applicable) & APP tabled in Parliament by 31 November 2013.	Submit final of Strategic Plan (when applicable) & APP tabled in Parliament by the stipulated timelines.
1.7.8	Strategic Plan & APP operationalised through operational & business plans.	Annually	Strategic Plan & APP operationalised through operational & business plans.	N/A	N/A	N/A	Strategic Plan & APP operationalised through operational & business plans.
1.7.9	Service Delivery Improvement Plans developed, implemented & adhered to.	Annually	Service Delivery Improvement Plans developed, implemented & adhered to.	Service Delivery Improvement Plans implemented & adhered to.	N/A	N/A	Service Delivery Improvement Plans developed.
1.7.10	Results-based M&E aligned with relevant NT, DPME, & the Planning, Monitoring, Evaluation & Reporting Framework & Strategy of the DoE.	Quarterly	Performance site visits introduced & 4 or more conducted according to Branch Business Plan.	1 performance site visit conducted per Branch Business Plan.	1 performance site visit conducted per Branch Business Plan.	1 performance site visit conducted per Branch Business Plan.	1 performance site visit conducted per Branch Business Plan.
1.7.11	Number of M&E compilation reports prepared & submitted & evidence sampled.	Quarterly	4 M&E compilation reports prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	1 M&E compilation report prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	1 M&E compilation report prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	1 M&E compilation report prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.	1 M&E compilation report prepared for internal approval & submitted per NT format & within 60 days of the end of each quarter to NT.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.7.12	Number of evaluations in accordance with the 3-year Departmental Evaluation Plan.	Annually	Commission 1 external mixed-methods evaluation dependent on funding (evaluation of energy data collection, management & dissemination in South Africa).	Draft Steering Committee TOR. Draft request for proposals & submit application pack to Bid Adjudication Committee for assessment. Submit to SCM for further processing if approved by Budget at Completion (BAC).	Select Steering Committee members & facilitate inaugural meeting (if funding is secured). Select external evaluators (if funding is secured).	Review evaluators' inception report & facilitate Steering Committee meetings as needed (if funding is secured).	Review evaluators' final report & disseminate findings & recommendations (if funding is secured).
1.7.13	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced quarterly.	Quarterly	Produce 32 Branch Improvement Plans & 4 Departmental Improvement Plans & submit to EXCO for implementation monitoring.	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced & submitted to EXCO for implementation monitoring.	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced & submitted to EXCO for implementation monitoring.	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced & submitted to EXCO for implementation monitoring.	8 Branch Improvement Plans & 1 Departmental Improvement Plan produced & submitted to EXCO for implementation monitoring.
1.7.14	Coordinate & consolidate performance information inputs for Annual Report & submission to NT by 15 September.	Annually	Annual Report produced by 15 September of each fiscal year.	NT Annual Report template pre-populated with 2012/13 annual targets & distributed to branches. 2. Financial statements & other inputs consolidated & final 2012/13 Annual Report produced.	Annual Report for 2012/13 submitted to NT & tabled in Parliament.	Target reached in 2nd quarter.	Target reached in 2nd quarter.
1.7.15	Coordinate & consolidate MPAT inputs & submit to DPME.	Annual	MPAT questionnaire & supporting evidence submitted online by requested deadline.	N/A	Key performance area coordinators selected, & procedural roles discussed & tasks assigned. Submission for approval of scores drafted. MPAT submitted via MPAT website or other mutually agreed to means.	N/A	N/A

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.7.16	SOE Oversight Framework completed & approved by the Minister.	N/A	No annual target set.	N/A	N/A	N/A	N/A
1.7.17	SOEs Strategic Plans & APPs reviewed, analysed & submitted to the Minister for approval by 28 February annually.		Final draft submissions of Schedule 3A SOEs Strategic Plans & APPs reviewed, analysed & submitted to Minister for approval.	N/A	1st draft Strategic Plan & APPs submissions of Schedule 3A SOEs reviewed, analysed & review notes sent to SOEs by 30 September 2013.	2nd draft Strategic Plan & APP submissions of Schedule 3A SOEs reviewed, analysed & review notes sent to SOEs by 31 December 2013.	Final draft submissions of Schedule 3A SOEs Strategic Plans & APPs reviewed, analysed & submitted to the Minister for approval by 28 February 2014.
1.7.18	NERSA electricity, piped-gas & petroleum pipelines levies & NNR authorisation fees submitted to the Minister for approval.		NERSA electricity, piped-gas & petroleum pipelines levies & NNR authorisation fees submitted to the Minister for approval.	N/A	N/A	N/A	NERSA levies & NNR authorisation fees reviewed for alignment with submitted budgets & submission drafted for Ministerial approval by 28 February 2014.
1.7.19	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval by 31 March annually.	Annually	Schedule 2 SOEs Shareholder Compacts & Corporate Plans with budgets reviewed, analysed & submitted to the Minister for approval.	N/A	N/A	N/A	Schedule 2 SOEs Corporate Plans analysed, reviewed & submitted for Ministerial approval by 31 March 2014.
1.7.20	All SOE quarterly performance reports with recommendations submitted to the Minister for approval within 30 days of receipt.	Quarterly	SOE quarterly performance reports reviewed, analysed & submission drafted for Ministerial approval within 30 days of receipt of reports.	SOE 4th quarter performance reports for the 2012/13 financial year reviewed, analysed & Ministerial submission drafted by 31 May 2013.	SOE 1st quarter performance reports for the 2013/14 financial year reviewed, analysed & Ministerial submission drafted by 31 August 2013.	SOE 2nd quarter performance reports for the 2013/14 financial year reviewed, analysed & Ministerial submission drafted by 30 November 2013.	SOE 3rd quarter performance reports for the 2013/14 financial year reviewed, analysed & Ministerial submission drafted by 28 February 2014.
1.7.21	SOE boards fully capacitated with the correct skills & gender mix.	Quarterly	Cabinet Memoranda for filling SOE board vacancies drafted & submitted for Ministerial & Cabinet approval within 2 months of vacancy arising.	Payments Association of South Africa (PASA) Board appointments Cabinet Memorandum submitted for Ministerial approval by 30 June 2013.	N/A	Cabinet Memoranda for the appointment of NERSA part-time regulator members & PetroSA non-executive Board members submitted for Ministerial approval by 30 November 2013.	Cabinet Memorandum for the appointment of the Central Energy Fund (CEF) non-executive board members submitted for Ministerial approval by 28 February 2014.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
1.7.22	Number of SOE board performance assessments submitted to the Minister.	Biannually	2 SOE board performance assessments submitted to the Minister.	1 SOE board performance assessment submitted to the Minister.	N/A	1 SOE board performance assessment submitted to the Minister.	N/A
1.7.23	Develop policy guidelines & templates for populating SOPs.	Quarterly	Develop policy guidelines & templates for populating SOPs.	Literature search & develop draft for comments.	Preliminary draft to be evaluated.	Completed policy guideline.	Submit for approval.
1.7.24	Amendment of SOPs.	Quarterly	Review, amend (where necessary) & submit standard operating procedures for approval.	Disseminate draft SOPs for confirmation & review.	Consolidate the comments & finalise SOP booklet.	Complete SOP booklet.	Submit for approval & post on the intranet.
1.7.25	Number of quarterly performance reports submitted to the Audit Committee.	Quarterly	4 quarterly performance reports submitted to the Audit Committee.	1 performance report submitted to the Audit Committee.	1 performance report submitted to the Audit Committee.	1 performance report submitted to the Audit Committee.	1 performance report submitted to the Audit Committee.
1.7.26	Number of bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	Quarterly	64 bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	16 bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	16 bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	16 bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).	16 bilateral intergovernmental engagements/visits hosted in the Energy Sector, excluding Africa (inbound & outbound).
1.7.27	Number of bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).	Quarterly	16 bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).	4 bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).	4 bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).	4 bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).	4 bilateral intergovernmental engagements/visits hosted in the Energy Sector with African states (inbound & outbound).
1.7.28	Number of multilateral engagements/visits hosted in the Energy Sector in Africa & globally (inbound & outbound).	Quarterly	12 multilateral engagements/visits hosted in the Energy Sector.	3 multilateral engagements/visits hosted in the Energy Sector.	3 multilateral engagements/visits hosted in the Energy Sector.	3 multilateral engagements/visits hosted in the Energy Sector.	3 multilateral engagements/visits hosted in the Energy Sector.
1.7.29	Number of progress reports on the implementation of international Energy Sector agreements.	Quarterly	5 progress reports on the implementation of international Energy Sector agreements.	1 progress report on the implementation of international Energy Sector agreements.	1 progress report on the implementation of international Energy Sector agreements.	1 progress report on the implementation of international Energy Sector agreements.	2 progress reports on the implementation of international Energy Sector agreements.

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets				
			1st	2nd	3rd	4th	
1.7.30	Number of structured SADC intergovernmental energy forums participated in.	Quarterly	2 structured SADC intergovernmental energy forums participated in.	N/A	1 structured SADC intergovernmental energy forum participated in.	N/A	1 structured SADC intergovernmental energy forum participated in.
1.7.31	Number of SADC prioritised Energy Sector projects participated in/ contributed to.	Quarterly	4 SADC prioritised Energy Sector projects participated in/ contributed to.	1 SADC prioritised Energy Sector project participated in/ contributed to.	1 SADC prioritised Energy Sector project participated in/ contributed to.	1 SADC prioritised Energy Sector project participated in/ contributed to.	1 SADC prioritised Energy Sector project participated in/ contributed to.
1.7.32	Number of strategy progress reports submitted to the Minister.	Quarterly	1 strategy progress report submitted to the Minister.	Conduct stakeholder consultation to secure input in the draft Implementation Plan.	Analysis of input from stakeholders & verification of information.	Draft Implantation Plan.	Approved Implementation Plan.

## 1.11 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

### 1.11.1 Expenditure Estimates

Programme 1's 2013/14 summarised expenditure estimates and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 19

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
	Rand Thousand							
<b>SUBPROGRAMMES</b>								
Ministry	11 217	17 946	28 510	21 926	21 926	23 827	25 288	26 632
Departmental Management	11 424	18 614	25 770	30 333	33 242	45 375	44 883	47 079
Finance Administration	28 566	20 792	39 358	29 925	49 573	37 014	42 823	43 328
Audit Services	2 240	2 346	4 471	2 830	9 444	5 364	5 667	5 944
Corporate Services	44 756	54 834	69 320	60 794	92 325	73 369	75 590	78 554
Office Accommodation	11	7 070	25 260	35 937	35 937	36 009	36 137	38 083
<b>Total</b>	<b>98 214</b>	<b>121 602</b>	<b>192 689</b>	<b>181 745</b>	<b>242 447</b>	<b>220 958</b>	<b>230 388</b>	<b>239 620</b>

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>91 873</b>	<b>118 209</b>	<b>188 472</b>	<b>176 303</b>	<b>230 295</b>	<b>215 701</b>	<b>224 819</b>	<b>233 798</b>
Compensation of employees	35 841	57 938	82 526	90 521	99 632	115 317	126 378	131 813
Goods & services of which:	56 032	60 271	105 946	85 782	130 663	100 384	98 441	101 985
Administrative fees	462	1 279	1 206	1 231	1 120	1 355	1 402	1 451
Advertising	247	1 848	1 398	2 511	2 995	3 233	3 347	3 476
Assets less than the capitalisation threshold	1 157	739	210	267	2 127	260	270	279
Audit cost: External	1 032	1 879	4 104	2 294	6 973	2 146	2 255	2 335
Bursaries: Employees	555	416	837	31	670	30	30	31
Catering: Departmental activities	141	1 131	1 301	677	545	759	787	814
Communication (G&S)	3 223	2 995	4 451	5 164	4 832	4 327	4 482	4 641
Computer services	3 092	2 830	6 599	2 555	3 605	3 000	3 147	3 292
Consultants & professional services: Business & advisory services	9 402	2 460	20 064	4 085	9 107	5 516	1 569	1 625
Consultants & professional services: Legal costs	-	46	767	-	4 500	-	-	-
Contractors	960	1 012	1 421	1 157	3 550	1 211	1 252	1 297
Agency & support/outsourced services	99	56	423	57	64	63	66	69
Entertainment	9	61	119	47	40	115	118	123
Housing	3	-	-	-	-	-	-	-
Inventory: Fuel, oil & gas	4	9	16	6	8	8	8	8
Inventory: Learner & teacher support material	19	11	1	11	11	19	20	20
Inventory: Materials & supplies	116	150	123	298	464	238	247	256
Inventory: Medicine	-	-	24	-	10	-	-	-
Inventory: Other consumables	98	66	385	88	88	38	38	39
Inventory: Stationery & printing	1 378	918	2 064	2 220	2 434	3 863	2 964	3 144
Operating leases	5 094	16 186	25 831	41 232	49 732	41 254	41 568	43 706
Property payments	743	607	472	163	13 977	181	187	194
Travel & subsistence	25 230	19 069	23 912	18 374	16 418	24 296	25 385	26 282
Training & development	1 113	1 283	2 274	206	350	225	232	240

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Operating payments	1 035	732	2 708	1 459	4 366	4 633	3 881	3 292
Venues & facilities	820	4 488	5 234	1 649	2 677	3 614	5 186	5 371
Rental & hiring	-	-	2	-	-	-	-	-
<b>Transfers &amp; subsidies</b>	<b>135</b>	<b>79</b>	<b>129</b>	<b>370</b>	<b>370</b>	<b>356</b>	<b>374</b>	<b>388</b>
Social benefits	133	57	31	370	370	356	374	388
Other transfers to households	2	22	98	-	-	-	-	-
Payments for capital assets	5 981	3 314	4 029	5 072	11 782	4 901	5 195	5 434
Transport equipment	597	736	1 259	-	-	-	-	-
Other machinery & equipment	4 992	2 578	2 770	5 072	11 111	4 901	5 195	5 434
Software & other intangible assets	392	-	-	-	671	-	-	-
<b>Payments for financial assets</b>	<b>225</b>	<b>-</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>98 214</b>	<b>121 602</b>	<b>192 689</b>	<b>181 745</b>	<b>242 447</b>	<b>220 958</b>	<b>230 388</b>	<b>239 620</b>

### 1.11.2 Performance and Expenditure Trends

The spending focus over the medium term will be on building financial management capacity, providing an effective support service structure and providing for office accommodation expenditure.

Expenditure on compensation of employees increased significantly between 2009/10 and 2012/13 mainly due to additional funding for the establishment of the National Energy Response Team Project Management Office in the Finance Administration Subprogramme. This also explains the increase in spending on consultants between 2009/10 and 2011/12, as a task team was appointed to look into various ways of responding to the electricity blackouts caused by load shedding. There was also an increase in posts to create corporate and financial management capacity following the establishment of the DoE in 2009/10. Expenditure in the Office Accommodation

Subprogramme increased significantly over the same period due to a once-off payment made to facilitate the DoE's relocation to a new office building in 2012/13. The relocation payment also accounts for the large increase in expenditure on property payments between 2009/10 and 2012/13.

The decrease in expenditure over the medium term is due to the once-off allocation for expenditure associated with the relocation of the DoE in 2012/13 as well as lower legal and audit costs in the Finance Administration and Audit Services Subprogrammes. There is increased expenditure on travel and subsistence over the MTEF period, which is when this office will conduct oversight responsibilities. Spending on consultants is expected to decrease between 2012/13 and 2015/16 as a result of a gradual strengthening of the support service structure. Over the medium term, spending on consultants will be

focused on outsourced services that are not available within the DoE, for example employee wellness services and health-risk management services.

As part of the Cabinet-approved budget reductions, this programme has identified cost savings of R6,1 million over the medium term on various non-core goods and services items, particularly for travel and subsistence, and communications.

The programme has a funded establishment of 268 posts, and 22 posts are filled in addition to this establishment. A total of 290 positions were filled at the end of September 2012, the majority of which were in Salary Levels 7 to 10. Over the medium term, it is expected that the establishment will increase to 295 posts, which also accounts for the strong growth in the Compensation of Employees budget.



## 2. PROGRAMME 2: ENERGY POLICY AND PLANNING

(Branch: Energy Policy and Planning)

### 2.1 Purpose

Ensure evidence-based planning, policy setting and investment decisions in the Energy Sector to improve security of energy supply, regulation and competition.

### 2.2 Strategic Objectives

- SO 2.1 Demand Management: Improve energy security by regulating demand and introducing a diversified mix of energy generation technologies.
- SO 2.2 Competition: Improve energy security by improving efficiency through competition in the Energy Sector.
- SO 2.3 Energy Policy: Improve energy security by developing key indicators to effectively monitor the Energy Sector policies on an on-going basis.
- SO 2.4 Energy Planning: Improve energy security by planning interventions to expand energy infrastructure by developing a policy framework for the Integrated Energy Plan (IEP), the Integrated Resource Plan (IRP), the Liquid Fuels Infrastructure Roadmap, the Transmission Development Plan (TDP) and the Major Distribution Infrastructure Plan over the medium term.
- SO 2.5 Energy Publications: Improve energy security by publishing an annual energy statistics report to facilitate information-based decision making.
- SO 2.6 Distribution Asset Management Plan: Address current and envisaged energy supply and distribution constraints by developing the Approach to Distribution Asset Management (ADAM) Plan for the rehabilitation of critical municipal electricity distribution infrastructure.
- SO 2.7 Liquid Fuels Infrastructure Plan: Develop

and implement the Liquid Fuels 20-Year Infrastructure Plan over the medium term to improve liquid fuels energy security.

### 2.3 Updates/Changes to Information

The strategic objectives for this programme were reviewed and aligned to objectives stated in the Estimate of National Expenditure (Annexure B). The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as “N/A”.

### 2.4 Subprogramme 2.1: Policy Analysis and Research

(Chief Directorate: Policy Analysis and Research)

This subprogramme develops key indicators and monitors the impact of Energy Sector policies, planning and interventions; analyses all energy policies and their impact on access to energy and on the security of energy supply; conducts research and analyses policies in relation to other countries; and researches and analyses national and international trends or developments that impact on the demand and supply of energy.



Programme 2 ensures evidence-based planning, policy setting and investment decisions.

2.4.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 20

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 2.3 Energy Policy"	2.1.1	4 energy security indicators, each for electricity, energy efficiency (EE), gas & oil.	N/A	N/A	N/A	N/A	Development of 2 indicators for: 1. electricity supply security 2. electricity EE.	Development of 1 indicator for gas supply security.	Development of 1 indicator for oil supply security.
	2.1.2	Number of energy policies to be researched in the electricity, gas, & oil sectors.	N/A	N/A	N/A	N/A	1. Development of a research agenda for the expansion of gas infrastructure. 2. Development of a research agenda for expansion of electricity generation, transmission & distribution infrastructure. 3. Development of a research agenda for EE in the Electricity Sector.	1. Update of research agenda for the expansion of gas infrastructure. 2. Update of research agenda for expansion of electricity generation, transmission & distribution infrastructure. 3. Update of research agenda for EE in the Electricity Sector.	1. Update of research agenda for the expansion of gas infrastructure 2. Update of research agenda for expansion of electricity generation, transmission & distribution infrastructure. 3. Update of a research agenda for EE in the Electricity Sector.

## 2.4.2 Quarterly Targets 2013/14

Table 21

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets				
			1st	2nd	3rd	4th	
2.1.1	4 energy security indicators, each for electricity, EE, gas & oil.	Quarterly	Development of 2 indicators for: 1. electricity supply security 2. electricity EE.	Achieve stakeholder agreement on the parameters for tracking electricity supplied versus the demand.	N/A	Achieve stakeholder agreement on the parameters for tracking EE in the Electricity Sector.	N/A
2.1.2	Number of energy policies to be researched in the electricity, gas & oil sectors.	Quarterly	1. Development of a research agenda for the expansion of gas infrastructure. 2. Development of a research agenda for the expansion of electricity generation, transmission & distribution infrastructure. 3. Development of a research agenda for EE in the Electricity Sector.	1. Propose & agree on research topics for the expansion of gas infrastructure. 2. Propose & agree on research topics for the expansion of electricity generation, transmission & distribution infrastructure. 3. Propose & agree on research topics for EE in the Electricity Sector.	1. Produce report regarding research topics for the expansion of gas infrastructure. 2. Produce report regarding research topics for the expansion of electricity generation, transmission & distribution infrastructure. 3. N/A	1. Produce report regarding research topics for the expansion of gas infrastructure. 2. Produce report regarding research topics for the expansion of electricity generation, transmission & distribution infrastructure. 3. Produce report regarding research topics for EE in the Electricity Sector.	1. Produce report regarding research topics for the expansion of gas infrastructure. 2. Produce report regarding research topics for the expansion of electricity generation, transmission & distribution infrastructure. 3. Produce report regarding research topics for EE in the Electricity Sector.

## 2.5 Subprogramme 2.2: Energy Planning

(Chief Directorate: Energy Planning)

This subprogramme manages energy data and information; develops and maintains an energy modelling system to stimulate energy supply and distribution; identifies energy supply and distribution constraints and addresses them through the Integrated Energy Plan; manages the overall collection, collation, validation, integrity and quality of energy data; analyses and/or interprets economic and/or statistical data; and is responsible for managing the development of energy plans and strategic interventions for generation and/or refining, distribution and transmission of energy sources for demand and supply optimisation. Over the medium term, the focus will be on the development of standardised tools for connecting data, centralising the collection and storage of energy data collected within the unit, and automating the submission of energy data by the oil industry.

2.5.1 Strategic Objectives, Baselines, Performance Indicators and Medium-Term Targets

Table 22

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets			
			Audited/Actual Performance			Estimated Performance				
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 2.4 Energy Planning"	2.2.1	IRP	N/A	N/A	N/A	1. Draft IEP produced including reports outlining model results.	1. Draft IEP submitted to Cabinet. 2. Draft IEP published for public consultation.	IEP incorporating TDP, LFP, gas infrastructure & economic impacts approved by Cabinet.	N/A	
	2.2.2	IRP & TDP	N/A	N/A	N/A	N/A	IRP & TDP incorporated as part of IEP.	N/A	N/A	
"SO 2.7 Liquid Fuels Infrastructure Plan"	2.2.3	Liquid Fuels Infrastructure Roadmap	N/A	N/A	N/A	N/A	Liquid Fuels Infrastructure Roadmap incorporated as part of IEP.	N/A	N/A	
"SO 2.6 Distribution Asset Management Plan"	2.2.4	Major Distribution Infrastructure Plan	N/A	N/A	N/A	N/A	N/A	Major Distribution Infrastructure Plan incorporated into IEP.	N/A	
"SO 2.5 Energy Publications"	2.2.5	Credible energy statistics	N/A	N/A	N/A	Energy statistics compiled & disseminated timeously (according to reporting obligations).	Energy statistics compiled & disseminated timeously (according to reporting obligations).	Energy statistics updated to support the IEP modelling requirements.	N/A	

2.5.2 Quarterly Targets 2013/14

Table 23

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
2.2.1 IEP	Quarterly	1. Draft IEP submitted to Cabinet. 2. Draft IEP published for public consultation.	Draft IEP document tabled for Cabinet approval.	IEP & revised IRP assumptions integrated under public consultation process.	1. Integration into the IRP of transmission & major distribution infrastructure requirements for: 1. economic & universal access programmes; and 2. integration of Liquid Fuels Infrastructure Requirements. 2. Integration of gas infrastructure development options to support power generation & other requirements.	Completed economic impact studies for the various options under the IEP/IRP.
2.2.2 IRP & TDP	Quarterly	IRP & TDP incorporated as part of IEP.	Draft TDP public consultation process commenced.	TDP & Major Distribution Infrastructure Plan report.	Draft TDP & major distribution infrastructure plan reports completed.	N/A
2.2.3 Liquid Fuels Infrastructure Roadmap	Quarterly	Liquid Fuels Infrastructure Roadmap incorporated as part of IEP.	Draft Liquid Fuels Infrastructure Roadmap public consultation process commenced.	Draft Liquid Fuels Infrastructure Roadmap report.	N/A	N/A
2.2.4 Major Distribution Infrastructure Plan	Quarterly	N/A	N/A	N/A	N/A	N/A
2.2.5 Credible Energy Statistics	Monthly & quarterly	Energy statistic compiled & disseminated timeously (according to reporting obligations).	1. Monthly basis: Joint Oil Data Initiative. 2. Quarterly basis: Petroleum product sale. Fuel levies & taxes. Data bank (upstream oil, gas). 3. Annual basis: Energy balance.	1. Monthly basis: Joint Oil Data Initiative. 2. Quarterly basis: Petroleum product sale. Fuel levies & taxes. Data bank (upstream oil, gas). 3. Annual basis: Energy balance.	1. Monthly basis: Joint Oil Data Initiative. 2. Quarterly basis: Petroleum product sale. Fuel levies & taxes. Data bank (upstream oil, gas). 3. Annual basis: Energy balance.	1. Monthly basis: Joint Oil Data Initiative. 2. Quarterly basis: Petroleum product sale. Fuel levies & taxes. Data bank (upstream oil, gas). 3. Annual basis: Energy balance.

## 2.6 Subprogramme 2.3: Hydrocarbon Policy

(Chief Directorate: Hydrocarbon Policy)

This subprogramme ensures secure energy supply; well-managed demand; enhanced access to hydrocarbons and a transformed Energy Sector; and that energy regulation and competition is improved through the development, promulgation and maintenance of a statutory framework for petroleum, petroleum products, petroleum infrastructure, coal and gas. In 2012/13, R1,5 billion was transferred to Transnet for the construction of the National Multi-Products Pipeline (NMPP).

### 2.6.1 Strategic Objectives, Baselines, Performance Indicators and Medium-Term Targets

Table 24

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 2.2 Competition"	2.3.1	Gas Infrastructure Development Options	N/A	N/A	N/A	Developed strategy & plans for the introduction of new economic infrastructure as per the IEP/IRP.	Gas Infrastructure Development Options Report approved by Cabinet for public consultation.	N/A	N/A
	2.3.2	Liquid Fuels Roadmap Report	N/A	N/A	N/A	Developed strategy & plans for the introduction of new economic infrastructure as per the IEP/IRP.	Liquid Fuels Roadmap Approved by Cabinet for public consultation.	N/A	N/A
	2.3.3	Revised legislation	N/A	N/A	N/A	N/A	Develop amendments to the Petroleum Products Act, Gas Act.	N/A	N/A

## 2.6.2 Quarterly Targets 2013/14

Table 25

Performance Indicator (See Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
2.3.1 Gas infrastructure development options	Quarterly	Developed strategy & plans for the introduction of new economic infrastructure as per the IEP/IRP.	Draft Liquid Fuels Roadmap Report completed for public consultation.	Public consultation completed & report approved by the Minister.	N/A	N/A
2.3.2 Liquid Fuels Roadmap Report	Quarterly	Developed strategy & plans for the introduction of new economic infrastructure as per the IEP/IRP.	Gas infrastructure development options to support power generation & other requirements drafted for public consultation.	Public consultation completed on the gas infrastructure requirements for power generation & report approved by Minister.	N/A	N/A
2.3.3 Revised legislation		Develop amendments to the Petroleum Products Act, Gas Act.	Legislation introduced in Parliament.	N/A	N/A	N/A

## 2.7 Subprogramme 2.4: Electricity and Alternative Energy Policy

(Chief Directorate: Electricity, Energy Efficiency and Environmental Policy)

This subprogramme ensures secure energy supply; well-managed demand; enhanced access to hydrocarbons and a transformed Energy Sector; and that energy regulation and competition is improved through the development, promulgation and maintenance of a statutory framework for electricity over the medium term.

2.7.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 26

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 2.1 Demand Management"	2.4.1	Transmission & Distribution Infrastructure Rehabilitation & Expansion Plan.	N/A	N/A	N/A	Developed policy & plans for the expansion & rehabilitation of electricity transmission & distribution infrastructure.	Transmission, Distribution Infrastructure Rehabilitation & Expansion Plan published after public consultation.	N/A	N/A
	2.4.2	Revised legislation & regulatory mechanisms.	N/A	N/A	N/A	N/A	Amendments to the Electricity Regulation Act, NER Act, certified for deliberation by Parliament Independent System Market Operator (ISMO) Bill promulgated.	N/A	N/A
	2.4.3	Updated pricing policy framework documents.	N/A	N/A	N/A	N/A	Published electricity price path for the 20 years.	N/A	N/A
	2.4.4	Standard offer incentive scheme for the high energy consumption domestic segment.	N/A	N/A	N/A	N/A	Promulgated policy for the standard offer scheme for solar water heaters (SWHs).	Promulgated policy for the standard offer scheme for reducing energy in the building envelope.	N/A

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance			
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 2.1 Demand Management" (continued)	2.4.5 Independent Power Producer (IPP) bidding documents.	N/A	N/A	N/A	N/A	Bidding documents developed in respect of W3 of Renewable Energy Independent Power Producer (REIPP), gas, coal baseload programmes.	N/A	N/A

### 2.7.2 Quarterly Targets 2013/14

Table 27

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
2.4.1 Transmission & Distribution Infrastructure Rehabilitation & Expansion Plan	Quarterly	Transmission, Distribution Infrastructure Rehabilitation & Expansion Plan published after public consultation.	Transmission & distribution major infrastructure assessment.	Transmission & distribution infrastructure requirements of municipalities incorporated into the IRP.	N/A	N/A
2.4.2 Revised legislation & regulatory mechanisms	Quarterly	Amendments to Electricity Regulation Act & National Energy Regulator Act certified for deliberation by Parliament ISMO Bill promulgated.	Consultation with NERSA regarding the regulatory measures to support infrastructure development by municipalities.	Developed regulatory mechanisms & delivery model(s) for major municipal distribution infrastructure expansion requirements.	Developed regulatory mechanisms & delivery model(s) for the pilot Municipal Infrastructure Rehabilitation Programme.	N/A
2.4.3 Updated pricing policy framework documents	Quarterly	Published electricity price path for the 20 years.	1. Electricity pricing policy options revised. 2. Promulgate discussion document on the maximum refinery gate pricing (LP Gas) model.	N/A	N/A	N/A

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
2.4.4	Standard offer incentive scheme for the high energy consumption domestic segment	Quarterly	Promulgated policy for the standard offer scheme for solar water heaters.	Consultation on the standard offer policy framework with NERSA.	Promulgation of the standard offer policy & rebate level for SWHs.	N/A	N/A
2.4.5	IPP bidding documents	Quarterly	Bidding documents developed in respect of W3 of REIPP, gas, coal baseload programmes.	IPP bidding programmes put in place for renewables (next bidding rounds), baseload coal & gas, biomass, cogeneration & imported hydro.	N/A	N/A	N/A

## 2.8 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

### 2.8.1 Expenditure Estimates

Programme 2's 2013/14 summarised expenditure estimates and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 28

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
	Rand Thousand							
<b>SUBPROGRAMMES</b>								
Policy Analysis & Research	83 477	69 739	3 443	3 607	15 365	8 596	8 576	8 472
Energy Planning	19 663	20 546	17 120	15 315	15 640	22 556	23 683	22 091
Hydrocarbon Policy	38 732	1 512 856	1 515 456	1 524 892	1 529 980	12 691	13 346	12 788
Electricity & Alternative Energy Policy	4 999	4 104	5 901	4 813	9 188	7 313	7 762	8 178
<b>Total</b>	<b>146 871</b>	<b>1 607 245</b>	<b>1 541 920</b>	<b>1 548 627</b>	<b>1 570 173</b>	<b>51 156</b>	<b>53 367</b>	<b>51 529</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>73 886</b>	<b>45 657</b>	<b>41 920</b>	<b>48 627</b>	<b>70 041</b>	<b>51 156</b>	<b>53 367</b>	<b>51 529</b>
Compensation of employees	35 716	31 340	30 390	37 721	37 721	34 200	36 233	38 278

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Goods and services of which:	38 170	14 317	11 530	10 906	32 320	16 956	17 134	13 251
Administrative fees	263	289	259	1 012	513	665	682	1 168
Advertising	273	318	159	259	377	73	77	276
Assets less than the capitalisation threshold	-	11	22	45	45	47	48	49
Catering: Departmental activities	982	124	74	477	144	532	551	569
Communication (G&S)	774	460	235	475	659	341	351	660
Consultants & professional services: Business & advisory services	12 452	5 025	6 681	1 475	24 776	2 123	2 127	1 078
Contractors	8 153	2 076	-	8	137	8	8	8
Agency & support/outsourced services	-	1	3	6	-	2 606	2 606	6
Entertainment	-	2	-	-	-	-	-	-
Inventory: Fuel, oil & gas	-	-	-	10	10	10	10	11
Inventory: Learner & teacher support material	91	24	2	285	285	295	306	316
Inventory: Materials & supplies	-	-	1	-	-	-	-	-
Inventory: Other consumables	-	26	-	1	-	1	1	1
Inventory: Stationery & printing	179	349	285	1 119	542	1 164	1 203	1 253
Operating leases	7 208	13	1	-	-	-	-	-
Travel & subsistence	5 699	3 829	3 334	5 683	4 010	9 037	9 107	7 798
Training & development	87	40	123	22	117	23	24	24
Operating payments	1 705	1 667	107	12	132	13	14	15
Venues & facilities	304	63	244	17	573	18	19	19
<b>Transfers &amp; subsidies</b>	<b>72 214</b>	<b>1 561 582</b>	<b>1 500 000</b>	<b>1 500 000</b>	<b>1 500 000</b>	-	-	-
Departmental agencies & accounts	72 214	61 582	-	-	-	-	-	-
Public corporations	-	1 500 000	1 500 000	1 500 000	1 500 000	-	-	-
<b>Payments for capital assets</b>	<b>771</b>	<b>6</b>	-	-	<b>132</b>	-	-	-
Other machinery & equipment	771	6	-	-	132	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>146 871</b>	<b>1 607 245</b>	<b>1 541 920</b>	<b>1 548 627</b>	<b>1 570 173</b>	<b>51 156</b>	<b>53 367</b>	<b>51 529</b>

### *2.8.2 Performance and Expenditure Trends*

The medium term will see the completion of the construction of the NMPP by Transnet. The pipeline will secure the supply of petroleum products to the inland market over the long term. Expenditure in the Hydrocarbon Policy Subprogramme and the related transfers and subsidies are consequently expected to decrease significantly over the medium term as a result of the discontinuation of transfers to Transnet. The final payment of R1,5 billion was made at the end of 2012/13, meaning R4,5 billion will have been transferred to Transnet from the project's inception to 2012/13. The focus of the Hydrocarbons Policy Subprogramme over the medium term will be on monitoring the Transnet pipeline operations.

Expenditure on goods and services is expected to decrease over the medium term, driven mainly by a decrease in spending on consultants and professional services due to the finalisation of projects, such as the development of the energy modelling systems, the audit of refineries as an extension of scope under the 20-Year Liquid Fuels Infrastructure Roadmap, the regulatory framework review and the IEP. In 2012/13 R11,8 million was spent on the initiation of the Asset Rehabilitation Multi-Phase Project. The pilot phase of the project begins in 2013/14 and will be led by the Integrated National Electrification Subprogramme in the Electrification and Energy Programme Management Programme. Expenditure on travel and subsistence is expected to increase over the medium term for various international engagements. There will also be growth in spending on monitoring and evaluation, particularly for electrification projects that form part of the Integrated National Electrification Programme (INEP).

Savings of R4 million over the medium term has been identified as part of the Cabinet-approved budget reductions and will be effected through cost saving

measures on certain controllable costs, such as catering, venues and facilities, and administrative fees.

The significant decrease in expenditure over the seven-year period is due to the discontinuation of funding to EDI Holdings, following a Cabinet decision in December 2010 to wind up the company. (This is reflected in transfers and subsidies where there is no expenditure after 2011/12). In terms of this decision, EDI Holdings ceased to exist on 31 March 2011 and the functions relating to the restructuring of the electricity distribution industry reverted to the Department of Energy (DoE) with effect from 1 April 2011. In order to address on-going concerns about this restructuring, these functions will be taken up in the Electrification and Energy Programme Management Programme, where a pilot will be run to support nine municipalities facing serious challenges in electricity provision. In collaboration with the National Energy Regulator of South Africa (NERSA), regulatory mechanisms will be put in place to ensure the sustainability of the programme. Support for the pilot will be provided by the Energy Planning Subprogramme. Transfer payments to EDI Holdings were reprioritised in 2012/13 in accordance with the Cabinet's decision to provide for consulting and professional services costs to initiate the implementation of the Asset Rehabilitation Multi-Phase Project. Expenditure on goods and services consequently increased from R6,5 million in 2009/10 to R12,1 million in 2012/13.

Over the medium term, expenditure on compensation of employees is expected to increase to provide capacity within the subprogramme for critical posts for operational work such as publishing the Annual Energy Indicator Report and the application of the policy analysis framework for the Integrated Energy Plan. It also includes salary adjustments for improved conditions of service. Expenditure is expected to decrease over the medium term. This is due to spending

reductions of R3,3 million, part of the Cabinet-approved budget reductions are affected, mostly on travel and subsistence, the review of the DoE's organisational structure, and the once-off allocation of R11,8 million in 2012/13 for the ADAM Programme. This also explains the significant decrease in expenditure on goods and services from 2013/14 onwards.

The programme has a funded establishment of 51 posts and 26 posts are filled in addition to the establishment. There were 77 filled posts at the end of September 2012, mostly at Salary Levels 7 to 10, for policy research and data collection and analysis for energy modelling and publications. The number of employees drops to 70 to match the budget for compensation of employees over the medium term.

### 3. PROGRAMME 3: ENERGY REGULATION

(Branch: Petroleum and Petroleum Products Regulation)

#### 3.1 Purpose

Manage the regulation of petroleum and petroleum products to ensure the optimum and orderly functioning of the petroleum industry to achieve Government's developmental goals.

#### 3.2 Strategic Objectives

- SO 3.1 Regulatory Accounting System (RAS): Strengthen the regulatory framework in the petroleum products industry by implementing the RAS to have a transparent reimbursement framework for rewarding investment in the Liquid Fuels Sector by 2013/14.
- SO 3.2 Sector Transformation: Facilitate the improved participation of Historically Disadvantaged Individuals (HDIs) in the Petroleum Sector by awarding 25% of all petroleum licence applications to HDIs in each year of the medium term.
- SO 3.3 Compliance Monitoring and Enforcement: Ensure compliance with the Liquid Fuels Charter and technical, legal and commercial licensing conditions.
- SO 3.4 Petroleum Licensing: Regulate the petroleum industry (manufacturing, wholesaling and retailing) through licence adjudication.
- SO 3.5 Fuel Price Regulation: Regulate fuel prices.

#### 3.3 Updates/Changes to Information

The strategic objectives for this programme were reviewed and aligned to objectives stated in the Estimate of National Expenditure (Annexure B).

The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as "N/A" or "New indicator, therefore no data".

#### 3.4 Subprogramme 3.1: Petroleum Compliance

(Chief Directorate: Petroleum Compliance Monitoring and Enforcement)

This subprogramme manages arbitration requests and public complaints in the petroleum industry, finalises requests within 14 working days, and promotes the Petroleum Products Amendment Act, 2008 (Act No. 120 of 2008), as amended through inspections, audits and investigations. On an annual basis, 1 500 retail site inspections are conducted for petroleum manufacturers, wholesalers and retailers to ensure compliance with the licensing conditions. This subprogramme had a staff complement of 10 in 2012/13.



Programme 3 manages the regulation of petroleum and petroleum products.

3.4.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 29

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 3.3 Compliance Monitoring & Enforcement of Petroleum Licence conditions"	3.1.1	Number of inspections conducted by the Department of Energy (DoE).	1 200 compliance inspections conducted.	3 360 compliance inspections conducted.	1 500 compliance inspections conducted.	1 500 compliance inspections conducted.	1 500 compliance inspections conducted at the sites.	1 500 compliance inspections conducted at the sites.	1 500 compliance inspections conducted at the sites.
	3.1.2	Number of enforcement notices issued for non-compliance.	New indicator, therefore no data.	New indicator, therefore no data.	New indicator, therefore no data.	100% of enforcement notices issued.	100% of enforcement notices issued.	100% of enforcement notices issued.	100% of enforcement notices issued.
	3.1.3	Number of fuel samples tested for compliance to fuel specifications & standards.	Unfunded mandate.	Unfunded mandate.	Unfunded mandate.	Unfunded mandate.	750 fuel samples tested.	750 fuel samples tested.	750 fuel samples tested.

3.4.2 Quarterly Targets 2013/14

Table 30

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets				
			1st	2nd	3rd	4th	
3.1.1	Number of inspections conducted by the DoE.	Monthly	1 500 compliance inspections conducted at the sites.	375 compliance inspections conducted.	750 compliance inspections conducted (cumulative target).	1 125 compliance inspections conducted (cumulative target).	1 500 compliance inspections conducted (cumulative target).
3.1.2	Number of enforcement notices issued for non-compliance.	Monthly	100% of enforcement notices issued.	100% of enforcement notices issued.	100% of enforcement notices issued.	100% of enforcement notices issued.	100% of enforcement notices issued.
3.1.3	Number of fuel samples tested for compliance to fuel specifications & standards.	Quarterly	750 fuel samples tested.	No target set.	250 fuel samples tested.	250 fuel samples tested.	250 fuel samples tested.

### 3.5 Subprogramme 3.2: Petroleum Licensing and Permitting

(Chief Directorate: Petroleum Licensing and Fuel Supply)

This subprogramme manages the petroleum licensing process; regulates the permitting of the export and import of petroleum products; monitors compliance with the Petroleum and Liquid Fuels Charter and technical, legal and commercial licensing conditions; monitors fuel stock levels; and coordinates corrective actions to avoid distribution shortages. This entails conducting licence application analysis, and ensuring permit and charter compliance and hydrocarbons supply.

#### 3.5.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 31

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
“SO 3.2 Sector Transformation” & “SO 3.4 Petroleum Licensing”	3.2.1 Percentage of compliance with the 60-day turnaround time for the controller to make a final decision on all New-To-Industry (NTI) licence applications (turnaround time measured from the date of receipt of proof of publication of the notice).	New indicator, therefore no data.	New indicator, therefore no data.	New indicator, therefore no data.	90% compliance rate with the 60-days prescribed timeframe by the controller when adjudicating on all petroleum site & retail NTI licence applications.	90% compliance rate with the 60-days prescribed timeframe by the controller when adjudicating on all petroleum site & retail NTI licence applications.	90% compliance rate with the 60-days prescribed timeframe by the controller when adjudicating on all petroleum site & retail NTI licence applications.	90% compliance rate with the 60-days prescribed timeframe by the controller when adjudicating on all petroleum site & retail NTI licence applications.	

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance					
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16		
"SO 3.2 Sector Transformation" & "SO 3.4 Petroleum Licensing" (continued)	3.2.2	Percentage of compliance with the 90-day turnaround time for the controller to make a final decision on all licence applications (turnaround time measured from the date of receipt of proof of publication of the notice).	New indicator, therefore no data.	New indicator, therefore no data.	New indicator, therefore no data.	95% compliance rate with the 90-days prescribed timeframe by the controller when adjudicating on petroleum activity licence applications excluding site & retail NTI applications.	95% compliance rate with the 90-days prescribed timeframe by the controller when adjudicating on petroleum activity licence applications excluding site & retail NTI applications.	95% compliance rate with the 90-days prescribed timeframe by the controller when adjudicating on petroleum activity licence applications excluding site & retail NTI applications.	95% compliance rate with the 90-days prescribed timeframe by the controller when adjudicating on petroleum activity licence applications excluding site & retail NTI applications.	
	3.2.3	Percentage of compliance by the controller in clearing historical (outstanding) applications already in the system.	N/A	N/A	N/A	100% compliance rate by the controller on finalising all historical applications that were on the system as of 30 September 2012.	N/A	N/A	N/A	
"SO 3.4 Petroleum Licensing"	3.2.4	Percentage of compliance with 21 working days from date of receipt of the arbitration request.	New indicator, therefore no data.	New indicator, therefore no data.	New indicator, therefore no data.	100% of arbitration notices issued.	100% of arbitration notices issued.	100% of arbitration notices issued.	100% of arbitration notices issued.	
	3.2.5	Number of Petroleum Products Act (PPA) awareness campaigns conducted.	N/A	N/A	9 PPA & licencing awareness campaigns conducted per annum.	9 PPA & licencing awareness campaigns conducted per annum.	9 PPA & licencing awareness campaigns conducted per annum.	9 PPA & licencing awareness campaigns conducted per annum.	9 PPA & licencing awareness campaigns conducted per annum.	

3.5.2 Quarterly Targets 2013/14

Table 32

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/2014	Quarterly Targets			
			1st	2nd	3rd	4th
3.2.1 Percentage of compliance with the 60-day turnaround time for the controller to make a final decision on all NTI licence applications (turnaround time measured from the date of receipt of proof of publication of the notice).	Monthly	90% compliance rate with the 60-days prescribed timeframe by the controller when adjudicating on petroleum site & retail NTI licence application.	90% compliance rate with the 60-days prescribed timeframe.	90% compliance rate with the 60-days prescribed timeframe.	90% compliance rate with the 60-days prescribed timeframe.	90% compliance rate with the 60-days prescribed timeframe.
3.2.2 Percentage of compliance with the 90-day turnaround time for the controller to make a final decision on all licence applications (turnaround time measured from the date of receipt of proof of publication of the notice).	Monthly	95% compliance rate with the 90-days prescribed timeframe by the controller adjudicating on all petroleum activity licence applications excluding site & retail NTI applications.	95% compliance rate with the 90-days prescribed timeframe.	95% compliance rate with the 90-days prescribed timeframe.	95% compliance rate with the 90-days prescribed timeframe.	95% compliance rate with the 90-days prescribed timeframe.
3.2.3 Percentage of compliance by the controller in clearing historical (outstanding) applications already in the system.	Monthly	100% compliance rate by the controller on finalising all historical applications that were on the system as of 30 September 2012.	25% of outstanding applications finalised.	50% (cumulative target) of outstanding applications finalised.	75% (cumulative target) of outstanding applications finalised.	100% (cumulative target) of outstanding applications finalised.
3.2.4 Percentage of compliance with the 21 working days from date of receipt of the arbitration requests.	Monthly	100% of arbitration notices issued for arbitration requests.	100% compliance rate.	100% compliance rate.	100% compliance rate.	100% compliance rate.
3.2.5 Number of PPA awareness campaigns conducted.	Quarterly	9 PPA & licencing awareness campaigns conducted per annum.	2 awareness campaigns conducted.	5 (cumulative target) awareness campaigns conducted.	7 (cumulative target) awareness campaigns conducted.	9 (cumulative target) awareness campaigns conducted.

### 3.6 Subprogramme 3.3: Petroleum Pricing

(Chief Directorate: Fuel Pricing)

This subprogramme regulates the pricing of petroleum products in accordance with the legislative framework. This entails the determination, review, update and maintenance of fuel levies and margins and the process of paying fuel levies. Fuel price administration includes developing, evaluating and monitoring price models; updating elements of the Basic Fuel Price (BFP); and ensuring secure audit services for the auditing of fuel prices to ensure that the pricing of petroleum products is internationally competitive, thus enabling investment in the sector. This is a newly created subprogramme and its capacity will be built over the medium term.

#### 3.6.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 33

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance			
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 3.5 Fuel Price Regulation"	3.3.1 Revised BFP Working Rules Process & Magisterial District Zones (MDZs).	N/A	BFP for diesel, Illuminating Paraffin (IP) & petrol based on import parity pricing.	The Terms of Reference (TOR) for the review of BFP & MDZ have been finalised.	Study of the BFP elements conducted.	Implementation of the BFP & MDZ review study recommendations.	Promulgation & implementation of the revised BFP & MDZ pricing framework.	Implementation & monitoring of the revised BFP & MDZ pricing framework.
"SO 3.1 Regulatory Accounting System"	3.3.2 Fuel margins adjusted in line with RAS modes.	N/A	Implementation & monitoring of RAS & 2 reports per annum on the calculated margins for the respective segments of the value chain.	Rapid RAS margins were implemented on 7 December 2011.	Implementation & monitoring of RAS. 2 reports completed on the calculated price margins for the respective segments of the value chain.	Implementation & monitoring of RAS. Fuel margins adjustment in line with RAS models.	Implementation & monitoring of RAS. Fuel margins adjusted in line with RAS models.	Implementation & monitoring of RAS. Fuel margins adjusted in line with RAS models.
"SO 3.5 Fuel Price Regulation"	3.3.3 Promulgation of the fixed retail margin for IP regulations.	N/A	N/A	The fixed margin for the IP study was completed & approved by the Minister.	Promulgation of regulations on fixed retail margin for IP.	Promulgation of regulation & implementation of the fixed retail margin of IP.	Implementation & monitoring of the fixed retail margin of IP.	Implementation & monitoring of the fixed retail margin of IP.

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 3.1 Regulatory Accounting System"	3.3.4	Determine Benchmark Service Station (BSS) asset base.	N/A	N/A	N/A	N/A	Conduct the service stations survey to determine the BSS asset base.	Adjust the BSS asset base using economic indices.	Adjust the BSS asset base using economic indices.
"SO 3.5 Fuel Price Regulation"	3.3.5	Promulgation & implementation of biofuels pricing framework.	N/A	No regulatory framework to address biofuels pricing approach.	The biofuels blending value & breakeven price studies completed & the final report approved by the Minister.	Published biofuels manufacturing support mechanism.	Gazette the biofuels pricing regulations. Conclude the working rules to administer biofuel prices and bioethanol blending value.	Implementation & monitoring of the biofuels pricing framework.	Implementation & monitoring of the biofuels pricing framework.

### 3.6.2 Quarterly Targets 2013/14

Table 34

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
3.3.1	Revised BFP Working Rules Process & MDZs.		Implement the BFP & MDZ review study recommendations.	Publish the BFP report for comments & consult key stakeholders. Secure resources to conduct the MDZ review.	Amend the BFP working rules & implement the revised pricing elements. Appoint a service provider to conduct the MDZ review.	Submit progress report.	Implement the revised MDZ (via a submission).
3.3.2	Fuel margins adjusted in line with RAS modes.		Implement & monitor RAS. Fuel margins adjustment in line with RAS models.	Submit progress report.	Submit progress report.	Submit progress report.	Implementation of the RAS margin (via a submission).
3.3.3	Promulgation of the fixed retail margin for IP regulations.		Promulgate & implement the fixed retail margin of IP.	Approval of final report & implementation of the fixed retail margin for IP.	Included in the monthly fuel price submission.	Included in the monthly fuel price submission.	Included in the monthly fuel price submission.

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
3.3.4	Determine BSS asset base.	Conduct the service stations survey to determine the BSS asset base.	Appointment of the service provider (project manager).	Training of the inspectors & identification of the service stations to be surveyed.	Draft report on the BSS asset base.	Approved BSS asset base included in the RAS margins.
3.3.5	Promulgation & implementation of biofuels pricing framework.	Gazette the biofuels pricing framework.	Promulgate the biofuels pricing framework (including the financial support mechanism).	Publish biofuels pricing regulation.	Publish biofuels pricing regulation.	Publish biofuels pricing regulation.

### 3.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

#### 3.7.1 Expenditure Estimates

Programme 3's 2013/14 summarised expenditure estimates and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 35

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
	Rand Thousand							
<b>SUBPROGRAMMES</b>								
Petroleum Compliance	1 606	2 607	1 240	2 697	2 697	14 876	15 369	9 820
Petroleum Licensing & Permitting	8 909	11 549	13 927	12 966	13 423	13 517	14 242	13 738
Petroleum Pricing	-	-	-	-	2 429	21 330	22 436	23 436
<b>Total</b>	<b>10 515</b>	<b>14 156</b>	<b>15 167</b>	<b>15 663</b>	<b>18 549</b>	<b>49 723</b>	<b>52 047</b>	<b>46 994</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>10 513</b>	<b>14 156</b>	<b>15 153</b>	<b>15 663</b>	<b>18 539</b>	<b>49 723</b>	<b>52 047</b>	<b>46 994</b>
Compensation of employees	9 209	11 769	13 843	13 602	14 102	26 111	27 659	29 197
Goods & services of which:	1 304	2 387	1 310	2 061	4 437	23 612	24 388	17 797
Administrative fees	39	57	46	70	92	333	346	341
Advertising	-	39	43	3	3	688	719	740

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Assets less than the capitalisation threshold	-	-	-	4	102	23	24	24
Audit cost: External	-	-	-	-	300	-	-	-
Catering: Departmental activities	26	9	10	15	49	155	162	153
Communication (G&S)	51	59	99	143	149	1 221	1 268	1 248
Computer services	-	-	-	-	-190	1 200	1 200	-
Consultants & professional services: Business & advisory services	516	1 617	287	421	2 388	2 309	2 406	2 723
Consultants & professional services: Laboratory services	201	-	-	-	-	4 008	4 191	4 309
Consultants & professional services: Legal costs	2	-	-	-	-	-	-	-
Contractors	-	-	35	-	-	52	55	56
Agency & support/outsourced services	-	1	-	-	-	6 116	6 137	233
Inventory: Materials & supplies	-	-	-	1	1	1	1	-
Inventory: Other consumables	-	-	3	6	6	-	-	-
Inventory: Stationery & printing	1	16	15	28	43	27	27	1
Travel & subsistence	439	582	668	947	702	7 474	7 847	7 834
Training & development	-	-	97	363	593	5	5	49
Operating payments	29	7	7	7	-373	-	-	27
Venues & facilities	-	-	-	53	572	-	-	59
<b>Transfers &amp; subsidies</b>	-	-	14	-	-	-	-	-
Social benefits	-	-	14	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	10	-	-	-
Machinery & equipment	-	-	-	-	10	-	-	-
Other machinery & equipment	-	-	-	-	10	-	-	-
<b>Payments for financial assets</b>	2	-	-	-	-	-	-	-
<b>Total</b>	<b>10 515</b>	<b>14 156</b>	<b>15 167</b>	<b>15 663</b>	<b>18 549</b>	<b>49 723</b>	<b>52 047</b>	<b>46 994</b>

### 3.7.2 Performance and Expenditure Trends

The spending focus over the medium term will be on increasing staff capacity and oversight over the petroleum industry and this subprogramme will conduct 1 500 petroleum retail site inspections per year.

The increase in expenditure on compensation of employees is due to an increase in personnel to cater for petroleum licensing, petroleum inspections and fuel price administration services and accounts for the increase in posts to 61 across all subprogrammes over the medium term.

Expenditure in the Petroleum Pricing Subprogramme over the medium term is projected to increase significantly as the subprogramme is newly founded and it is expected to build its personnel capacity. The increased spending in the Petroleum Compliance Subprogramme projected over the medium term will go towards strengthening the monitoring capacity to ensure compliance with the Petroleum and Liquid Fuels Charter and with the relevant legislation. The emphasis will also be on the testing of fuel samples collected from licence holders, hence the expected increase in expenditure on consultants and professional services for laboratory services and travel costs associated with the collection of samples over the medium term, which also accounts for the increased expenditure on goods and services. This is reflected in the increase in expenditure on agency and support services and in the Petroleum Compliance Subprogramme in 2013/14 and 2014/15.

This programme will make savings of R1,1 million over the medium term, as part of the Cabinet-approved budget reductions, mostly on savings related to travel and subsistence.

This programme employed 50 staff members in 2012/13, most of whom were on Salary Levels 7 to 10.



## 4. PROGRAMME 4: ELECTRIFICATION AND ENERGY PROGRAMME MANAGEMENT

(Branch: Energy Programmes and Projects)

### 4.1 Purpose

Manage, coordinate and monitor programmes and projects focused on access to energy.

### 4.2 Strategic Objectives

- SO 4.1 Universal Access: Manage, coordinate, monitor and report on programmes and projects to promote/enhance universal access to energy.
- SO 4.2 Electricity Distribution Asset Management: Improve the quality of electricity distribution by addressing the rehabilitation of municipal electricity distribution assets through on-going monitoring and evaluation of distribution asset management.
- SO 4.3 Project Management: Ensure the efficient management of projects by enhancing the application of project management business principles to assist programme and project managers on an on-going basis.
- SO 4.4 Electricity Infrastructure/Industry Transformation: Coordinate, monitor and report on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement and transmission, and on the distribution industry and infrastructure.
- SO 4.5 Community Upliftment: Identify, implement, manage and coordinate programmes/projects aimed at the mainstreaming/upliftment/empowerment of disadvantaged/vulnerable groups and increase public awareness on energy issues.
- SO 4.6 Regional Information, Inspections and Liaison: Obtain information relevant to planning,

doing physical inspections on the execution of Access to Energy Projects and liaising between beneficiaries of projects, service providers and the Department of Energy (DoE).

### 4.3 Updates/Changes to Information

The strategic objectives for this programme were reviewed and aligned to objectives stated in the Estimate of National Expenditure (Annexure B). The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as "N/A".

### 4.4 Subprogramme 4.1: Integrated National Electrification Programme

(Chief Directorate: Integrated National Electrification Programme)

This subprogramme oversees and manages the finance and implementation processes for the Electrification Programme; manages the annual planning processes including electrification infrastructure plans; and manages and coordinates technical audits for the programme. In 2013/14, R320 million has been allocated to pilot an Approach to Asset Distribution Management (ADAM), which aims to support nine municipalities facing serious electricity provision challenges.



Programme 4 manages universal access to energy, electricity infrastructure and community upliftment.

4.4.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 36

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 4.1 Universal Access"	4.1.1	Number of additional households electrified.	145 157 additional households electrified.	191 469 additional households electrified.	151 390 additional households electrified.	180 000 additional households electrified.	200 000 additional households electrified.	215 000 additional households electrified.	230 000 additional households electrified.
	4.1.2	Number of non-grid connections.	N/A	N/A	N/A	10 000 non-grid connections.	15 000 non-grid connections.	20 000 non-grid connections.	30 000 non-grid connections.
	4.1.3	Number of new operational Integrated Energy Centres (IECs) established.	2 IECs established.	2 IECs established.	2 IECs established.	2 IECs established.	2 IECs established.	2 IECs established.	2 IECs established.
	4.1.4	Number of km of new MV power lines constructed.	310 km new MV power lines constructed.	350 km new MV power lines constructed.	350 km new MV power lines constructed.	350 km new MV power lines constructed.	350 km new MV power lines constructed.	350 km new MV power lines constructed.	450 km new MV power lines constructed.
	4.1.5	Number of km of existing MV power lines upgraded.	241 km existing MV power lines upgraded.	200 km existing MV power lines upgraded.	200 km existing MV power lines upgraded.	200 km existing MV power lines upgraded.	220 km existing MV power lines upgraded.	220 km existing MV power lines upgraded.	220 km existing MV power lines upgraded.
	4.1.6	Number of new bulk substations built per year.	4 new bulk substations built.	4 new bulk substations built.	7 new bulk substations built.	6 new bulk substations built.	6 new bulk substations built.	6 new bulk substations built.	6 new bulk substations built.
	4.1.7	Number of additional substations upgraded per year.	3 additional substations upgraded.	3 additional substations upgraded.	10 additional substations upgraded.	10 additional substations upgraded.	10 additional substations upgraded.	10 additional substations upgraded.	10 additional substations upgraded.
"SO 4.5 Community Upliftment"	4.1.8	Value of expenditure on Black Economic Empowerment (BEE) & Small, Medium and Micro Enterprises (SMME) per year.	R689 million spent on BEE & SMME.	R933 million spent on BEE & SMME.	R933 million spent on BEE & SMME.	R933 million spent on BEE & SMME.	R933 million spent on BEE & SMME.	R1 100 million spent on BEE & SMME.	R1 300 million spent on BEE & SMME.

4.4.2 Quarterly Targets 2013/14

Table 37

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
4.1.1 Number of additional households electrified.	Quarterly	200 000 additional households electrified.	30 000 additional households electrified.	65 000 additional households electrified.	60 000 additional households electrified.	45 000 additional households electrified.
4.1.2 Number of non-grid connections.	Quarterly	15 000 non-grid connections.	2 500 non-grid connections.	4 000 non-grid connections.	2 000 non-grid connections.	6 500 non-grid connections.
4.1.3 Number of new operational IECs established.	Quarterly	2 IECs established.	N/A	1 IEC established.	N/A	1 IEC established.
4.1.4 Number of km of new MV power lines constructed.	Quarterly	350 km new MV power lines constructed.	90 km new MV power lines constructed.	90 km new MV power lines constructed.	100 km new MV power lines constructed.	70 km new MV power lines constructed.
4.1.5 Number of km of existing MV power lines upgraded.	Quarterly	220 km existing MV power lines upgraded.	55 km existing MV power lines upgraded.	75 km existing MV power lines upgraded.	55 km existing MV power lines upgraded.	35 km existing MV power lines upgraded.
4.1.6 Number of new bulk substations built per year.	Quarterly	6 new bulk substations built.	1 new bulk substation built.	2 new bulk substations built.	2 new bulk substations built.	1 new bulk substation built.
4.1.7 Number of additional substations upgraded per year.	Quarterly	10 additional substations upgraded.	2 additional substations upgraded.	3 additional substations upgraded.	3 additional substations upgraded.	2 additional substations upgraded.
4.1.8 Value of expenditure on BEE & SMME per year.	Quarterly	R933 million spent on BEE & SMME.	R100 million spent on BEE & SMME.	R200 million spent on BEE & SMME.	R300 million spent on BEE & SMME.	R333 million spent on BEE & SMME.

#### 4.5 Subprogramme 4.2: Energy Regional Offices

(Chief Directorate: Energy Regional Offices)

This subprogramme provides advice on integrated energy services; develops appropriate interventions to enhance and promote universal access to energy; manages and coordinates regional electrification planning; manages the petroleum licensing process; and ensures economic and technical compliance with relevant legislation. It will capture and analyse all annual information submitted by licence holders.

##### 4.5.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 38

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance			
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 4.6 Regional Information, Inspections & Liaison"	4.2.1 Number of reports submitted to head office with regard to planning, physical inspections on the execution of Access to Energy projects & liaising between beneficiaries of projects, service providers & the DoE.	N/A	N/A	N/A	N/A	12 reports submitted.	12 reports submitted.	12 reports submitted.

#### 4.5.2 Quarterly Targets 2013/14

Table 39

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
4.2.1 Number of reports submitted to head office with regard to planning, physical inspections on the execution of Access to Energy projects & liaising between beneficiaries of projects, service providers & the DoE.	Monthly	12 reports submitted.	3 reports submitted.	3 reports submitted.	3 reports submitted.	3 reports submitted.

#### 4.6 Subprogramme 4.3: Programme and Projects Management Office

(Directorate: Programme and Projects Management Office)

This subprogramme provides specialised assistance to programme and project managers, and management in general, to apply management principles, coordinate project information and report on projects. The focus will be on capacitating this subprogramme over the medium term through the development of a project management platform, the appointment and training of staff and meeting with stakeholders to conduct planning sessions.

##### 4.6.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 40

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance			
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 4.3 Project Management"	4.3.1 Monthly progress reports & dashboards submitted per project within the DoE.	N/A	N/A	N/A	N/A	12 progress reports & dashboards submitted per project.	12 progress reports & dashboards submitted per project.	12 progress reports & dashboards submitted per project.

#### 4.6.2 Quarterly Targets 2013/14

Table 41

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
4.3.1 Monthly progress reports & dashboards submitted per project within the DoE.	Monthly	12 progress reports & dashboards submitted per project.	3 progress reports & dashboards submitted per project.	3 progress reports & dashboards submitted per project.	3 progress reports & dashboards submitted per project.	3 progress reports & dashboards submitted per project.

### 4.7 Subprogramme 4.4: Electricity Infrastructure/Industry Transformation

(Chief Directorate: Electricity Infrastructure/Industry Transformation)

This subprogramme oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector and Independent Power Producers (IPPs). This entails establishing an IPP unit with minimal support from external experts by 2013/14. This is a newly created subprogramme.

#### 4.7.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 42

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 4.4 Electricity Infrastructure/ Industry Transformation"	4.4.1 Number of Strategic Integrated Projects (SIPs) reports submitted to EXCO/MANCO & Presidential Infrastructure Coordinating Commission (PICC) Secretariat on all SIPs.	N/A	N/A	N/A	2 SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	4 SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	4 SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	4 SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 4.2 Electricity Distribution Asset Management"	4.4.2	Number of municipalities in which the refurbishment of key electrical networks is to take place (ADAM).	N/A	N/A	N/A	N/A	Pilot project on refurbishment of key electrical networks in 9 municipalities commenced.	N/A	N/A
	4.4.3	Number of Solar Water Heaters (SWHs) installed.	N/A	N/A	N/A	250 041 SWHs installed.	129 679 SWHs installed.	169 700 SWHs installed.	169 138 SWHs installed.
	4.4.4	Percentage of construction phase of IPP Bid Window 1 projects completed.	N/A	N/A	N/A	N/A	60% of construction phase of IPP Bid Window 1 projects completed.	40% of construction phase of outstanding IPP Bid Window 1 projects completed.	100% of construction phase of IPP Bid Window 1 projects completed.
"SO 4.4 Electricity Infrastructure/ Industry Transformation"	4.4.5	Percentage of newly installed IPP generation capacity connected to grid (operational phase).	N/A	N/A	N/A	N/A	N/A	40% of newly installed IPP generation capacity connected to grid.	90% of newly installed IPP generation capacity connected to grid.

4.7.2 Quarterly Targets 2013/14

Table 43

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
4.4.1 Number of SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	Quarterly	4 SIP reports submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	1 SIP report submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	1 SIP report submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	1 SIP report submitted to EXCO/MANCO & PICC Secretariat on all SIPs.	1 SIP report submitted to EXCO/MANCO & PICC Secretariat on all SIPs.
4.4.2 Number of municipalities in which the refurbishment of key electrical networks is to take place (ADAM).	Quarterly	Refurbishment of key electrical networks in 9 municipalities.	Refurbishment of key electrical networks in 2 municipalities.	Refurbishment of key electrical networks in 3 municipalities.	Refurbishment of key electrical networks in 2 municipalities.	Refurbishment of key electrical networks in 2 municipalities.
4.4.3 Number of SWHs installed.	Quarterly	129 679 SWHs installed.	25 000 SWHs installed.	60 000 SWHs installed.	44 679 SWHs installed.	N/A
4.4.4 Percentage of construction phase of IPP Bid Window 1 projects completed.	Quarterly	60% of construction phase of IPP Bid Window 1 projects completed.	10% of construction phase of IPP Bid Window 1 projects completed.	25% of construction phase of IPP Bid Window 1 projects completed.	45% of construction phase of IPP Bid Window 1 projects completed.	60% of construction phase of IPP Bid Window 1 projects completed.
4.4.5 Percentage of newly installed IPP generation capacity connected to grid (operational phase).	N/A	No target set for 2013/14.	N/A	N/A	N/A	N/A

## 4.8 Subprogramme 4.5: Community Upliftment Programmes and Projects

(Directorate: Community Upliftment Programmes and Projects)

This subprogramme ensures the mainstreaming of Government's priorities for broad transformation in the work of the DoE and the Energy Sector, and supports departmental special programmes and projects. This entails drafting youth and gender policies for the DoE and monitoring job creation in projects.

### 4.8.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

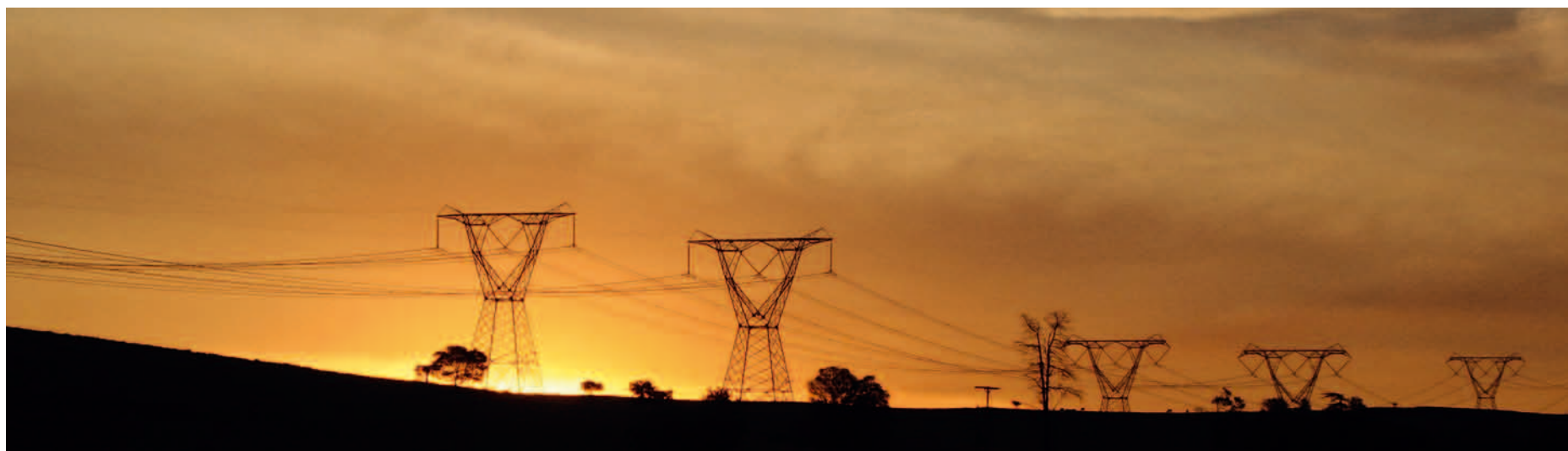
Table 44

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 4.5 Community Upliftment"	4.5.1 Number of jobs created through projects/programmes aimed at poverty alleviation & rural development interventions.	N/A	N/A	N/A	N/A	12 000 jobs created.	15 000 jobs created.	18 000 jobs created.	
	4.5.2 Percentage of budget allocated for community upliftment spent on projects/programmes aimed at the upliftment & empowerment of vulnerable groups.	N/A	N/A	N/A	50% of budget allocated for community upliftment spent on upliftment & empowerment projects/programmes.	60% of budget allocated for community upliftment spent on upliftment & empowerment projects/programmes.	70% of budget allocated for community upliftment spent on upliftment & empowerment projects/programmes.	75% of budget allocated for community upliftment spent on upliftment & empowerment projects/programmes.	
	4.5.3 Number of public energy awareness campaigns conducted.	N/A	N/A	N/A	5 public energy awareness campaigns conducted.	4 public energy awareness campaigns conducted.	5 public energy awareness campaigns conducted.	5 public energy awareness campaigns conducted.	

4.8.2 Quarterly Targets 2013/14

Table 45

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
4.5.1 Number of jobs created through projects/ programmes aimed at poverty alleviation & rural development interventions.	Quarterly	12 000 jobs created.	2 000 jobs created.	3 000 jobs created.	4 000 jobs created.	3 000 jobs created.
4.5.2 Percentage of budget allocated for community upliftment spent on projects/programmes aimed at the upliftment & empowerment of vulnerable groups.	Quarterly	60% of budget allocated for community upliftment spent on upliftment & empowerment projects/ programmes.	15% of budget allocated for community upliftment spent on upliftment & empowerment projects/ programmes.	10% of budget allocated for community upliftment spent on upliftment & empowerment projects/ programmes.	15% of budget allocated for community upliftment spent on upliftment & empowerment projects/ programmes.	20% of budget allocated for community upliftment spent on upliftment & empowerment projects/ programmes.
4.5.3 Number of public energy awareness campaigns conducted.	Quarterly	4 public energy awareness campaigns conducted.	1 public energy awareness campaign conducted.	1 public energy awareness campaign conducted.	1 public energy awareness campaign conducted.	1 public energy awareness campaign conducted.



## 4.9 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

### 4.9.1 Expenditure Estimates

Programme 4's 2013/14 summarised expenditure estimates (Vote 29) and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 46

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
<b>SUBPROGRAMMES</b>								
Integrated National Electrification Programme (INEP)	2 542 934	2 763 146	3 264 539	3 133 551	3 145 451	3 890 235	4 173 922	5 863 026
Energy Regional Office	12 737	15 660	18 086	17 981	17 981	25 995	27 551	28 897
Programme & Projects Management Office	-	-	-	2 743	2 743	13 882	8 567	9 663
Electricity Infrastructure/Industry Transformation	-	929	349	-	-	7 685	9 208	9 866
Community Upliftment Programmes and Projects	3 245	2 314	3 515	3 808	3 808	4 972	5 245	5 485
<b>Total</b>	<b>2 558 916</b>	<b>2 782 049</b>	<b>3 286 489</b>	<b>3 158 083</b>	<b>3 169 983</b>	<b>3 942 769</b>	<b>4 224 493</b>	<b>5 916 937</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>41 754</b>	<b>18 955</b>	<b>43 208</b>	<b>40 872</b>	<b>52 772</b>	<b>75 568</b>	<b>75 177</b>	<b>79 737</b>
Compensation of employees	28 207	15 945	31 832	33 100	34 600	46 294	51 753	54 565
Goods & services of which:	13 547	3 010	11 376	7 772	18 172	29 274	23 424	25 172
Administrative fees	213	69	659	298	318	308	321	338
Advertising	147	81	471	725	725	348	253	214
Assets less than the capitalisation threshold	-	3	7	13	13	164	65	76
Audit cost: External	-	-	-	-	-	350	450	620
Catering: Departmental activities	50	43	130	163	163	169	172	185
Communication (G&S)	302	220	596	353	353	365	380	398
Computer services	-	-	-	-	2	9 250	2 900	3 350
Consultants & professional services: Business & advisory services	717	-	-	-	10 400	-	-	-

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Consultants & professional services: Infrastructure & planning	-	-	-	-	-	1 800	1 300	1 360
Contractors	-	23	57	42	42	44	45	47
Agency & support/outsourced services	-	-	-	2	2	2	2	2
Entertainment	-	19	-	-	-	-	-	-
Inventory: Fuel, oil & gas	-	-	1	1	1	-	-	-
Inventory: Other consumables	-	3	6	9	10	39	79	89
Inventory: Stationery & printing	1	267	55	53	73	56	58	60
Travel & subsistence	8 201	1 931	8 241	4 814	4 664	12 211	13 026	13 907
Training & development	-	-	6	3	69	3	3	3
Operating payments	2 888	287	72	50	91	53	55	57
Venues & facilities	1 028	64	1 075	1 246	1 246	4 112	4 315	4 466
<b>Transfers &amp; subsidies</b>	<b>2 517 158</b>	<b>2 763 094</b>	<b>3 243 281</b>	<b>3 117 211</b>	<b>3 117 211</b>	<b>3 866 951</b>	<b>4 149 316</b>	<b>5 837 200</b>
Municipalities	899 554	1 033 382	1 096 611	1 151 443	1 151 443	1 634 772	1 564 658	2 056 090
Public corporations	1 616 315	1 719 810	2 018 810	1 879 368	1 879 368	2 141 027	2 488 037	3 680 043
Private enterprises	1 289	9 902	127 860	86 400	86 400	91 152	96 621	101 067
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>-</b>
Other machinery & equipment	-	-	-	-	-	250	-	-
<b>Payments for financial assets</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 558 916</b>	<b>2 782 049</b>	<b>3 286 489</b>	<b>3 158 083</b>	<b>3 169 983</b>	<b>3 942 769</b>	<b>4 224 493</b>	<b>5 916 937</b>

#### 4.9.2 Performance and Expenditure Trends

The spending focus over the medium term will be on the expansion of the electrification programmes being implemented by Eskom and municipalities as well as the establishment of the Programme and Projects Management Office and the IPP Unit within the Electricity Infrastructure/Industry Transformation Subprogramme. As a result, this programme will

electrify 540 000 households by 2014/15 and support nine municipalities facing serious electricity provision challenges.

The increased spending in the INEP between 2009/10 and 2012/13 was due to additional allocations to municipalities and Eskom, which implements electrification projects to support the target of

universal access to electricity by 2014. Transfers to Eskom in this period grew from R1,6 billion to R2 billion, while transfers to municipalities increased from R899,6 million to R1,2 billion. In the same period, expenditure on compensation of employees increased to provide for sufficient capacity for the new Programmes and Projects Management Office. The spike in 2013/14 is due to the R320 million allocation



for the ADAM Programme, while the increase in 2015/16 is due to the additional allocation of R1,5 billion for the INEP in that year.

Expenditure is expected to increase significantly over the medium term due to additional funding for the INEP as follows: R2,1 billion for Eskom, R577 million for the municipalities and R320 million for municipalities to pilot the ADAM Programme. Spending on consultants is projected to shift from business and advisory services to infrastructure and planning over the medium term as a result of the development of the monitoring and reporting systems to enhance the electrification planning and monitoring processes. This relates to the DoE's responsibility to monitor progress and conduct technical audits of completed electrification projects.

The spike in spending on computer services in 2013/14 is a result of the once-off allocation for the development of reporting systems to enhance the electrification planning and monitoring processes. The process is expected to be finalised by the end of 2013/14. Savings of R1 million will be made over the medium term to give effect to the Cabinet-approved budget reductions, mostly on travel and subsistence expenditure related to non-delivery.

## 5. PROGRAMME 5: NUCLEAR ENERGY

(Branch: Nuclear Energy)

### 5.1 Purpose

Manage the South African Nuclear Energy Industry and control source and special materials in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

### 5.2 Strategic Objectives

The following strategic objects were identified for the programmes (see Annexure B):

- SO 5.1 Nuclear Security: Regulate the security of nuclear material and facilities for the physical protection of nuclear material by developing and publishing appropriate regulations by 2013/14.
- SO 5.2 Nuclear Control and Accounting: Strengthen the control of and accounting for nuclear materials and related equipment by enforcing the relevant regulations and facilitating the installation of monitoring equipment at identified ports of entry in conjunction with the South African Revenue Service (SARS) by 2013/14.
- SO 5.3 Radioactive Waste Management: Promote the safe management and disposal of radioactive waste by establishing and ensuring the full operation of the National Radioactive Waste Disposal Institute (NRWDI), as provided for in the Radioactive Waste Management Policy and Strategy, by 2014/15.
- SO 5.4 Nuclear Energy Expansion/Infrastructure Developments: To develop and ensure the implementation of a framework for nuclear energy expansion/infrastructure development.

### 5.3 Updates/Changes to Information

The strategic objectives for this programme were reviewed and aligned to objectives stated in the Estimate of National Expenditure (Annexure B). The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as “N/A”.

### 5.4 Subprogramme 5.1: Nuclear Safety and Technology

(Chief Directorate: Nuclear Safety and Technology)

This subprogramme manages and implements all matters related to nuclear safety and technology as required by legislation and international agreements; implements the Nuclear Energy Policy, which was approved in 2008 as a national nuclear programme in line with the Integrated Resource Plan (IRP) requirements; and administers all matters related to nuclear safety, liability and emergency management with the aim to improve the governance of the Nuclear Sector, specifically in relation to nuclear safety and nuclear technology. In 2012/13, R610,2 million was transferred to the National Nuclear Regulator (NNR) and the Nuclear Energy Corporation of South Africa (NECSA).



Programme 5 manages the nuclear industry to ensure the peaceful use of nuclear energy.

5.4.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 47

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
“SO 5.4 Nuclear Energy Expansion/ Infrastructure Development”	5.1.1	Number of nuclear infrastructure reviews conducted.	N/A	N/A	1	1	1	1	1
	5.1.2	Approved Nuclear Procurement Programme relative to IRP by June 2013.	N/A	N/A	Cabinet approved the phased decision-making approach & establishment of the National Nuclear Energy Executive Coordination Committee (NNEECC) on 9 November 2011.	Nuclear Energy Technical Committee (NETC) submission for nuclear procurement process specifications completed by March 2013.	Implementation of procurement process.	Implementation of procurement process.	Implementation of procurement process.
	5.1.3	Nuclear fuel cycle infrastructure developed for beneficiation of uranium to support new nuclear build priorities.	N/A	N/A	Completed prefeasibility studies.	Feasibility studies conducted.	Submission made to NNEECC on the Nuclear Fuel Cycle Strategy.	Submission to Cabinet for approval of Implementation Plan to support the Nuclear Fuel Cycle Strategy.	N/A
“SO 5.3 Radioactive Waste Management”	5.1.4	Established National Radioactive Waste Disposal Unit.	N/A	N/A	Achieved & approved business plan & budget.	Operationalise the NRWDI by establishing the board of directors.	Set up NRWDI office & implement Section 30 (Transitional Arrangements) of the NRWDI Act.	Fully operational and funded NRWDI.	N/A

#### 5.4.2 Quarterly Targets 2013/14

Table 48

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets				
			1st	2nd	3rd	4th	
5.1.1	Number of nuclear infrastructure reviews conducted.	Quarterly	1 nuclear infrastructure review conducted.	Terms of Reference (TOR) including scope of work and project plan defined.	Commence self-assessment according to International Atomic Energy Agency (IAEA) guidelines on Emergency Preparedness Review (EPREV).	Draft Self-Assessment Report.	Self-assessment review completed & IAEA EPREV mission requested.
5.1.2	Approved Nuclear Procurement Programme relative to IRP by June 2013.	Quarterly	Implementation of procurement process.	Recommended procurement process specifications to NNEECC.	Recommendation to Cabinet on procurement process specifications.	Establish procurement body in accordance with the approved process.	Procurement process implemented.
5.1.3	Nuclear fuel cycle infrastructure developed for beneficiation of uranium to support new nuclear build priorities.	Quarterly	Submission made to NNEECC on Nuclear Fuel Cycle Strategy.	N/A	N/A	Recommendation on Fuel Cycle Strategy at working group completed.	Submission made to NNEECC on Nuclear Fuel Cycle Strategy.
5.1.4	Established National Radioactive Waste Disposal Unit.	Quarterly	Set up NRWDI office & implement Section 30 (transitional arrangement) of the NRWDI Act, 2008.	Transfer of financial resources into the institute completed.	Office space secured.	Framework to engage affected Nuclear Energy Corporation of South Africa (NECSA) employees.	Appointment of key personnel in transitional structure for NRWDI.

#### 5.5 Subprogramme 5.2: Nuclear Non-Proliferation and Radiation Security (Chief Directorate: Nuclear Non-Proliferation and Radiation Security)

This subprogramme manages and implements all matters related to nuclear non-proliferation and radiation security as required by legislation and international agreements. It will standardise security measures at ports of entry and install portal radiation monitors at the main ports of entry.

5.5.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 49

Strategic Objectives	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 5.2 Nuclear Control and Accounting"	5.2.1	Number of portal radiation monitors installed.	N/A	N/A	N/A	Enhanced security measures at strategic points.	Installation of radiation portal monitors at 2 ports of entry.	Installation of radiation portal monitors at 2 ports of entry.	N/A
	5.2.2	Percentage of applications for nuclear materials & related equipment concluded within the 8-week time period.	N/A	N/A	N/A	100% of applications for nuclear materials and related equipment concluded within the 8-week time period.	100% of applications for nuclear materials & related equipment concluded within the 8-week time period.	100% of applications for nuclear materials & related equipment concluded within the 8-week time period.	100% of applications for nuclear materials & related equipment concluded within the 8-week time period.
	5.2.3	Number of nuclear audits conducted.	N/A	N/A	N/A	1 nuclear audit conducted.	1 nuclear audit conducted.	2 nuclear audits conducted.	2 nuclear audits conducted.
	5.2.4	Number of nuclear safeguards compliance inspections conducted.	N/A	N/A	N/A	8 nuclear safeguards compliance inspections conducted.	8 nuclear safeguards compliance inspections conducted.	8 nuclear safeguards compliance inspections conducted.	10 nuclear safeguards compliance inspections conducted.

5.5.2 Quarterly Targets 2013/14

Table 50

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets				
			1st	2nd	3rd	4th	
5.2.1	Number of Radiation Portal Monitors (RPMs) installed.	Quarterly	1 RPM installed.	Development of Memorandum of Understanding (MoU) with port authorities.	Import equipment.	Ground preparation.	Installation of RPMs at 2 ports completed.
5.2.2	Percentage of applications for nuclear materials & related equipment concluded within the 8-week time period.	Quarterly	100% of applications for nuclear materials & related equipment concluded within the 8-week time period.	100% of applications for nuclear materials & related equipment concluded within 8-week time period.	100% of applications for nuclear materials & related equipment concluded within the 8-week time period.	100% of applications for nuclear materials & related equipment concluded within 8-week time period.	100% of applications for nuclear materials and related equipment concluded within the 8-week time period.

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
5.2.3	Number of nuclear audits conducted.	Quarterly	1	N/A	Nuclear audit initiated.	N/A	Nuclear audit completed.
5.2.4	Number of nuclear safeguards compliance inspections conducted.	Quarterly	8 nuclear safeguards compliance inspections conducted.	2 nuclear safeguards compliance inspections conducted.	2 nuclear safeguards compliance inspections conducted.	2 nuclear safeguards compliance inspections conducted.	2 nuclear safeguards compliance inspections conducted.

## 5.6 Subprogramme 5.3: Nuclear Policy

(Chief Directorate: Nuclear Policy)

This subprogramme develops and reviews policies as required by international agreements and governance of the Nuclear Sector in South Africa; undertakes research and development; and reviews and monitors nuclear safety, nuclear technology, nuclear non-proliferation and nuclear radiation security policies, and provides advice accordingly. This subprogramme will oversee the process of making amendments to the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999). This subprogramme is projected to have a staff complement of four in 2014/15.

### 5.6.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 51

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 5.1 Nuclear Security"	5.3.1	National Nuclear Regulator Act, 1999 amended.	N/A	N/A	Rescheduled due to dependency on procurement process.	National Nuclear Regulator Act, 1999 amendment proposal submitted to Cabinet.	Public consultation process completed.	Implementation of legislation.	Monitor & evaluate implementation of legislation.
	5.3.2	Nuclear Energy Act, 1999.	N/A	N/A	N/A	N/A	Nuclear Energy Act, 1999 amendment submitted to Cabinet.	Public consultation process completed.	Implementation of legislation.

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline					Medium-Term Targets		
		Audited/Actual Performance			Estimated Performance		2013/14	2014/15	2015/16
		2009/10	2010/11	2011/12	2012/13	2012/13			
"SO 5.1 Nuclear Security" (continued)	5.3.3	New legislation for radioactive waste management funding.	N/A	N/A	Implementation of NRWDI unfunded.	Draft Fund Bill for long-term radioactive waste management submitted to Minister of Energy.	Public consultation process completed.	Fund regulations developed & contribution levels determined.	Radioactive waste management fund operational.
	5.3.4	Safeguards function removed from nuclear operator to State System of Accounting and Control (SSAC) of nuclear materials.	N/A	N/A	Framework for withdrawal of the safeguards function from a licenced operator.	Framework for withdrawal of the safeguards function from a licensed operator completed.	Transitional arrangements for SSAC.	Transitional arrangements for SSAC.	Safeguards function removed from a nuclear operator.
	5.3.5	Number of community outreach events per annum.	N/A	N/A	1 community outreach event held.	3 community outreach events held and 1 media campaign.	4 community outreach events held.	5 community outreach events held.	5 community outreach events held.

#### 5.6.2 Quarterly Targets 2013/14

Table 52

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
5.3.1 National Nuclear Regulator Act amended.	Quarterly	Public consultation process completed.	Gazette amendments for public comments.	Address public comments.	Consult with legal advisors on public comments.	Public consultation process completed.
5.3.2 Nuclear Energy Act amended.	Quarterly	Nuclear Energy Act amendment submitted to Cabinet.	Draft amendment bill completed.	Draft amendment bill submitted to legal advisors.	Consultation with legal advisors completed.	Draft amendments submitted to Cabinet.
5.3.3 New legislation for radioactive waste management funding.	Quarterly	Public consultation process completed.	Bill gazetted for public comments.	Draft bill consulted with legal advisor.	Address public comments through consultation with legal advisors.	Bill submitted to Parliament.

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
5.3.4 Safeguards function removed from nuclear operator to State System of Accounting and Control (SSAC) of nuclear materials.	Quarterly	Transitional arrangements for SSAC.	Negotiate with the host.	Source the funding. Ministerial Delegation of Authority given to the host.	Notification of IAEA of transitional arrangement.	Safeguards function removed from nuclear operator to SSAC of nuclear materials.
5.3.5 Number of community outreach events per annum.	Quarterly	4 community outreach events held.	N/A	2 community outreach events held.	N/A	2 community outreach events held.

## 5.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

### 5.7.1 Expenditure Estimates

Programme 5's 2013/14 summarised expenditure estimates and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 53

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
	Rand Thousand							
<b>SUBPROGRAMMES</b>								
Nuclear Safety & Technology	601 037	607 314	637 985	593 004	637 624	693 280	636 653	658 223
Nuclear Non-Proliferation & Radiation Security	2 234	2 550	519	3 284	3 284	7 874	8 328	8 784
Nuclear Policy	6 643	2 480	3 762	2 070	2 070	8 838	12 058	12 535
<b>Total</b>	<b>609 914</b>	<b>612 344</b>	<b>642 266</b>	<b>598 358</b>	<b>642 978</b>	<b>709 992</b>	<b>657 039</b>	<b>679 542</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>21 977</b>	<b>18 280</b>	<b>20 781</b>	<b>12 867</b>	<b>32 462</b>	<b>36 073</b>	<b>40 609</b>	<b>41 336</b>
Compensation of employees	16 338	11 356	7 522	9 515	9 515	12 898	16 433	17 342
Goods and services of which:	5 639	6 924	13 259	3 352	22 947	23 175	24 176	23 994
Administrative fees	205	201	139	115	110	213	225	228

	Baseline					MTEF		
	Audited Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Advertising	218	139	150	52	42	205	219	218
Assets less than the capitalisation threshold	-	-	-	-	-	1	1	1
Bursaries: Employees	-	-	-	-	-	1 000	1 000	-
Catering: Departmental activities	56	47	35	14	35	70	76	75
Communication (G&S)	214	399	104	51	51	187	200	202
Computer services	-	4	-	6	6	12	12	12
Consultants & professional services: Business & advisory services	70	12	495	1	14 571	8 435	8 735	9 042
Contractors	17	3	2	-	-	1	1	1
Agency & support/outsourced services	-	357	-	913	913	1 617	1 712	1 772
Entertainment	-	1	-	-	-	-	-	-
Inventory: Other consumables	-	-	8	219	219	210	218	227
Inventory: Stationery & printing	12	42	-	3	13	67	4	5
Travel & subsistence	4 603	4 666	1 408	913	1 312	5 219	5 475	5 664
Training & development	8	-	236	-	10	34	161	256
Operating payments	181	743	10 624	28	5 078	27	28	27
Venues & facilities	55	310	58	1 037	587	5 877	6 109	6 264
<b>Transfers &amp; subsidies</b>	<b>587 937</b>	<b>594 064</b>	<b>621 485</b>	<b>585 491</b>	<b>610 491</b>	<b>673 919</b>	<b>616 430</b>	<b>638 206</b>
Departmental agencies & accounts	23 793	19 954	35 430	30 912	42 912	68 160	33 697	34 887
Foreign governments & international organisations	-	-	-	-	-	13 577	12 055	12 481
Public corporations	564 144	574 110	586 034	554 579	567 579	592 182	570 678	590 838
Social benefits	-	-	21	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	<b>25</b>	-	-	-
Other machinery & equipment	-	-	-	-	25	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>609 914</b>	<b>612 344</b>	<b>642 266</b>	<b>598 358</b>	<b>642 978</b>	<b>709 992</b>	<b>657 039</b>	<b>679 542</b>

### 5.7.2 Performance and Expenditure Trends

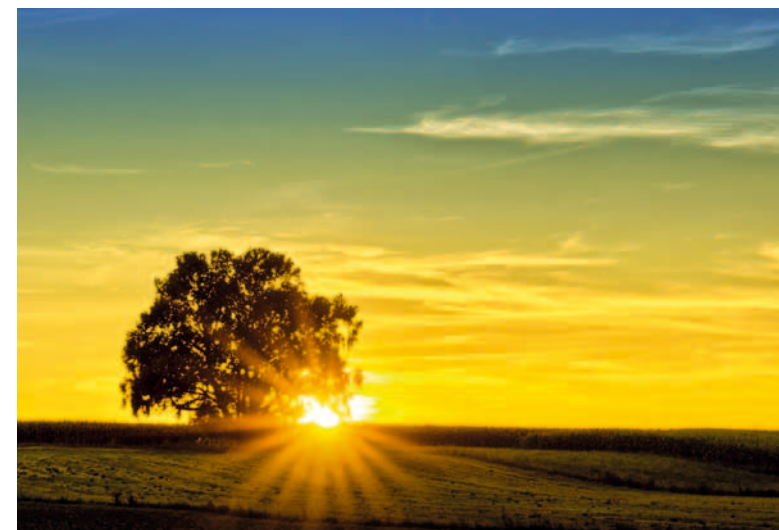
Expenditure in the Nuclear Safety and Technology Subprogramme is expected to increase over the medium term as a result of additional allocations of R33,9 million in 2013/14 and R12,3 million in 2014/15 for the establishment of the NRWDI in 2013/14 and for the payment of IAEA membership fees. This is evident in the increases in transfers and subsidies in these periods. The institute will be established in accordance with the NRWDI Act, 2008 (Act No. 53 of 2008), with a mandate to fulfil the institutional obligation of managing the disposal of radioactive waste on a national scale which is vested in the Minister of Energy. The expected increase in spending on compensation of employees between 2012/13 and 2015/16 is due to the reprioritised funding of R5,7 million for improved conditions of service and added human resource (HR) capacity, mainly from the Integrated National Electrification Programme (INEP) in the Electrification and Energy Programme Management Programme.

Spending in this programme is dominated by transfers to the nuclear departmental agencies, such as the NECSA and the NNR. The NECSA receives an additional allocation of R14,2 million in 2013/14 to build the waste processing facility as well as a once-off allocation in 2013/14 of R33,5 million, shifted from the Solar Water Geyser Project which was experiencing slow take-up at the time, to assist with the research and development facilities attached to the SAFARI-1 nuclear reactor. The NNR receives R116,9 million over the medium term, which includes a once-off allocation of R17 million to cater for the emergency preparedness centre as well as an Information and Communication Technologies (ICT) infrastructure upgrade. Expenditure on travel and subsistence is expected to increase over the medium term due to an increase in the number of nuclear safeguards compliance inspections, audits and investigations over the medium term, while spending on venues and facilities increases due to

the public consultation process for amendments to the National Nuclear Regulator Act (1999).

Spending on consultants increased significantly between 2009/10 and 2012/13 due to a once-off allocation in 2012/13 for conducting research in preparation for the nuclear build. Spending on consultants is expected to decrease over the medium term as the planning around the nuclear build continues over the medium term. Reductions of R40,3 million will be made over the medium term as part of the Cabinet-approved budget reductions, mostly in transfers to entities such as the NECSA and the NNR. The programme will absorb these reductions by implementing efficiency measures and, in travel and subsistence, by reducing the size and number of delegations to meetings and conferences.

This programme has a staff complement of 21 in 2012/13, which is expected to increase to 30 by 2015/16 as the HR capacity of the programme is strengthened in line with the Department of Energy's (DoE's) mandate on Nuclear Energy Policy.



## 6. PROGRAMME 6: CLEAN ENERGY

(Branch: Clean Energy)

### 6.1 Purpose

Manage and facilitate the development and implementation of clean and renewable energy, energy efficiency and demand side management initiatives.

### 6.2 Strategic Objectives

- SO 6.1 Climate Change and Environment: Manage climate change and environmental matters through regulations and monitoring to mitigate the risk of environmental impact by:
  - publishing strategies and plans by 2014/15; and
  - developing a regulatory framework that supports Carbon Capture and Storage (CCS) test injection by 2016.
- SO 6.2 Energy Efficiency (EE) and Demand Management: Promote and facilitate EE and demand management by:
  - monitoring and reporting on energy savings on an on-going basis;
  - coordinating, monitoring and reporting on the progress and impact of EE and demand management strategies by 2015; and
  - reviewing the EE tax incentive and energy conservation schemes by 2014/15.
- SO 6.3 Energy Management Plan: Improve demand management by facilitating the development of an energy management plan by 2014/15.
- SO 6.4 Renewable Energy: Ensure the integration of renewable energy into the mainstream energy supply of South Africa by planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market through:

- improving the generation capacity of renewable energy to at least 42% in 2030;
- facilitating approval of the Renewable Energy White Paper by 2013/14;
- implementing awareness campaigns from 2013/14 onwards; and
- installing 1 million Solar Water Heater (SWH) units by 2015/16.

### 6.3 Updates/Changes to Information

The strategic objectives for this programme were reviewed and aligned to objectives stated in the Estimate of National Expenditure (Annexure B). The performance indicators and targets were also substantially reviewed.

It should be noted that the review of the performance indicators and targets resulted in a situation where a number of new/newly defined indicators were neither measured nor data collected on these indicators. In such instances the baseline was indicated as “N/A”.

### 6.4 Subprogramme 6.1: Energy Efficiency (Chief Directorate: Energy Efficiency)

This subprogramme advances EE in South Africa by planning and coordinating initiatives and interventions focused on developing and improving the EE market and ensures integration and coordination of EE initiatives and interventions with relevant associated institutions. In 2012/13, the bulk of this subprogramme's total budget (99,6%) was used for transfer payments to Eskom and municipalities for implementing the Energy Efficiency Demand Side Management Programme.



Programme 6 manages clean and renewable energy, EE and demand side management.

6.4.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 54

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 6.2 Energy Efficiency & Demand Management"	6.1.1	Energy consumption baselines for municipalities.	N/A	N/A	N/A	Strategies & plans for various EE interventions.	Developed energy consumption baselines for 10 municipalities.	Developed energy consumption baselines for additional 30 municipalities.	Developed energy consumption baselines for additional 80 municipalities.
	6.1.2	National EE strategy document.	N/A	N/A	N/A	N/A	Promulgation of revised Cabinet-approved strategy & plan for improving EE.	N/A	N/A
	6.1.3	Energy conservation scheme (ECS).	N/A	N/A	N/A	N/A	Stakeholder consulted & ECS rules developed.	Rules for ECS approved by National Energy Regulator of South Africa (NERSA).	N/A

6.4.2 Quarterly Targets 2013/14

Table 55

Performance Indicator (see Technical Indicator)		Reporting Period	Annual Target 2013/14	Quarterly Targets			
				1st	2nd	3rd	4th
6.1.1	Energy consumption baselines for municipalities.	Quarterly	Developed energy consumption baselines for 10 municipalities.	Stakeholder engagement process with 10 target municipalities.	Piloting of the baseline development approach.	N/A	Developed baseline energy profiles for 10 municipalities
6.1.2	National EE strategy document.	Quarterly	Promulgation of revised Cabinet-approved strategy & plan for improving EE.	Stakeholder engagement on draft National Energy Efficiency (NEE) Strategy document.	Stakeholder engagement on draft NEE Strategy document.	N/A	Cabinet-approved NEE Strategy document.
6.1.3	ECS	Quarterly	Stakeholder consulted ECS rules developed.	Consultation on the ECS with 10 industry companies representing the Intensive Energy Users Sector.	Consultation on the ECS with 10 industry companies representing the Intensive Energy Users Sector.	Consultation on the ECS with 10 industry companies representing the Intensive Energy Users Sector.	Promulgated ECS Policy.

## 6.5 Subprogramme 6.2: Renewable Energy

(Chief Directorate: Renewable Energy)

This subprogramme ensures the integration of renewable energy into South Africa's mainstream energy supply by planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market and ensures the integration and coordination of renewable energy initiatives and interventions with relevant associated institutions. The largest spending item is on transfers to the South African National Energy Research and Development Institute (SANEDI) for research and development into the CCS and Hydraulic Fracturing projects. In 2012/13, the bulk of this subprogramme's total budget (90,8%) was transferred to the SANEDI.

### 6.5.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 56

Strategic Objective	Performance Indicator (see Technical Indicator)		Baseline				Medium-Term Targets		
			Audited/Actual Performance			Estimated Performance			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
"SO 6.4 Renewable Energy"	6.2.1.	Solar park concept.	N/A	N/A	N/A	N/A	Completed feasibility study for the development of the Northern Cape solar park.	N/A	N/A
	6.2.2	Locally produced SWHs.	N/A	N/A	N/A	N/A	Transition to revised contracting model for new SWH installations.	100% of installed units have local content above 70%.	N/A
	6.2.3	Number of SWH units installed.	N/A	N/A	N/A	N/A	80 000 SWH units installed.	220 000 SWH units installed.	300 000 SWH units installed.

### 6.5.2 Quarterly Targets 2013/14

Table 57

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
6.2.1. Solar park concept.	Quarterly	Completed feasibility study for the development of the Northern Cape solar park.	N/A	Feasibility study report approved by Minister.	N/A	N/A
6.2.2. Locally produced SWHs.	Quarterly	Transition to revised contracting model for new SWH installations.	Approval of new contracting model with Eskom, based on 70% local content threshold for SWH.	Proposals for supply of SWH units from local manufacturers adjudicated.	N/A	N/A
6.2.3. Number of SWH units installed.	Quarterly	80 000 SWH units installed.	N/A	Invitation for proposals & offer rebates for SWHs to pilot the standard offer policy for SWHs in high consumption Residential Sector.	N/A	N/A

### 6.6 Subprogramme 6.3: Climate Change and Designated National Authority

(Chief Directorate: Climate Change and Designated National Authority)

This subprogramme ensures that climate change and environment response measures, in terms of mitigation and adaptation, are implemented within the Energy Sector and fulfil international energy commitments and obligations under the United Nations Framework Convention on Climate Change pertaining to the Kyoto Protocol. This subprogramme will develop an energy and climate change strategy, and measure and report on energy-related carbon emission reductions.

6.6.1 Strategic Objectives, Performance Indicators, Baselines and Medium-Term Targets

Table 58

Strategic Objective	Performance Indicator (see Technical Indicator)	Baseline				Medium-Term Targets			
		Audited/Actual Performance			Estimated Performance				
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
"SO 6.1 Climate Change & Environment"	6.3.1 Project identification notes (PINs) & project development documents (PDDs).	N/A	N/A	N/A	Clean Development Mechanism (CDM) applications processed in line with regulated timeframes & negotiations of UNFCCC position.	Submitted PINs & PDDs processed within the prescribed timelines.	Submitted PINs & PDDs processed within the prescribed timelines.	Submitted PINs & PDDs processed within the prescribed timelines.	
	6.3.2 Alignment of energy plans with national climate change response position.	N/A	N/A	N/A	N/A	Promote the CDM & negotiation of the UNFCCC position.	N/A	N/A	

6.6.2 Quarterly Targets 2013/14

Table 59

Performance Indicator (see Technical Indicator)	Reporting Period	Annual Target 2013/14	Quarterly Targets			
			1st	2nd	3rd	4th
6.3.1 PINs & PDDs.	Quarterly	Submitted PINs & PDDs processed within the prescribed timelines.	All applications processed within the prescribed timelines.	All applications processed within the prescribed timelines.	All applications processed within the prescribed timelines.	All applications processed within the prescribed timelines.
6.3.2 Alignment of energy plans with national climate change response position.	Quarterly	Promote the CDM & negotiation of the UNFCCC position.	Stakeholder engagement & education on CDM methodology.	Stakeholder engagement & education on CDM methodology.	Position paper on carbon tax, Municipal Finance Management Act & National Environmental Management Act.	N/A

## 6.7 Reconciling Performance Targets with the Budget and Medium-Term Expenditure Framework

### 6.7.1 Expenditure Estimates

Programme 6's 2013/14 summarised expenditure estimates and Medium-Term Expenditure Framework (MTEF) baseline are as follows:

Table 60

	Baseline					MTEF		
	Audited/Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
<b>SUBPROGRAMMES</b>								
Energy Efficiency	253 372	339 327	418 839	1 205 124	1 025 753	1 478 285	1 823 023	934 699
Renewable Energy	10 285	25 790	73 618	94 925	61 217	140 786	169 516	96 249
Climate Change & Designated National Authority	2 785	2 873	3 274	3 378	3 378	4 503	4 766	5 021
<b>Total</b>	<b>266 442</b>	<b>367 990</b>	<b>495 731</b>	<b>1 303 427</b>	<b>1 090 348</b>	<b>1 623 574</b>	<b>1 997 305</b>	<b>1 035 969</b>
<b>ECONOMIC CLASSIFICATION</b>								
<b>Current payments</b>	<b>11 395</b>	<b>18 603</b>	<b>31 640</b>	<b>12 942</b>	<b>13 609</b>	<b>40 608</b>	<b>42 805</b>	<b>44 901</b>
Compensation of employees	7 942	14 478	18 724	11 801	11 801	12 742	13 490	14 238
Goods & services of which:	3 453	4 125	12 916	1 141	1 808	27 866	29 315	30 663
Administrative fees	41	102	98	26	26	120	126	132
Advertising	255	169	517	42	42	3 577	3 741	3 913
Assets less than the capitalisation threshold	1	-	3	-	-	1 944	2 033	2 127
Catering: Departmental activities	7	81	70	31	31	14	15	15
Communication (G&S)	58	103	260	29	29	731	764	799
Consultants & professional services: Business & advisory services	694	677	8 036	-	-	-	-	-
Contractors	-	1	-	1	1	280	293	339
Agency & support/outsourced services	399	1	-	-	-	-	-	-
Inventory: Learner & teacher support material	31	14	-	2	2	-	-	2
Inventory: Medical supplies	-	-	-	-	-	3	-	-
Medsas inventory interface	-	-	-	-	-	2	2	-

	Baseline					MTEF		
	Audited/Outcome			Voted (Main) Appropriation	Adjusted Appropriation	Revised Baseline		
	2009/10	2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
Rand Thousand								
Inventory: Stationery & printing	1	100	38	26	26	27	33	34
Operating leases	-	1 085	-	52	52	54	56	58
Property payments	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	3 839	4 070	4 124
Travel & subsistence	1 162	1 743	2 256	846	846	2 973	3 151	3 297
Training & development	-	-	2	15	15	-	-	-
Operating payments	714	11	137	-	667	770	805	842
Venues & facilities	90	38	1 499	71	71	13 532	14 226	14 981
<b>Transfers &amp; subsidies</b>	<b>255 032</b>	<b>349 387</b>	<b>464 091</b>	<b>-</b>	<b>1 076 739</b>	<b>1 582 966</b>	<b>1 954 500</b>	<b>991 068</b>
Municipalities	175 000	220 000	280 000	200 000	200 000	180 722	155 415	202 005
Departmental agencies & accounts	-	-	20 100	50 110	56 110	134 344	162 685	89 063
Public corporations	74 475	108 900	118 800	1 000 000	820 629	1 267 900	1 636 400	700 000
Private enterprises	5 557	20 487	45 191	40 375	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>266 442</b>	<b>367 990</b>	<b>495 731</b>	<b>1 303 427</b>	<b>1 090 348</b>	<b>1 623 574</b>	<b>1 997 305</b>	<b>1 035 969</b>

### 6.7.2 Performance and Expenditure Trends

The spending focus over the medium term will be on increasing transfer payments to the SANEDI to carry out research and development for two projects: CCS, and Hydraulic Fracturing. The Department of Energy (DoE) aims to conduct a CCS test injection in 2016. The projected decrease in expenditure over the medium term is mainly due to a decrease in the national EE and demand side management grant to Eskom for the installation of solar water geysers from R820 million in 2012/13 to R700 million in 2015/16, which is when the programme is scheduled to conclude.

Expenditure in the Energy Efficiency Subprogramme increased between 2009/10 and 2012/13 as a result of the introduction of, and subsequent additional allocations made towards, the Energy Efficiency and Demand Side Management Programme implemented by both Eskom and selected municipalities as well as spending on the Solar Water Geyser Programme. Over the same period, expenditure on compensation of employees increased due to capacity building necessitated by the separation of the DoE from the Department of Minerals and Energy.

Transfer payments to the SANEDI began in 2011/12 with an initial allocation of R20,1 million that increased to R56,1 million in 2012/13 due to a once-off allocation of R13 million for operational activities and a baseline adjustment for operational activities, which also explains the increase in the Renewable Energy Subprogramme. This entity also receives an additional R217 million over the medium term for research and development into the CCS and Hydraulic Fracturing projects.

The increase in expenditure over the medium term is due to an increase in transfer payments to the SANEDI to fund its operations as well as to undertake specific research and development related to the Carbon Capture and Hydraulic Fracturing projects.

This research will form the basis of policies to be developed which target climate change obligations and ensure the security of energy supply in the country. The institute will receive a total of R386,1 million over the medium term, consisting of R134,3 million in 2013/14, R162,7 million in 2014/15 and R89,1 million in 2015/16, including R217 million for the CCS and Hydraulic Fracturing projects.

Between 2009/10 and 2012/13, expenditure in the Renewable Energy Subprogramme increased significantly due to an increase in transfer payments to the SANEDI to fund its operations as well as to fund activities within the Working for Energy Project. The operational grant to the institute started in 2011/12, following the institute's separation from the Central Energy Fund (CEF) group of companies, with an initial allocation of R20,1 million, which increased to R56,1 million in 2012/13.

Reductions in spending of R71,1 million will be made over the medium term as part of the Cabinet-approved budget reductions, mostly in transfers to municipalities.



# Part D

## LINKS TO OTHER PLANS

### 1. LINKS TO LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Table 61

Project Name	Programme	Project Description	Outcomes	Estimated Project Cost	Expenditure to Date	Project Duration
1. Eskom Electrification	Energy Programme & Projects	To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlogs of permanently occupied residential dwellings, the installation of bulk infrastructure & the rehabilitation of electrification infrastructure.	15,2 million households to have access to energy by March 2025.	R35 billion.	R8 billion.	2001/2 to 2025.
Municipality Electrification	Energy Programme & Projects	To implement the INEP by providing capital subsidies to municipalities to address the electrification backlogs of permanently occupied residential dwellings, the installation of bulk infrastructure & the rehabilitation & refurbishment of the electricity infrastructure in order to improve the quality of the electrification infrastructure.				
Non-grid connections	Energy Programme & Projects	To implement the INEP by providing capital subsidies to non-grid service providers to address the electrification backlogs of permanently occupied rural & remote areas in order to improve quality of life.				
2. New Multi-Product Pipeline (NMPP)	Energy Policy & Planning	To commission the NMPP.	Improved/adequate supply of petroleum products to the inland market from Durban.	R25 billion.		

### 2. CONDITIONAL GRANTS

Table 62

Name of grant	Integrated National Electrification Programme (INEP)
Purpose	To facilitate access to electricity for all.
Performance indicator	Universal access to formal dwellings by 2014.
Continuation	Grant continues.
Motivation	Approximately 80% already electrified & need to upgrade from non-grid to grid in some of the rural areas.

### 3. PUBLIC ENTITIES

The Minister of Energy is responsible for overseeing five state-owned entities (SOEs) and their subsidiaries, which are either classified as Schedule 2 or as 3A institutions in the Public Finance Management Act (PFMA). They are: the National Nuclear Regulator (NNR); the Central Energy Fund (CEF) Group of companies under CEF (Pty) Ltd; the South African Nuclear Energy Corporation of South Africa (NECSA); the National Energy Regulator of South Africa (NERSA) and the South African National Energy Development

Institute (SANEDI). The enabling legislation requires the Minister to appoint members of the board of all SOEs reporting to him or her. Boards are ultimately accountable and responsible for the performance of their respective entities. They give strategic direction in line with the Department of Energy's (DoE's) strategy within their respective mandates, which is then implemented by management.

During the financial year, the DoE will be finalising the review of the CEF group of companies.

Table 63

Name of Public Entity	Mandate	Objectives	2013/14 Budget	Date of Next Evaluation
NERSA	NERSA is the competent regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). NERSA's mandate is to regulate the electricity, piped-gas & petroleum pipeline industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), the Gas Act, 2001 (Act No. 48 of 2001) & the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).	<ol style="list-style-type: none"> <li>1. Regulatory environment facilitates investment in energy infrastructure.</li> <li>2. Supply is certain &amp; secure for current &amp; future user needs.</li> <li>3. Fair competition exists within the energy industry.</li> <li>4. Ensure existence of regulatory certainty within the energy industry.</li> <li>5. Energy is accessible &amp; affordable for all citizens.</li> <li>6. NERSA is established &amp; positioned as a credible &amp; reliable regulator.</li> </ol>	R275 907 345	As needed.
NNR	The purpose of the regulator is to provide for the protection of persons, property & the environment against nuclear damage through the establishment of safety standards & regulatory practices.	<ol style="list-style-type: none"> <li>1. Effective regulatory oversight &amp; framework to assure nuclear safety &amp; security.</li> <li>2. To strengthen stakeholder relations &amp; enhance the corporate image of the NNR.</li> <li>3. To create a high performance culture.</li> <li>4. Ensure financial viability &amp; sustainability of the organisation to ensure that it remains a going concern.</li> <li>5. Develop &amp; maintain sound organisational infrastructure.</li> <li>6. Enhance good corporate governance.</li> <li>7. Ensure effective human capital management.</li> </ol>	R168 709 000	As needed.

Name of Public Entity	Mandate	Objectives	2013/14 Budget	Date of Next Evaluation
NECSA	<p>NECSA was established as a public company in terms of the Nuclear Energy Act (Act No. 46 of 1999) &amp; is wholly owned by the State. Its functions are:</p> <ul style="list-style-type: none"> <li>– to undertake &amp; promote research on nuclear energy &amp; radiation sciences &amp; technology;</li> <li>– to process source, special nuclear &amp; restricted material including uranium enrichment; and</li> <li>– to collaborate with other entities.</li> </ul> <p>The Nuclear Energy Act, 1999 provides for the commercialisation of nuclear &amp; related products &amp; services, &amp; delegates specific responsibilities to the Corporation, including the implementation &amp; execution of national safeguards &amp; other international obligations. The Nuclear Energy Policy of 2008 elaborated on NECSA's mandate relating to Research &amp; Development (R&amp;D) &amp; nuclear fuel cycle responsibilities.</p>	<ol style="list-style-type: none"> <li>1. Nuclear Power Cluster that undertakes nuclear fuel development &amp; production as well as projects &amp; services in support of the SA Nuclear Power Programme.</li> <li>2. Radiation Science &amp; Applications Cluster delivers radiation sciences research services &amp; develops products &amp; services for the industry, including isotopes for the Medical Sector.</li> <li>3. NECSA as host of the Nuclear Programmes Cluster refers to NECSA's services to house nuclear programmes, due to its unique integrated Safety, Health, Environment &amp; Quality (SHEQ) system, licensed nuclear infrastructure &amp; specialised supporting services.</li> </ol>	R1 975 060 000	As needed.
SANEDI	<p>To direct, monitor &amp; conduct applied energy research &amp; development, demonstration &amp; deployment as well as undertake specific measures to promote Energy Efficiency (EE) throughout the economy.</p> <p>To establish a nationally focused energy research, development &amp; innovation sector &amp; undertake EE measures with a strong relevance for South Africa, aligned with the DoE objectives as stated in the National Energy Act, 2008.</p>	<ol style="list-style-type: none"> <li>1. Enable well-informed &amp; high confidence energy planning, decision making &amp; support policy development.</li> <li>2. Accelerated transformation to less energy &amp; carbon intensity.</li> <li>3. Foster a culture of EE &amp; more rational energy use.</li> </ol>	R228 100 000	As needed.
CEF (Pty) Ltd	<p>The CEF is a private company, governed by the Central Energy Fund Act, 1977 (Act No. 38 of 1977). The company researches, finances, develops &amp; exploits appropriate energy solutions across the spectrum of energy sources to meet South Africa's future energy needs. It is also mandated to manage the Equalisation Fund, which collects levies from the retail sales of petroleum products to eliminate unnecessary fluctuations in the retail price of liquid fuel &amp; to give tariff protection to the synthetic fuel industry.</p>	<ol style="list-style-type: none"> <li>1. To effectively &amp; efficiently manage the energy business for the benefit of all South Africans.</li> <li>2. CEF will play an active role in the governance &amp; planning of all its subsidiaries &amp; will strategically coordinate the long-term future of the group.</li> <li>3. To improve energy security of supply through diversifying sources &amp; by building &amp; managing strategic energy stocks &amp; an energy infrastructure.</li> <li>4. To develop &amp; invest in renewable &amp; alternative energy sources &amp; in EE.</li> <li>5. To develop human capacity &amp; invest in relevant R&amp;D.</li> <li>6. To manage &amp; optimally exploit local strategic energy &amp; related resources.</li> <li>7. To mitigate against environmental impacts &amp; maximise sustainable development.</li> </ol>	R21 840 256 000	As needed.

### 3.1 EDI Holdings and the Electricity Distribution Infrastructure Rehabilitation

- After Cabinet’s approval for winding up of Electricity Distribution Industry (EDI) Holdings, the DoE was mandated by Cabinet to take over programmes previously executed under the EDI Holdings’ mandate. A key programme that will be taken over is the Approach to Distribution Asset Management (ADAM) Programme, which will focus on addressing the rehabilitation of municipal electricity distribution infrastructure.
- The initial phase of implementing the ADAM Programme (2011/2012) will develop and do an in-depth assessment of the actual backlog and develop detailed geographical maps detailing the extent of the problem, firstly at metro cities and secondly at secondary metros. Once detailed maps are in place, a detailed funding proposal will be put in place in preparation for the second phase which involves executing projects to rehabilitate the infrastructure under stress. Parallel to phase 1 (2011/2012), we intend to immediately put in place measures to rehabilitate those identified infrastructures that need urgent intervention to ensure that electricity service delivery is not negatively affected in the short to

medium term.

- As first priority, immediate critical short-term projects will be rolled out. From an ADAM perspective these projects are defined as per the following:
  - a) Falling within the categories of short-term strengthening, refurbishment and maintenance;
  - b) Can be implemented within 18 months; and
  - c) Can improve the overall entity’s infrastructure adequacy in line with planning and operational criteria defined by the entity itself or in line with international standards.
- ADAM Programme implementation and project management, monitoring and reporting will be under the direct control of the Department of Energy (DoE), which will coordinate and consolidate all projects at municipal level.

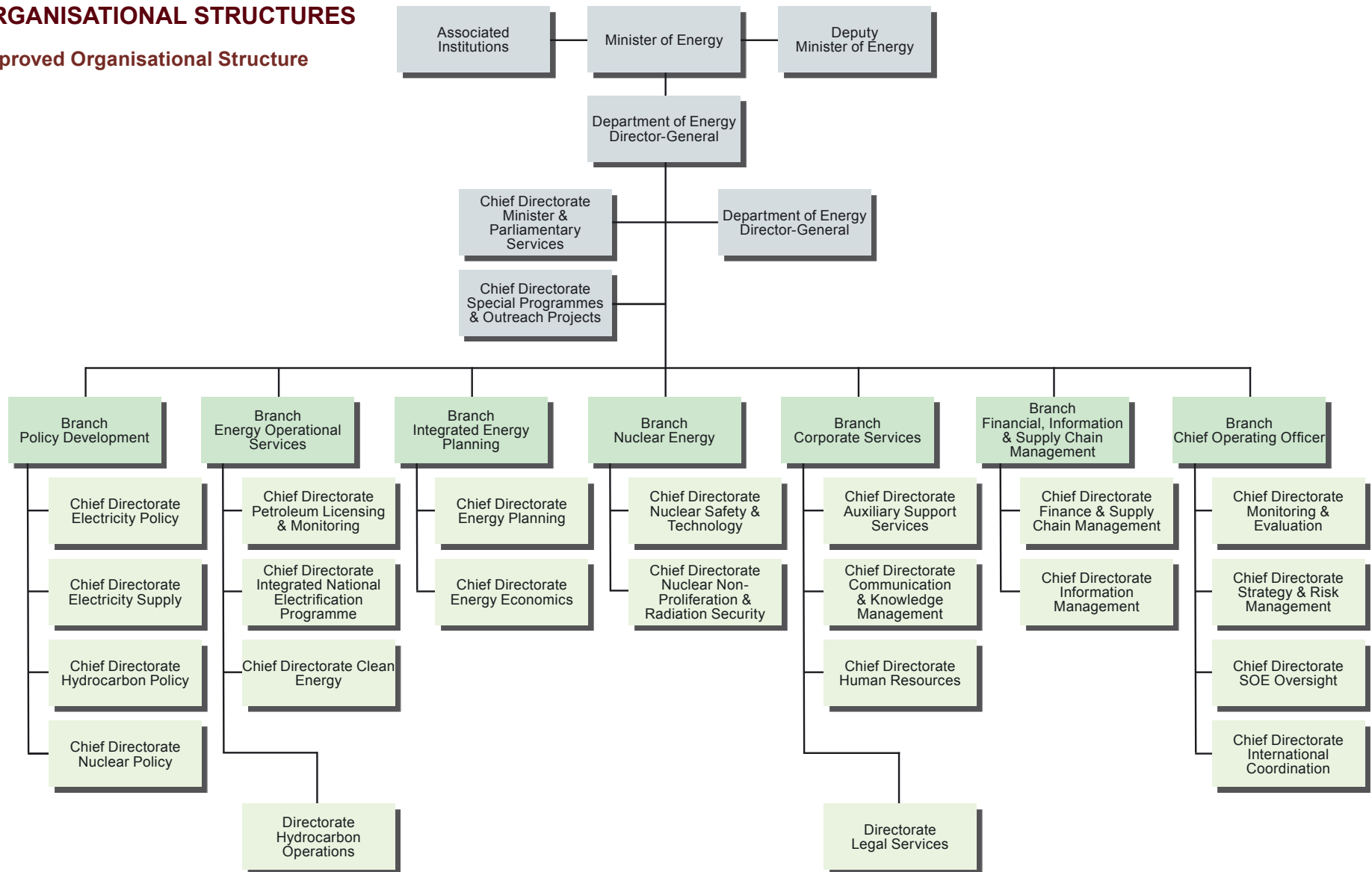
### 4. PUBLIC-PRIVATE PARTNERSHIPS

No public-private partnerships exist between the Department of Energy (DoE) and other stakeholders.

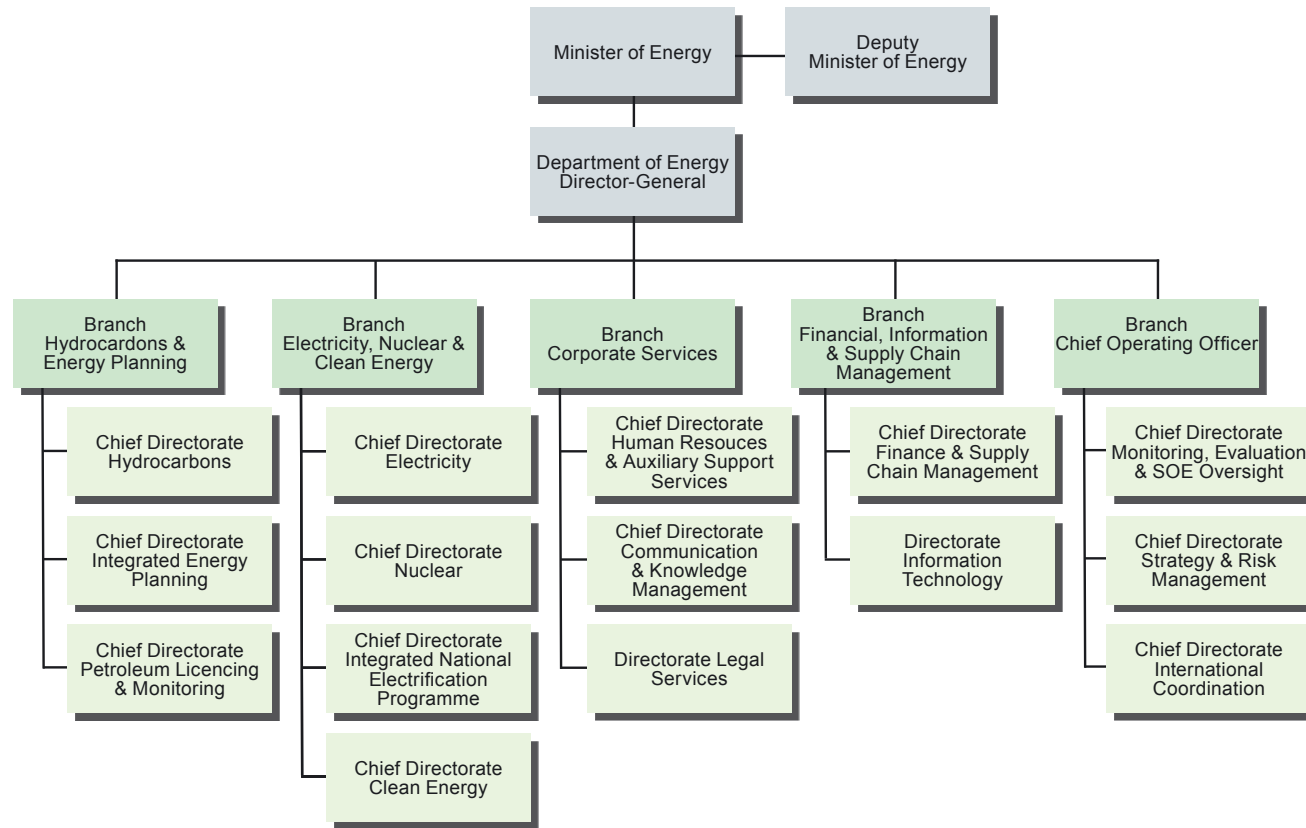


## A. ORGANISATIONAL STRUCTURES

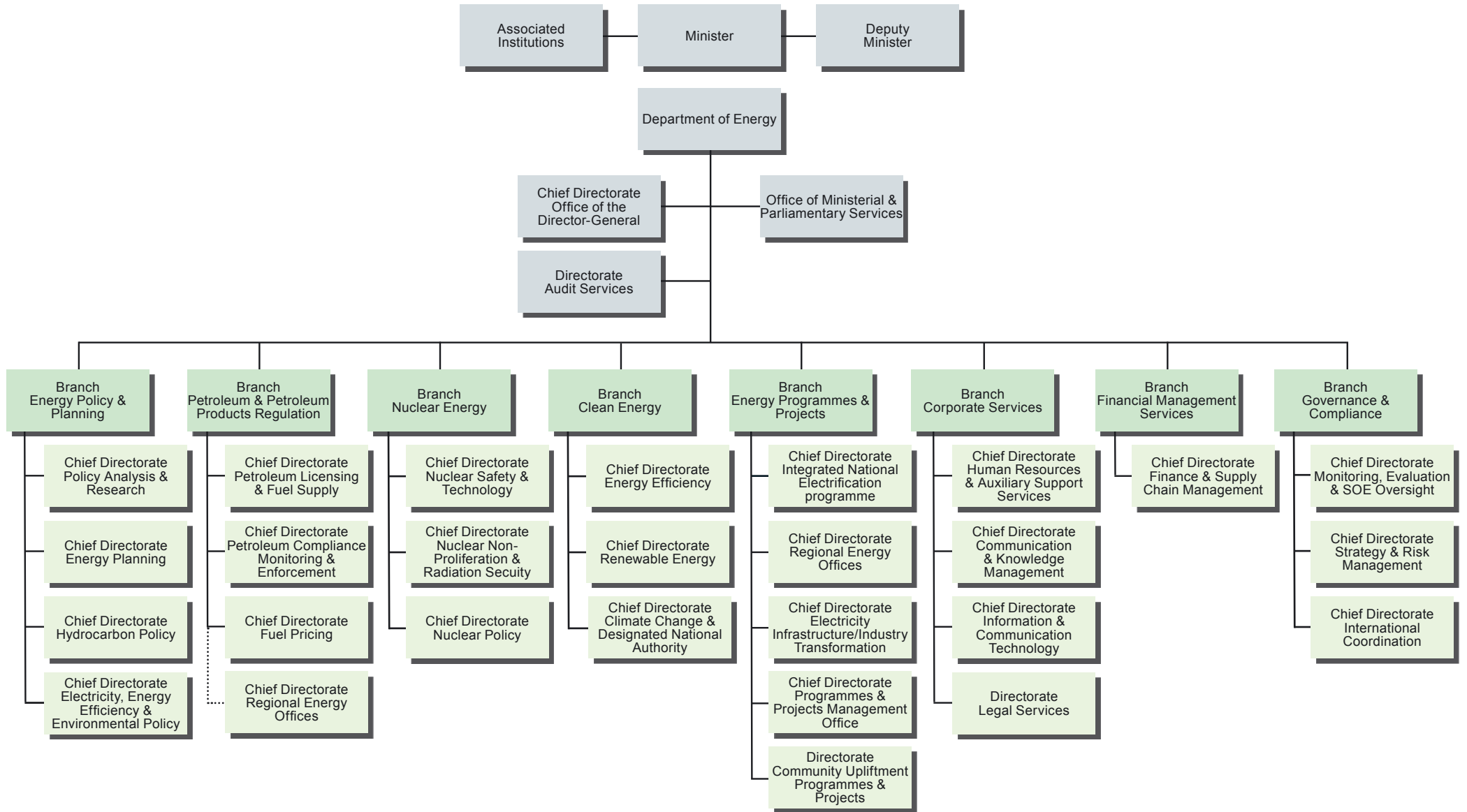
### A.1 Approved Organisational Structure



## A.2 Interim Operational Structure



### A.3 Approved Macro-Organisational Structure



## B. AMENDMENTS TO REVISED STRATEGIC PLAN

### B.1 Strategic Outcomes-Oriented Goals

The strategic outcomes-oriented goals (SOGs) were rephrased and rearranged as indicated below to be aligned with the Estimate of National Expenditure:

Existing Strategic Outcomes-Oriented Goals		Amended Strategic Outcomes-Oriented Goals	
2.	Security of Supply: Energy supply is secure & demand is well managed.	1.	Security of Supply: To ensure that energy supply is secure & demand is well managed.
4.	Infrastructure: An efficient, competitive & responsive energy infrastructure network.	2.	Infrastructure: To facilitate an efficient, competitive & responsive energy infrastructure network.
3.	Regulation & Competition: Improved energy regulation & competition.	3.	Regulation & Competition: To ensure that there is improved energy regulation & competition.
1.	Universal Access & Transformation: Efficient & diverse energy mix for universal access within a transformed Energy Sector.	4.	Universal Access & Transformation: To ensure that there is an efficient & diverse energy mix for universal access within a transformed Energy Sector.
5.	Environmental Assets: Environmental assets & natural resources protected & continually enhanced by cleaner energy technologies.	5.	Environmental Assets: To ensure that environmental assets & natural resources are protected & continually enhanced by cleaner energy technologies.
6.	Climate Change: Mitigation against, & adaptation to, the impacts of climate change.	6.	Climate Change: To implement policies that adapt to & mitigate the effects of climate change.
7.	Corporate Governance: Good corporate governance for effective & efficient service delivery.	7.	Corporate Governance: To implement good corporate governance for effective & efficient service delivery.

### B. 2 Strategic Objectives

The strategic objectives were rephrased and rearranged as indicated below to be aligned with the Estimate of National Expenditure:

Programme 1: Administration					
Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals		
Strategic Objective		Objective Statement	Strategic Objective		Objective Statement
1.8	Financial Management & Accounting	To provide financial management & accounting services.	1.1	Finance & Supply Chain Management	To provide financial management, accounting, & supply chain & asset management services to the Department of Energy (DoE).
1.9	Supply Chain & Asset Management	To procure value-for-money goods & services in line with the strategic objectives & manage departmental assets.			
1.1	Executive Support	To provide executive support to the Minister, Deputy Minister (DM) & Director-General (DG).	1.2	Corporate Support	To provide corporate support to the DoE.

**Programme 1: Administration (continued)**

Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals		
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement	
1.2	Human Resource Management & Development	To ensure that the required number/profile of jobs & employees, with the required skills & competencies, are available when & where they are needed to deliver on the DoE's mandate & its strategic objectives.	1.2	Corporate Support	To provide corporate support to the DoE.
1.3	Auxiliary Services	To provide accommodation, facilities management, records management & security services.			
1.4	Legal Services	To provide legal services.			
1.5	Communication Services	To provide communication services.			
1.6	Knowledge Management	To provide knowledge management services.			
1.7	Information & Communication Technologies (ICT) Infrastructure & Systems	To develop, implement & maintain ICT infrastructure & systems.			
1.10	Audit Services	To provide internal audit services.	1.3	Governance & Compliance	To ensure good corporate governance & compliance by the DoE & state-owned entities (SOEs).
1.11	Enterprise-Wide Risk Management	To develop & implement an integrated enterprise-wide risk management strategy in accordance with relevant prescripts.			
1.12	Anti-Fraud & Corruption	To provide anti-fraud & corruption services in accordance with relevant prescripts.			
1.13	Strategic Management & Planning	To ensure outcomes-oriented planning of strategies, operations & business activities in accordance with relevant prescripts.			
1.14	Monitoring & Evaluation	To provide results-oriented monitoring & evaluation services.			
1.15	SOE Oversight	To manage partnerships with SOEs & monitor legal compliance, financial management & service delivery.			
1.16	International Relations	To provide international relations services to the DoE & Energy Sector.	1.4	International Coordination	To support the Minister, DM, DG, DoE & Energy Sector with their international engagements & obligations.

**Programme 2: Energy Policy & Planning**

Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals		
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement	
2.5	Energy Interventions	To develop, initiate & monitor energy mitigation plans & strategic interventions to address current & envisaged energy supply & distribution constraints & to enhance universal access to modern energy carriers.	2.1	Demand Management	To improve energy security by regulating demand & introducing a diversified mix of energy generation technologies.
			2.2	Competition	To improve energy security by improving efficiency through competition in the Energy Sector.
2.1	Policy Analysis & Research	To develop key indicators & effectively monitor the impact of Energy Sector policies, planning & interventions.	2.3	Energy Policy	To improve energy security by developing key indicators to effectively monitor the Energy Sector policies on an on-going basis.
2.7	Coal Policy	To ensure that energy supply is secure, demand is well managed, enhanced access, the sector is transformed & energy regulation & competition is improved through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) for coal.			
2.8	Gas Policy	To ensure that energy supply is secure, demand is well managed, enhanced access, the sector is transformed & energy regulation & competition is improved through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) for gas.			
2.9	Electricity Policy	To ensure that energy supply is secure, demand is well managed, enhanced access, the sector is transformed & energy regulation & competition is improved through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) for electricity.			
2.10	Energy Regulation	To monitor the application of the statutory frameworks for petroleum, coal, gas & electricity & the impact thereof on the regulators, industry & consumers.			
2.11	Policy Administration	To administer the promulgation & maintenance of the statutory frameworks for petroleum, coal, gas & electricity.			
2.3	Energy Modelling	To develop & maintain an energy modelling system to simulate energy supply & distribution.	2.4	Energy Planning	To improve energy security by planning interventions to expand energy infrastructure by developing a policy framework for the IEP, the Integrated Resource Plan (IRP), the Liquid Fuels Infrastructure Roadmap, the transmission development plan & the major distribution infrastructure plan over the medium term.
2.4	Energy Planning	To identify current & envisaged energy supply & distribution constraints & develop an Integrated Energy Plan (IEP) to address these constraints.			

Programme 2: Energy Policy & Planning (continued)				
Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals	
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement
2.2	Energy Data	To collect, process, maintain & disseminate relevant, current & accurate energy data & information.	2.5	Energy Publications To improve energy security by publishing an annual energy statistics report to facilitate information-based decision making.
2.5	Energy Interventions	To develop, initiate & monitor energy mitigation plans & strategic interventions to address current & envisaged energy supply & distribution constraints & to enhance universal access to modern energy carriers.	2.6	Distribution Asset Management Plan To improve energy security by addressing current & envisaged energy supply & distribution constraints by developing the Approach to Distribution Asset Management (ADAM) Plan for the rehabilitation of critical municipal electricity distribution infrastructure.
2.6	Petroleum Policy	To ensure that energy supply is secure, demand is well managed, enhanced access, the sector is transformed & energy regulation & competition is improved through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) for petroleum, petroleum products & petroleum infrastructure.	2.7	Liquid Fuels Infrastructure Plan To improve energy security by developing & implementing the Liquid Fuels 20-Year Infrastructure Plan over the medium term to improve liquid fuels energy security.

Programme 3: Energy Regulation				
Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals	
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement
3.2	Charter & Permit Compliance	To monitor compliance with the Liquid Fuels Charter & technical, legal & commercial licensing conditions.	3.1	Regulatory Accounting System (RAS) To strengthen the regulatory framework in the petroleum products industry by implementing the RAS to have a transparent reimbursement framework for rewarding investment in the Liquid Fuels Sector by 2013/14.
3.4	Petroleum Inspection	To inspect petroleum manufacturers, wholesalers & retailers for compliance with the Liquid Fuels Charter & technical, legal & commercial licensing conditions.	3.2	Sector Transformation To facilitate the improved participation of Historically Disadvantaged Individuals (HDIs) in the Petroleum Sector by awarding 25% of all petroleum licence applications to HDIs in each year of the medium term.
3.6	Petroleum Enforcement	To develop, maintain & implement a system of corrective action for non-compliance with the Liquid Fuels Charter & technical, legal & commercial licensing conditions.	3.3	Compliance Monitoring & Enforcement To ensure compliance with the Liquid Fuels Charter & technical, legal & commercial licensing conditions.
3.5	Petroleum Arbitration	To manage arbitration requests & public complaints in the petroleum industry.	3.4	Petroleum Licensing To regulate the petroleum industry (manufacturing, wholesaling & retailing) through licence adjudication.
3.1	Licence Analysis	To process all manufacturing, wholesale & retail licence applications.		

Programme 3: Energy Regulation (continued)					
Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals		
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement	
3.7	Fuel Levies & Margins	To develop, maintain & implement a RAS to determine margins applicable in the value-chain.	3.5	Fuel Price Regulation	To regulate fuel prices.
3.8	Fuel Price Administration	To ensure internationally competitive pricing of petroleum products that will enable investment into the sector & attract new entrants.			
3.3	Petroleum Supply	To monitor fuel stock levels & coordinate corrective actions to avoid distribution shortages.			

Programme 4: Electrification & Energy Programme Management					
Existing Strategic Outcomes-Oriented Goals			Amended Strategic Outcomes-Oriented Goals		
Strategic Objective	Objective Statement		Strategic Objective	Objective Statement	
6.1	Universal Access to Energy	To manage, coordinate, monitor & report on programmes & projects to promote/enhance universal access to energy.	4.1	Universal Access	To manage, coordinate, monitor & report on programmes & projects to promote/enhance universal access to energy.
6.3	Infrastructure/ Industry Development	To plan, coordinate, monitor, administer & report on the implementation of programmes & projects focused on the development/improvement/transformation of the energy generation/ refinement, transmission & distribution industry & infrastructure.	4.2	Electricity Distribution Asset Management	To improve the quality of electricity distribution by addressing the rehabilitation of municipal electricity distribution assets through on-going monitoring & evaluation of distribution asset management.
6.5	Project Management	To provide specialised assistance to the programme/ project managers & management in general to apply project management principles, coordinate project information & report on projects.	4.3	Project Management	To ensure the efficient management of projects by enhancing the application of project management business principles to assist programme & project managers on an on-going basis.
6.3	Infrastructure/ Industry Development	To plan, coordinate, monitor, administer & report on the implementation of programmes & projects focused on the development/improvement/transformation of the energy generation/refinement, transmission & distribution industry & infrastructure.	4.4	Electricity Infrastructure/ Industry Transformation	To coordinate, monitor & report on the implementation of programmes & projects focused on the development, improvement & transformation of the energy generation, refinement, transmission & distribution industry & infrastructure.
6.2	Community Upliftment	To identify, implement, manage & coordinate programmes/ projects aimed at poverty alleviation, rural development, mainstreaming, & upliftment/empowerment of disadvantaged/vulnerable groups & communities; & to promote public awareness on energy issues.	4.5	Community Upliftment	To identify, implement, manage & coordinate programmes/ projects aimed at the mainstreaming/upliftment/ empowerment of disadvantaged/vulnerable groups & increase public awareness on energy issues.
6.4	Regional Programmes & Projects	To assist with obtaining information relevant to the identification, planning & implementation of projects, do physical inspections on the execution of projects & liaise between beneficiaries/potential beneficiaries of projects, service providers & the DoE.	4.6	Regional Information, Inspections & Liaison	To obtain information relevant to planning, do physical inspections on the execution of Access to Energy projects & liaise between beneficiaries of projects, service providers & the DoE.

**Programme 5: Nuclear Energy**

<b>Existing Strategic Outcomes-Oriented Goals</b>				<b>Amended Strategic Outcomes-Oriented Goals</b>	
<b>Strategic Objective</b>		<b>Objective Statement</b>	<b>Strategic Objective</b>		<b>Objective Statement</b>
4.1	Nuclear Safety & Emergency Preparedness	To administer all matters related to nuclear safety & emergency planning through policy, legislation & regulation.	5.1	Nuclear Security	To regulate the security of nuclear material & facilities by adhering to nuclear security obligations, developing & publishing appropriate regulations by 2013/14.
4.3	Nuclear Safeguards & Compliance	To ensure accounting & control of source & special nuclear materials by issuing authorisations within set timeframes.	5.2	Nuclear Control & Accounting	To strengthen the control of & accounting for nuclear materials & related equipment by enforcing the relevant legislation, regulations & facilitating the installation of monitoring equipment at identified ports of entry in conjunction with the South African Revenue Service (SARS) by 2013/14.
4.5	Nuclear Policy	To develop, maintain & implement a statutory framework (policies, legislation, regulations & guidelines) for nuclear & nuclear related matters.			
4.4	Nuclear Radiation Security	To administer all matters related to nuclear radiation security through policy, legislation & regulation.	5.3	Radioactive Waste Management	To promote the safe management & disposal of radioactive waste by establishing & ensuring the full operation of the National Radioactive Waste Disposal Institute (NRWDI), as provided for in the Radioactive Waste Management Policy & Strategy, by 2014/15.
4.2	Nuclear Energy Expansion/ Infrastructure Development	To develop & ensure the implementation of a framework for nuclear energy expansion/infrastructure development.	5.4	Nuclear Energy Expansion/ Infrastructure Development	To develop & ensure the implementation of a framework for nuclear energy expansion/infrastructure development.

**Programme 6: Clean Energy**

Existing Strategic Outcomes-Oriented Goals		Amended Strategic Outcomes-Oriented Goals			
Strategic Objective	Strategic Objective	Strategic Objective	Strategic Objective		
5.7	Climate Change	To deal with the Energy Sector's climate change response measures.	6.1	Climate Change & Environment	To manage climate change & environmental matters through regulations & monitoring to mitigate the risk of environmental impact by:
5.8	Green/Low Carbon Economy	To promote & facilitate the initiatives relating to a green/low carbon economy through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines); & the development, initiation, coordination, monitoring & reporting on progress & impact of strategies.			publishing strategies & plans by 2014/15; & developing a regulatory framework that supports carbon capture & storage (CCS) test injection by 2016.
5.10	Clean Development Mechanism (CDM) Interventions	To contribute towards a reduction in greenhouse gas emissions through the development, initiation, coordination & monitoring of CDM interventions.			
5.11	Designated National Authority	To approve & monitor the execution of CDM projects in terms of the Kyoto Protocol.			
5.12	United Nations Framework Convention on Climate Change (UNFCCC) Participation	To represent the South African Energy Sector at UNFCCC events, monitor & report on the implementation of UNFCCC decisions & report on the outcomes of the UNFCCC meetings.			
5.1	Energy Efficiency (EE) & Demand Management Policy & Strategies	To promote & facilitate EE & demand management through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) & the development, initiation, coordination, monitoring & reporting on progress & impact of EE & demand management strategies.	6.2	EE & Demand Management	To promote & facilitate EE & demand management by: monitoring & reporting on energy savings on an ongoing basis; coordinating, monitoring & reporting on the progress & impact of EE & demand management strategies by 2015; & reviewing the EE tax incentive & energy conservation schemes by 2014/15.
5.2	EE Interventions	To develop, initiate, coordinate & monitor the implementation of EE & demand management interventions.			
5.3	Medium-Term Risk Mitigation Plan (MTRMP) – Demand Side Options	To deal with the demand side options to mitigate the anticipated electricity supply shortfall in the immediate medium term as an integral part of IRP 2010.			
5.9	Environmental Compliance	To deal with the Energy Sector's Environmental Management Plan & Compliance Reports.	6.3	Energy Management Plan	To improve demand management by facilitating the development of an energy management plan by 2014/15.

**Programme 6: Clean Energy (continued)**

Existing Strategic Outcomes-Oriented Goals		Amended Strategic Outcomes-Oriented Goals	
Strategic Objective	Strategic Objective	Strategic Objective	Strategic Objective
5.4	Renewable Energy Policy & Strategies	6.4	Renewable Energy
	To promote & facilitate the deployment of renewable energy sources through the development, promulgation & maintenance of a statutory framework (policies, legislation, regulations & guidelines) & the development, initiation, coordination, monitoring & reporting on progress & impact of renewable energy strategies.		To ensure the integration of renewable energy into the mainstream energy supply of South Africa by planning & coordinating initiatives & interventions focused on the development & improvement of the renewable energy market through: improving the generation capacity of renewable energy to at least 4% in 2030; facilitating approval of the Renewable Energy White Paper by 2013/14; implementing awareness campaigns from 2013/14 onwards; & installing 1 million Solar Water Heater (SWH) units by 2015/16.
5.5	Renewable Energy Interventions		
	To develop, initiate, coordinate & monitor the implementation of renewable energy interventions.		
5.6	MTRMP – Supply Side Options		
	To deal with the supply side renewable energy options to mitigate the anticipated electricity supply shortfall in the immediate medium term as an integral part of IRP 2010.		

## C. LIST OF ACRONYMS

Acronym	Description
ADAM	Approach to Distribution Asset Management
AEEP	Africa-EU Energy Partnership
AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
BAC	Budget at Completion
BEE	Black Economic Empowerment
BFP	Basic Fuel Price
BRICS	Brazil, Russia, India, China and South Africa
BSS	Basic Service Station
C-3E	Clean Energy, Education and Empowerment
CCS	Carbon Capture and Storage
CDM	Clean Development Mechanism
CEF	Central Energy Fund
CEM	Clean Energy Ministerial
CEMA	Conference of Energy Ministers of Africa
CoGTA	Department of Cooperative Governance & Traditional Affairs
DBC	Departmental Bargaining Chamber
DBSA	Development Bank of Southern Africa
DDG	Deputy Director-General
DG	Director-General
DM	Deputy Minister
DoE	Department of Energy
DoL	Department of Labour
DPME	Department of Monitoring and Evaluation

Acronym	Description
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DRDLR	Department of Rural Development and Land Reform
DST	Department of Science and Technology
ECS	Energy Conservation System
EDI Holdings	Electricity Distribution Industry Holdings
EE	Energy Efficiency
ENE	Estimates of National Expenditure
EPREV	Emergency Preparedness Review
EU	European Union
EXCO	Executive Committee
FBE	Free Basic Electricity
GCIS	Government Communication Information System
GPSSBC	General Public Service Sector Bargaining Council
GTL	Gas to Liquid
HDI	Historically Disadvantaged Individuals
HDSA	Historically Disadvantaged South Africans
HR	Human Resources
HRD	Human Resource Development
IAEA	International Atomic Energy Agency
IBT	Inclining Block Tariffs
ICT	Information and Communication Technologies
IDC	Industrial Development Corporation
IEA	International Energy Agency
IEC	Integrated Energy Centre
IEP	Integrated Energy Plan

## C. LIST OF ACRONYMS (CONTINUED)

Acronym	Description
INEP	Integrated National Electrification Programme
INIR	Integrated Nuclear Infrastructure Review
IP	Illuminating Paraffin
IPP	Independent Power Producers
IRP	Integrated Resource Plan
ISMO	Independent System Market Operator
IYM	In-year-monthly
km	kilometre
LEU	Low Enriched Uranium
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
M&E	Monitoring and Evaluation
MANCO	Management Committee
MDG	Millennium Developmental Goal
MDZ	Magisterial District Zones
MIS	Management Information System
MISS	Minimum Information Security Standard
MoU	Memorandum of Understanding
MP	Member of Parliament
MPAT	Management Performance Assessment Tool
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MV	Medium Voltage
MW	Megawatts
NDP	National Development Plan
NECSA	Nuclear Energy Corporation of South Africa

Acronym	Description
NERSA	National Energy Regulator of South Africa
NETC	Nuclear Energy Technical Committee
NMPP	New Multi-Product Pipeline
NNEECC	National Nuclear Energy Executive Coordination Committee
NNR	National Nuclear Regulator
NRWDI	National Radioactive Waste Disposal Institute
NT	National Treasury
NTI	New-To-Industry
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administration Justice Act
PASA	Payments Association of South Africa
PDD	Project Development Documents
PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Coordinating Commission
PIN	Project Identification Notes
PPA	Petroleum Products Act
PPP	Public Participation Programmes
R&D	Research and Development
RAS	Regulatory Accounting System
RECORD	Renewable Energy Centre for Research and Development
REIPPP	Renewable Energy Independent Power Producers Procurement
RPM	Radiation Portal Monitor
SADC	Southern African Development Community
SANEDI	South African National Energy Research and Development Institute
SARS	South African Revenue Service
SCM	Supply Chain Management

### C. LIST OF ACRONYMS (CONTINUED)

Acronym	Description
SHEQ	Safety, Health, Environment and Quality
SIP	Strategic Integrated Projects
SMART	Specific, Measurable, Attainable, Realistic and Timely
SMME	Small, Medium and Micro Enterprises
SMS	Senior Management Service
SOE	State-Owned Entity
SOG	Strategic Outcomes-Oriented Goals
SOP	Standard Operating Procedure
SRS	Savannah River Site
SSAC	State System of Accounting and Control
SWH	Solar Water Heater
TDP	Transmission Development Plan
TEPCO	Tokyo Electric Power Company
TIA	Technology Innovation Agency
TOR	Terms of Reference
TR	Treasury Regulations
TWh	Terawatt hours
UN	United Nations
UNFCCC	UN Convention on Climate Change
VPN	Virtual Private Network
WAN	Wide Area Network



## D. LIST OF TABLES


Table No. and Description	Page No.
<b>Part B</b>	
Table 1: Estimate of National Expenditure allocation and Medium-Term Expenditure Framework baseline	16
Table 2: Seven outcomes pursued by the indicated strategic outcomes-oriented goals	19
Table 3: Lead ministry: Strategic Integrated Projects	21
Table 4: Co-chair: Strategic Integrated Projects	21
Table 5: Participation: Strategic Integrated Projects	22
Table 6: Observer: Strategic Integrated Projects	22
Table 7: United Nations' Millennium Developmental Goals	23
Table 8: Performance indicators	23
<b>Part C</b>	
Table 9: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 1.3: Finance Administration	27
Table 10: Quarterly targets for 2013/14 for Subprogramme 1.3: Finance Administration	31
Table 11: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 1.4: Audit Services	33
Table 12: Quarterly targets for 2013/14 for Subprogramme 1.4: Audit Services	35
Table 13: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 1.5: Corporate Services	36
Table 14: Quarterly targets for 2013/14 for Subprogramme 1.5: Corporate Services	46
Table 15: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 1.6: Office Accommodation	51
Table 16: Quarterly targets for 2013/14 for Subprogramme 1.6: Office Accommodation	53
Table 17: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 1.7: Governance and Compliance	54
Table 18: Quarterly targets for 2013/14 for Subprogramme 1.7: Governance and Compliance	63
Table 19: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 1: Administration	68
Table 20: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 2.1: Policy Analysis and Research	73
Table 21: Quarterly targets for 2013/14 for Subprogramme 2.1: Policy Analysis and Research	74
Table 22: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 2.2: Energy Planning	75
Table 23: Quarterly targets for 2013/14 for Subprogramme 2.2: Energy Planning	76
Table 24: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 2.3: Hydrocarbon Policy	77

## D. LIST OF TABLES (CONTINUED)

Table No. and Description	Page No.
Table 25: Quarterly targets for 2013/14 for Subprogramme 2.3: Hydrocarbon Policy	78
Table 26: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 2.4: Electricity and Alternative Energy Policy	79
Table 27: Quarterly targets for 2013/14 for Subprogramme 2.4: Electricity and Alternative Energy Policy	80
Table 28: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 2: Energy Policy and Planning	81
Table 29: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 3.1: Petroleum Compliance	85
Table 30: Quarterly targets for 2013/14 for Subprogramme 3.1: Petroleum Compliance	85
Table 31: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 3.2: Petroleum Licensing and Permitting	86
Table 32: Quarterly targets for 2013/14 for Subprogramme 3.2: Petroleum Licensing and Permitting	88
Table 33: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 3.3: Petroleum Pricing	89
Table 34: Quarterly targets for 2013/14 for Subprogramme 3.3: Petroleum Pricing	90
Table 35: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 3: Energy Regulation	91
Table 36: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 4.1: Integrated National Electrification Programme	95
Table 37: Quarterly targets for 2013/14 for Subprogramme 4.1: Integrated National Electrification Programme	96
Table 38: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 4.2: Energy Regional Offices	97
Table 39: Quarterly targets for 2013/14 for Subprogramme 4.2: Energy Regional Offices	98
Table 40: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 4.3: Programme and Projects Management Office	98
Table 41: Quarterly targets for 2013/14 for Subprogramme 4.3: Programme and Projects Management Office	99
Table 42: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 4.4: Electricity Infrastructure/Industry Transformation	99
Table 43: Quarterly targets for 2013/14 for Subprogramme 4.4: Electricity Infrastructure/Industry Transformation	101
Table 44: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 4.5: Community Upliftment Programmes and Projects	102
Table 45: Quarterly targets for 2013/14 for Subprogramme 4.5: Community Upliftment Programmes and Projects	103
Table 46: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 4: Electrification and Energy Programme Management	104
Table 47: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 5.1: Nuclear Safety and Technology	108
Table 48: Quarterly targets for 2013/14 for Subprogramme 5.1: Nuclear Safety and Technology	109
Table 49: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 5.2: Nuclear Non-Proliferation and Radiation Security	110
Table 50: Quarterly targets for 2013/14 for Subprogramme 5.2: Nuclear Non-Proliferation and Radiation Security	110
Table 51: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 5.3: Nuclear Policy	111

## D. LIST OF TABLES (CONTINUED)

Table No. and Description	Page No.
Table 52: Quarterly targets for 2013/14 for Subprogramme 5.3: Nuclear Policy	112
Table 53: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 5: Nuclear Energy	113
Table 54: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 6.1: Energy Efficiency	117
Table 55: Quarterly targets for 2013/14 for Subprogramme 6.1: Energy Efficiency	117
Table 56: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 6.2: Renewable Energy	118
Table 57: Quarterly targets for 2013/14 for Subprogramme 6.2: Renewable Energy	119
Table 58: Strategic objectives, performance indicators, baselines and medium-term targets for Subprogramme 6.3: Climate Change and Designated National Authority	120
Table 59: Quarterly targets for 2013/14 for Subprogramme 6.3: Climate Change and Designated National Authority	120
Table 60: Expenditure estimates and Medium-Term Expenditure Framework baseline for Programme 6: Clean Energy	121
<b>Part D</b>	
Table 61: Links to infrastructure and other capital plans	124
Table 62: Conditional grants	124
Table 63: Public entities	125

A low-angle shot of two hands reaching up towards a bright sun. The sun is positioned between the two hands, creating a starburst effect. The background is a clear blue sky with scattered white clouds. The lighting is bright and warm, suggesting a sunny day.

Regulated and transformed  
sector for the provision of  
secure, sustainable and  
affordable energy.



Physical Address:

Department of Energy  
192 Visagie Street  
Corner Paul Kruger & Visagie Street  
Pretoria

Postal Address:

Private Bag X96  
Pretoria  
0001

Contact Numbers:

Pretoria: +27 12 406 8000  
+27 12 406 7300

Website:

[www.energy.gov.za](http://www.energy.gov.za)

General Enquiries:

[info@energy.gov.za](mailto:info@energy.gov.za)

ISBN: 978-0-621-41620-6  
RP59/2013

Published by Submerge Publishers cc for the Department of Energy  
Design & Layout by Submerge Publishers cc