2024/25 ANNUAL REPORT

Growing a globally competitive and transformed mineral and energy resources sector

mineral resources & energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

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REPUBLIC OF SOUTH AFRICA

2024/25 Annual Report

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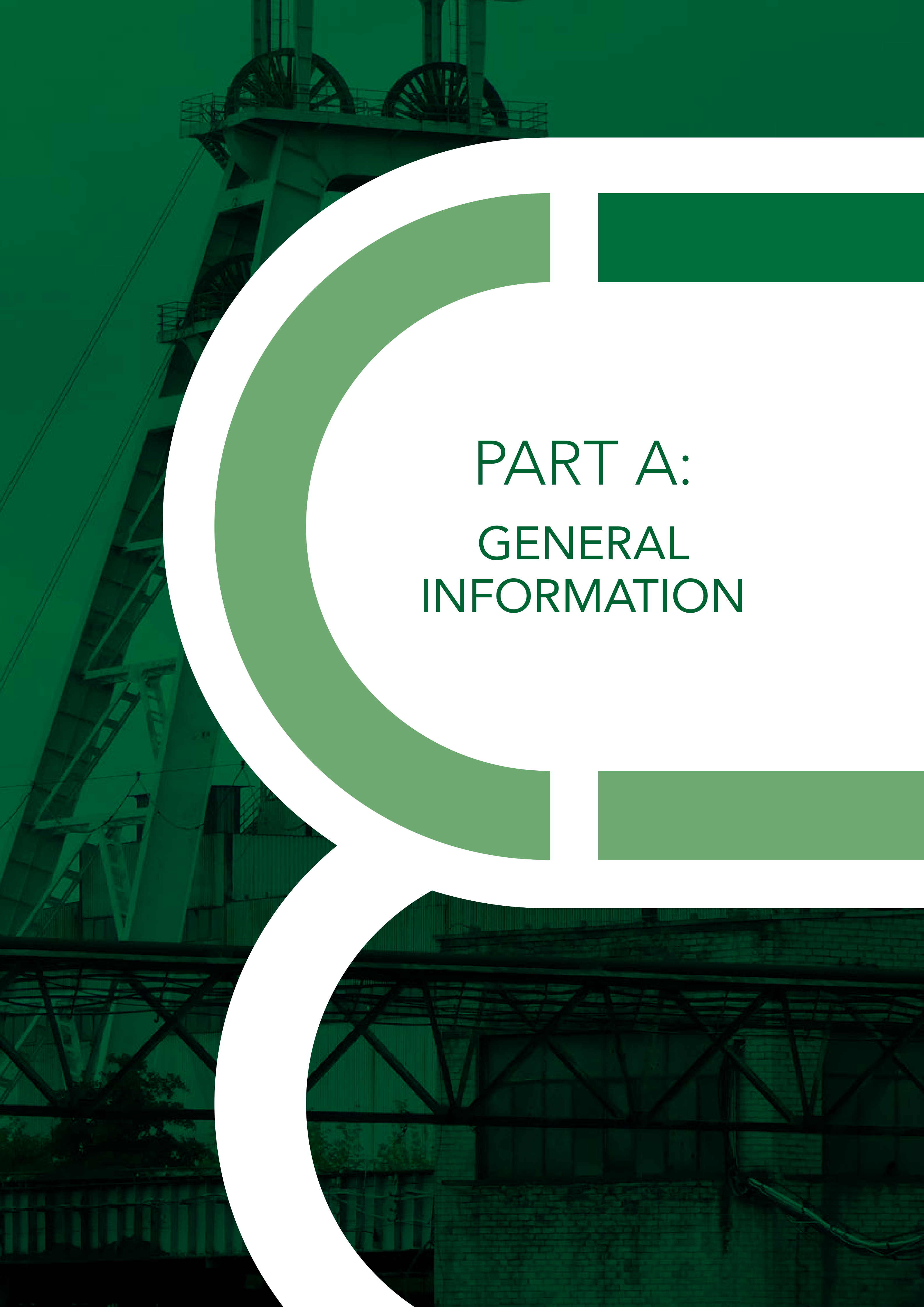

PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Department of Mineral Resources and Energy

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2. LIST OF ABBREVIATIONS/ACRONYMS (to be updated after editing)

4IR	Fourth Industrial Revolution
AC	Audit Committee
AEMFC	African Exploration Mining and Finance Corporation
AFRA	African Regional Cooperative Agreement for Research, Development and Training related to Nuclear Science and Technology
AGSA	Auditor-General of South Africa
AMD	Acid Mine Drainage
AO	Accounting Officer
APP	Annual Performance Plan
APPO	African Petroleum Producers Organisation
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China, South Africa
CAGR	Compound Annual Growth Rate
CEF	Central Energy Fund
CGS	Council for Geoscience
CIOM	Chief Inspector of Mines
CISF	Centralised Interim Storage Facility
CTICC	Caper Town International Convention Centre
DANIDA	Danish International Development Agency
DEE	Department of Electricity and Energy
DMRE	Department of Mineral Resources and Energy
DMPR	Department of Mineral and Petroleum Resources
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
EAF	Energy Availability Factor
EEDSM	Energy Efficiency and Demand-Side Management
EPC	Energy Performance Certificate
EPP	Electricity Pricing Policy
ERA	Electricity Regulation Act
ERRP	Economic Recovery and Reconstruction Plan

ESEID	Economic Sectors Employment and Infrastructure Development
ETWG	Energy Transitions Working Group
EWSETA	Energy and Water Sector Education and Training Authority
G20	Group of Twenty
G2P	Gas-to-power
GCC	Government Certificate of Competency
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GIZ	German Development Cooperation
HDSA	Historically disadvantaged South African
HR	Human Resources
HRD	Human Resources Development
IAA	Internal Audit Activity
IAEA	International Atomic Energy Agency
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IEA	International Energy Agency
IEF	International Energy Forum
INEP	Integrated National Electrification Programme
IPP	Independent Power Producer
IRENA	International Renewable Energy Agency
IRP	Integrated Resource Plan
ISBN	International Standard Book Number
LNG	Liquefied Natural Gas
LTO	Long-term Operation
MACUA	Mining Affected Communities United in Action
MEPS	Minimum Energy Performance Standards
MEWMP	Mine and Environmental Water Management Programme
MHSC	Mine Health and Safety Council
Mintek	Council for Mineral Technology Research
MoA	Memorandum of Agreement
MPR	Multipurpose Reactor
MPRDA	Mineral and Petroleum Resources Development Act

MPSA	Minister of Public Service and Administration
MQA	Mining Qualification Authority
MTSF	Medium-term Strategic Framework
NATO	North Atlantic Treaty Organisation
NDP	National Development Plan
NECSA	South African Nuclear Energy Corporation
NEDLAC	National Economic Development and Labour Council
NEHAWU	National Education, Health and Allied Workers' Union
NERSA	National Energy Regulator of South Africa
NMOG	National Macro Organisation of Government
NNR	National Nuclear Regulator
NRCS	National Regulator for Compulsory Specifications
NRWDI	National Radioactive Waste Disposal Institute
OHSA	Occupational Health and Safety Act
PASA	Petroleum Agency South Africa
PERSAL	Personnel and Salary System
PFMA	Public Finance Management Act
PGM	Platinum Group Metals
PMDS	Performance Management and Development System
PSA	Public Servants Association of South Africa
PSETA	Public Service Sector Education and Training Authority
PV	Photovoltaics
PWD	People with Disabilities
RFP	Request for Proposal
RMC	Risk Management Committee
RWMF	Radioactive Waste Management Fund
SABS	South African Bureau of Standards
SADPMR	South African Diamond and Precious Metals Regulator
SAHRC	South African Human Rights Commission
SAMI	South African Mining Industry
SANEDI	South African National Energy Development Institute
SANPC	South African National Petroleum Company
SAREM	South African Renewable Energy Master Plan
SDT	State Diamond Trader
SFF	Strategic Fuel Fund
SIP	Strategic Integrated Project
SLA	Service-Level Agreement
SMS	Senior Management Service
SSEG	Small-Scale Embedded Generator
SWH	Solar Water Heating
SWHP	Solar Water Heating Programme
TIA	Technology Innovation Agency
TRL	Technology Readiness Level
TSO	Transmission Systems Operator
WAMUA	Women Affected by Mining United in Action
WEGE	Women Empowerment and Gender Equality
WSP	Workplace Skills Plan

3. FOREWORD BY THE MINISTER

Mr SG Mantashe, MP

Minister of Mineral Resources and Energy

It is my privilege to present the 2024/25 Annual Report of the Department of Mineral Resources and Energy (DMRE). This report reflects both our achievements and challenges as we conclude the 2019–2024 Medium-Term Strategic Framework (MTSF) and continue implementing the 2020–2025 Strategic Plan.

Performance of the sectors

In 2024, South Africa's economy recorded modest growth, with GDP estimated at R4.6 trillion, reflecting a 0.6 percent increase from 2023. The mining sector remained a cornerstone of the economy, contributing 6.1 percent to GDP, despite pressures from subdued commodity prices, rising costs, and persistent logistical constraints. While minerals such as manganese, chromium, vanadium, cobalt, nickel, and copper supported production growth and export earnings, profitability was constrained by global headwinds and domestic infrastructure challenges.

Looking ahead, South Africa's mining industry remains under increasing pressure to adapt to a changing global landscape marked by the energy transition, shifting trade dynamics, and rapid technological advancement. The sector is poised for significant transformation, with automation, digitalisation, and artificial intelligence becoming essential for competitiveness and sustainability. Demand for critical minerals is set to rise, creating growth opportunities but also requiring a carefully balanced strategy to ensure inclusive and sustainable development. Risks remain from global trade tensions, including proposed the introduction of tariffs on South African exports including minerals. Efforts to diversify markets, expand infrastructure capacity, and drive technological adoption will be critical in securing the long-term resilience of South Africa's mining industry as a key pillar of growth, employment, and transformation.

Unlocking the sector's full potential will require collective action to strengthen rail capacity, curb illegal mining, and enhance regulatory certainty, ensuring a resilient, inclusive, and sustainable future for the industry and the nation.

Key Achievements in 2024/25

The Department of Mineral Resources and Energy (DMRE) tabled its budget vote for FY2024/25 during a time when the Department was being reconfigured into two Departments namely: Mineral and Petroleum Resources, and Electricity and Energy. The focus areas and commitments made in the annual performance plan are as follows

- **Accelerating Regulatory Reforms to demonstrate Government commitment to ensuring an enabling environment for investments:** The Mineral and Petroleum Resources Development Act (MPRDA) review process continued, aimed at reducing red tape, attracting investment, and ensuring equitable benefits from mineral wealth. The review of the Mine Health and Safety Act (MHSA), assentation into law of the Upstream Petroleum Resources Development (UPRD) Bill. The Petroleum Products Amendment Bill (PPAB) which underwent a public consultation process post its tabling in Cabinet, the South African National Petroleum Company (SANPC) Bill which is aimed at creating a state-owned national champion for active participation in oil and gas projects. This Bill is undergoing certification by the State Law advisor.
- The Electricity Regulation Amendment Bill, intended to introduce electricity market reforms, and the National Nuclear Regulator Amendment Bill aimed at strengthening the nuclear regulatory framework was assented to law during this reporting period. The amendment of Schedule 2 of the Electricity

Regulations Act (ERA) to enable the development of generation capacity by the private sector without a need for a license.

- **Licensing and Investment Climate:** We advanced the rollout of a new modern mining cadastre system, with phased implementation to begin in 2025/26. Significant progress was also made in reducing the backlog of mining licence applications.
- **Exploration and Critical Minerals:** The Junior Mining Exploration Fund, launched in February 2024 with R400 million in seed funding, has already approved six beneficiaries. Cabinet also endorsed the Critical Minerals Strategy, ensuring South Africa is well positioned to benefit from global demand for clean energy inputs.
- **Empowering Artisanal and Small-Scale Miners:** The Artisanal and Small-Scale Mining Fund continues to play a pivotal role in promoting equitable access to mineral resources. To date, 20 small-scale miners—four of which are women-owned enterprises—have been approved, undergone due diligence, and signed contracts with the IDC. This reflects our commitment to fostering inclusive growth, accelerating disbursements, building capacity, and ensuring transparency throughout the programme's lifecycle.
- **Health, Safety, and Sustainability:** Collaboration with industry and labour has contributed to a further reduction in mine fatalities. We also closed 280 hazardous mine openings and rehabilitated derelict sites, while intensifying action against illegal mining.
- **Energy Security and Transition:** Updates to the Integrated Resource Plan (IRP) are progressing, alongside work on renewable energy, nuclear, and gas-to-power procurement programmes. The Koeberg life-extension project and feasibility work for the Multi-Purpose Reactor are key milestones in strengthening long-term energy security.
- **Universal Energy Access:** We exceeded our 2024/25 targets by connecting over 136,000 households to the grid and nearly 18,500 through solar home systems. Since 2019, close to 900,000 households have gained access to electricity, bringing us closer to universal access by 2030.
- **Performance of DMRE Entities:** The performance of entities reporting to the DMRE demonstrates encouraging progress. Out of eleven (11) entities, eight achieved unqualified audits with no findings (clean audits). Two entities—the MHSC and SADPMR—achieved unqualified audits with findings, while the AGSA has not yet concluded the audit process of the CEF Group. These outcomes reflect our ongoing commitment to accountability, governance, and operational excellence.
- Steady progress was made in rationalising iGas, PetroSA, and the Strategic Fuel Fund into the South African National Petroleum Company (SANPC), which has already been registered and is operational under the CEF.
- **Strategic Collaborations and Stakeholder Management:**

  The Department continued to play a key role in strengthening regional cooperation through strategic partnerships, upstream investment, and bilateral engagements across the African continent. These initiatives contribute to South Africa's economic diplomacy, energy security and leadership within Africa's mineral and petroleum sectors.
- Strengthening engagement with stakeholders -including business, labour, and communities - to foster transparency, accountability, and ethical conduct will ensure a shared commitment and enable further investment and growth of the energy and minerals sectors

Looking Ahead

Our priorities remain clear: to modernise regulatory systems, attract investment, expand exploration, secure energy supply, and accelerate South Africa's just energy transition. At the same time, we must confront challenges such as capacity constraints and illegal mining, which require stronger partnerships across government, industry, and communities.

Appreciation

I extend my gratitude to the Minister and Deputy Minister of Electricity and Energy, Deputy Minister of Mineral and Petroleum Resources, the Portfolio Committees on Mineral and Petroleum Resources and Electricity and Energy as well as team DMRE team for their dedication and support during this transition period.

Mr Samson Gwede Mantashe, MP

Minister of Mineral Resources and Energy

Date:

4. REPORT OF THE ACCOUNTING OFFICER

Mr Jacob Mbele

Director-General

The year under review was a significant one for the Department of Mineral Resources and Energy (DMRE). Following the President's announcement to reorganise aspects of the administration, the Department embarked on the National Macro Organisation of Government (NMOG) process. This transition required us to prepare for the establishment of the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity and Energy (DEE), while continuing to deliver on our 2019–2024 Medium-Term Strategic Framework (MTSF) commitments.

Performance

Despite these demands, the Department recorded strong results. In 2024/25, DMRE achieved 75% of its annual targets and secured an unqualified audit opinion. This progress reflects the effectiveness of strengthened planning, the use of results management tools, oversight frameworks, and a robust combined assurance approach.

The Department's entities also showed encouraging governance improvements with 8 of 11 entities achieving clean audit outcomes. These results demonstrate our determination to enhance governance across state-owned enterprises and ensure that they remain aligned with government's priorities.

Performance improvements were made possible through several key interventions, including:

- strengthened planning processes,
- continuous monitoring of commitments,
- implementation of the combined assurance framework, and
- improved coordination with the entities.

Looking Ahead

A solid administrative foundation has been laid for both the DMPR and DEE to build upon. This will enable the two new departments to drive inclusive economic growth, job creation, and poverty alleviation in line with the 2025–2030 Medium-Term Development Plan (MTDP).

4.1 Overview of the Financial Results of the Department

4.1.1 DEPARTMENTAL RECEIPTS

The table below provides a breakdown of the sources of revenue and performance for the 2024/25 financial year.

Table 1: Sources of Revenue

Departmental receipts	2024/2025			2023/2024		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	--
Liquor licences	-	-	-	-	-	
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	18,238	27 223	(8 985)	17 453	23 809	(6 356)
Transfers received	-	-	-	-		-
Fines, penalties, and forfeits	1,561	5 773	(4 212)	1 494	4 315	(2 821)
Interest, dividends and rent on land	30,838	20 345	10 493	29 510	20 438	9 072
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	3,028	530	2 498	2 897	399	2 498
Total	**53,665**	**53 871**	**(452)**	**51 354**	**48 961**	**2 393**

YTD-March 2025, projected revenue was R53.67 million while actual revenue collected was R54.12 million resulting in an over-collection of R452,000, or 0.84% from the following sources:

Sale of goods and services other than capital assets

The over-collection of R8.99 million was due to an increase in environmental authorisation application fees, petroleum licensing fees, exam fees, photocopies, and access to information application fees.

Fines, Penalties & Forfeits

The over-collection of R4.21 million was a result of increased money received for environmental authorisation fines and penalties due to non-compliance to the MPRDA and mine licencing conditions.

Interest, dividends and rent on land

The under-collection of R10.49 million was due to less interest received from the banks, royalties and prospecting fees than anticipated.

Revenue: Financial Assets

The under-collection of R2.5 million was due to less interest raised on departmental debts and amounts received for petroleum licence renewals that was allocated to the item unallocated receipts due to outstanding reference information as projected.

4.1.2 PROGRAMME EXPENDITURE

The table below provides a high-level comparison of 2024/25 versus 2023/24 expenditure incurred by the Department against appropriated funds.

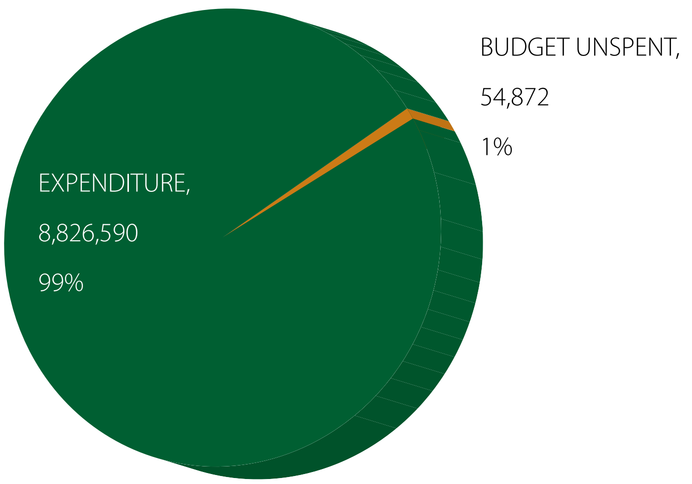
Table 2: Programme expenditure

Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	791,617	762,009	29,608	700,906	675,947	24,959
Minerals and Petroleum Regulation	527,067	521,021	6,046	531,163	528,448	2,715
Mining, Minerals and Energy Policy Development	1,181,385	1,176,590	4,795	1,072,175	1,019,029	53,146
Mine Health and Safety Inspectorate	245,248	243,956	1,292	230,716	229,153	1,563
Programmes and Projects	5,051,377	5,041,292	10,085	6,576,749	6,274,266	302,483
Nuclear Energy Regulation and Management	1,084,768	1,081,722	3,046	1,159,509	1,153,762	5,747
Total	**8,881,462**	**8,826,590**	**54,872**	**10,271,218**	**9,880,606**	**390,612**

The Department's final appropriation for the year under review (2024/25) was R8.881 billion, a decrease of 15.65% from the R10.271 billion allocated in the 2023/24 financial year. This consequently resulted in a spending reduction of R1.054 billion, or 11.94%. The Department's spending performance however improved from 96.2% of the budget spent in the 2023/24 financial year to 99.4% in the 2024/25 financial year.

SUMMARY OF OVERALL BUDGET PERFORMANCE IN THE 2024/25 FINANCIAL YEAR

TOTAL DEPARTMENTAL EXPENDITURE 31 MARCH 2025



From the Department's final budget allocation for the 2024/25 financial year of R8.881 billion, R8.827 billion was utilised leaving a budget balance of R54.87 million or 0.62%.

Table 3: 2024/25 analysis of actual spending per economic classification

ACTUAL SPENDING 2024/25	2024/25	
	Expenditure	Percentage of Voted Funds
Rand thousand	R'000	%
Voted Funds	8,881,462	100.00%
Actual expenditure	8,826,590	99.38%
Unspent funds	54,872	0.62%
Economic classification		
Compensation of employees	1,109,474	12.57%
Goods and services	1,164,691	13.2%
Transfers and subsidies	6,521,189	73.88%
Payments for Capital assets	31,176	0.35%
Payments for Financial assets	61	0.00%
Total	**8,826,590**	**100.00%**

The analysis of total expenditure against budget is as follows:

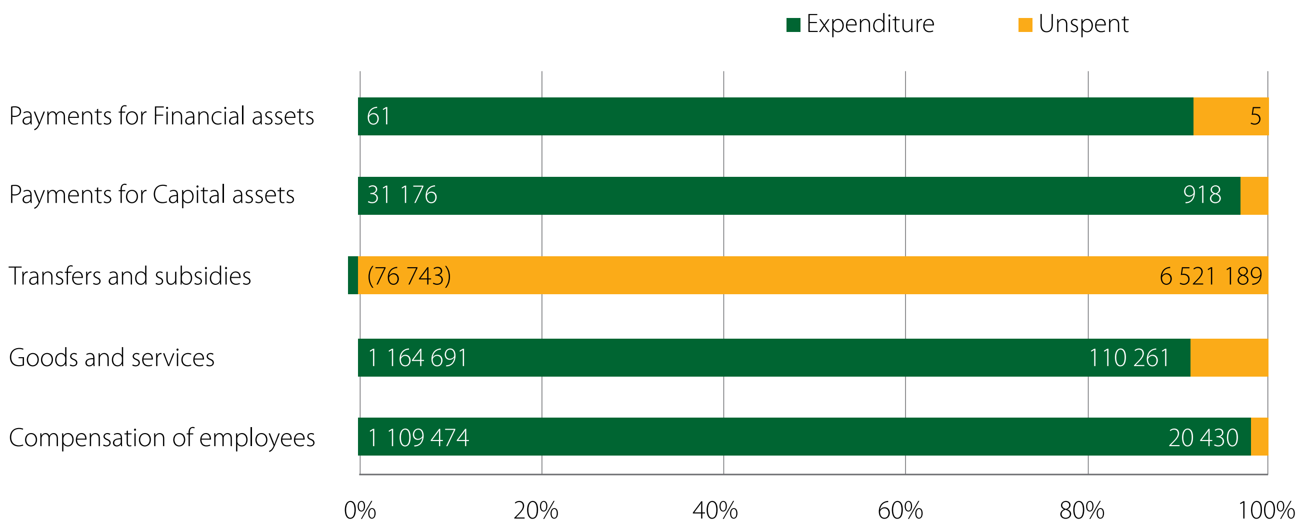


Figure 1: 2024/25 annual budget and expenditure per Economic classification

Contributors to the underspending of R54.872 million or 0.62% are as follows:

- **Compensation of employees:** For the period under review, a budget underspending of R20.43 million, or 1.81% was recorded in this classification due to vacancies which were not filled by year-end. The vacancies were composed of those in the new Ministry of Electricity and Energy for which additional funding was allocated mid-year through the Adjustment Budget process as well as those from frozen positions following the implementation of cost-containment measures by the National Treasury and the DPSA. The division of the DMRE into two new Departments effective 1 April 2025, impacted the process of motivating for the unfreezing of some of these vacancies. As of 31 March 2025, according to the Department's PERSAL establishment report, there were 199 frozen vacancies due to the implemented cost-containment measures.

The PERSAL report post closure of 31 March 2025 reflected 1,398 permanent employees (1,400 in February 2025), 30 additional establishment employees (25 in February 2025) and 60 interns (60 in February 2025).

- **Goods and services:** The underspending of R110.26 million was largely due to the following:
  - **Consultants:** Business and advisory services: The underspending of R126.22 million under this item was mainly because of spending on the following projects:
    - **Solar Water Heaters Programme (SWHP):** R3.64 million underspending due to the halting of installations pending finalisation of procurement processes for consumables, quality assurers and community liaison officers.
    - Junior Mining Exploration Fund: R120 million underspending due to the re-classifcation of funds goods and services to transfers and subsidies relating to the Junior Mining Exploration Fund paid to the IDC to align with the requirements of the 2018 Classification circular (Classification of Transfers and Subsidies versus Goods and Services or Capital assets 2018).
    - The expenditure for SWH will commence during April 2025 as the branch is currently placing the installation teams on the ground and expect to receive and pay for components.
    - **INEP: Non-Grid Service Providers:** R575,000 due to two invoices which arrived late in March and therefore fell outside the payments processing deadline. A rollover application in relation to the budget for these invoices has been submitted to Treasury for approval.
    - **Nuclear New Build Project:** R4.02 million underspending following a decision to defer the Nuclear New Build Funding Model study until such time as a new strategy has been developed by the new Department of Electricity and Energy under which the Nuclear Regulation and Management function will fall.
  - In addition, significant underspending was reported in the following items:
    - **Travel and subsistence:** R827,000 budget saving due to the implementation of cost-containment measures particularly under Programme 3 where meetings were prioritised, virtual platforms preferred and number of delegations limited.
    - **Operating payments:** R594,000 underspending emanating from SWH storage services, printing and publication services and resettlement cost items. Expenditure on storage fees was lower than anticipated due to savings achieved by the removal of SWHP units from NECSA to City power.
    - **Operating Leases:** R5.04 million underspending mainly due to outstanding invoices for DPWI office accommodation leases for March 2025.
    - **Venues and facilities:** R5.8 million underspending. Following communication from Treasury that the Department will not be allocated additional funding for coordinating G20 ETWG (Energy Transitions Working Group) meetings, the Department reserved funds for procuring venues where planned G20 ETWG meetings will be held. The process of procuring these venues commenced in March 2025 through the Travel Management Company, however, related payments were processed through the Agent's system aligning with the payment terms of the relevant service provider, therefore, the reserved funds remained in the Department's books awaiting claims from the Travel Management Agent. The payment terms, administered by the Agent, included 50% deposits for securing the International Conference Venue in Cape Town (CTICC) for the Second G20 ETWG meeting. The Third G20 ETWG meeting venue at Sun City was also secured through the Travel Management Agent.
    - **Computer services:** R8.86 million underspending relating to payments for the backup system and Mining Licencing System (CADASTRE SYSTEM).To ensure the successful implementation of the Mining Licencing System, the Department planned to obtain services for technical advisory and support from a suitably qualified service provider, however, due to delays in procurement processes, the process was not finalised by year-end, leading to budget underspending.

- **Consumables stationery:** R612,000 underspending due to procurement requests for stationery, cartridges and office supplies that were less than anticipated during the year.
- **Administrative fees:** R483,000 underspending due to fewer than anticipated registration fees paid for workshops, conferences, and meetings utilising external service providers.
- **Consumables supplies:** R410,000 underspending due to the halting of Solar Water Heaters installations pending finalisation of procurement processes for consumables.
- **Catering Departmental activities:** R590,000 underspending due to implementation of cost-containment on the catering of departmental meetings, workshops and interviews.
- **Advertising:** R512,000 underspending due to anticipated promotional and marketing of Department through conferences and campaigns, which was lower than anticipated, and freezing of positions, which resulted in not advertising vacant positions.

- **Transfers and subsidies:** The net budget overspending in this classification of R76.743 million or 1.1% emanated from the international membership fees item which had a budget balance of R1.16 million due to exchange rate gains relating to membership fees paid to the Association of African Diamonds Producing Countries, generation IV International Forum for nuclear activities and, International Renewable Energy Agency. Pumping subsidies to marginal mines of R2.14 million were not disbursed during the current financial year as there were qualifying applications received from mining companies.Other Transfers to Households: R45,000 overspending caused by higher than anticipated turnover of staff during the reporting period and consequent increase in leave gratuity payments.
- Junior Mining Exploration Fund: R120 million overspending due to the re-classifcation of funds from goods and services to transfers and subsidies relating to the Junior Mining Exploration Fund paid to the IDC to align with the requirements of the 2018 Classification circular (Classification of Transfers and Subsidies versus Goods and Services or Capital assets 2018).
- **Payments for capital assets:** R918,000 or 3% underspending. The Department procured computer equipment during the 2024/25 financial year to replace outdated and obsolete laptops with delivery anticipated before 31 March 2025. However, delays in delivery resulted in the Department only taking possession of the laptops in April 2025 and subsequent receipt of invoices for payments in the 2025/26 financial year. A rollover application has been submitted to Treasury to make funding of R963,000 available in the 2025/26 financial year to finalise these payments.
- **Payments for financial assets:** Actual expenditure was on par with the allocated budget.

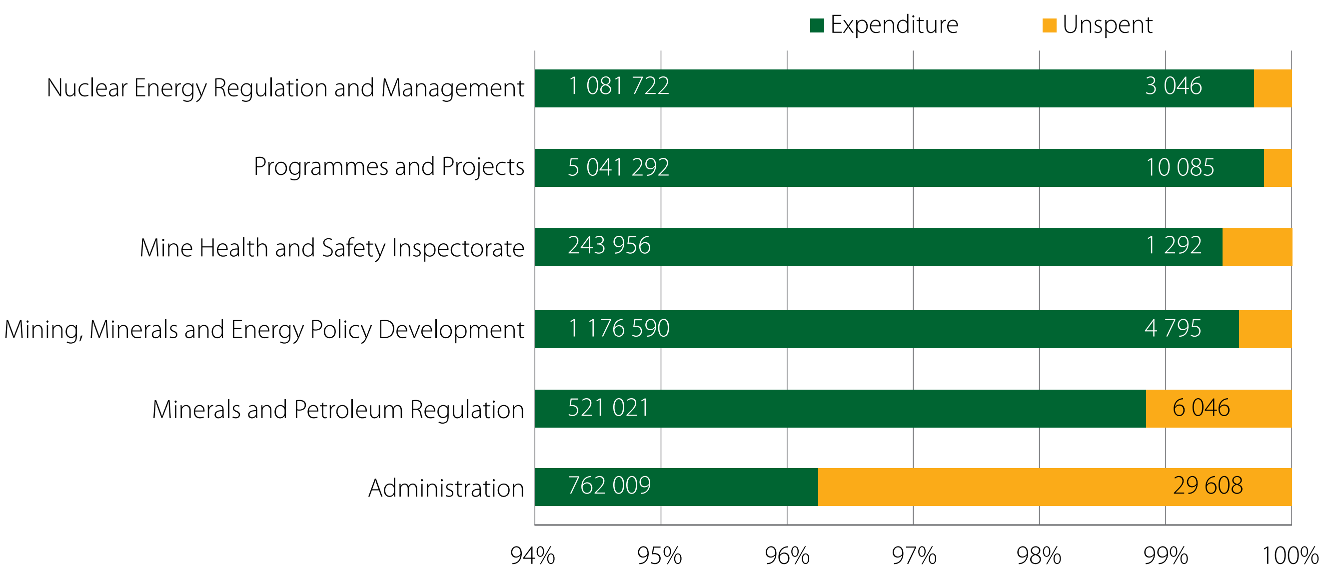


Figure 2: 2024/25 annual budget and expenditure per Programme

Explanation of material variances:

Programme 1: Administration

The Programme spent R762.01 million from the projected spending of R791.62 million resulting in a net budget underspending of R29.61 million mainly under:

- Compensation of Employees: R13.88 million underspending mainly due to unfilled vacancies in the new Ministry of Electricity and Energy following receipt of additional funding for these vacancies through the Adjustment Budget process as well as frozen vacancies following the implementation of cost-containment measures by the DPSA and Treasury. On 31 March 2025, the Department's PERSAL establishment report reflected 78 frozen vacancies under this Programme.
- Goods and services: R14.85 million overspending significantly from the following items:
    - Operating leases: R4.50 million underspending attributable to outstanding invoices from the DPWI for office accommodation leases for March 2025.
    - Computer services: R8.861 million underspending in relation to unspent funds for the backup system and Mining Licencing System (CADASTRE SYTEM). Funds earmarked for procuring technical advisory and support services for the Cadastre System remained at year-end following delays in the appointment of a suitable service provider.
- Transfers to Households: R45,000 overspending was caused by higher than anticipated turnover of staff during the reporting period and consequent increase in leave gratuity payments. In addition, leave payments totalling R101,000 was paid on 22 March 2025 which was not included in the final virement approval.
- Payments for capital assets: R918,000 underspending due to the delayed delivery of procured computer equipment which happened in April 2025.
- A rollover application has been submitted to Treasury to make the entire balance of R963,000 available in the 2025/26 financial year.

Programme 2: Minerals and Petroleum Regulation

The Programme spent R521.02 million from the projected spending of R527.07 million resulting in a net budget underspending of R6.02 million or 1.1% mainly from the Compensation of employees category under which R4.64 million underspending was recorded due to the implementation of cost-containment measures by National Treasury which led to the freezing of vacancies. The Goods and services category contributed R1.37 million to the underspending in this Programme coming from several items.

Programme 3: Mining, Minerals and Energy Policy Development

Expenditure in this Programme was on par with planned expenditure with 0.41% underspending. The variance is as a result of planned expenditures related to the securing of venues for the G20 ETWG meetings, Second and Third meeting at the CTICC and Sun-City, respectively, which were processed before year-end, however, the payments were not charged to the Department before year-end as they were made by the Travel Agent on behalf of the Department. Associated claims from the Travel Agent will be in the 2025/26 financial year. Transfer payments reflected an underspending of R644,000 underspending due to foreign exchange difference in international membership fees to African Diamond Producers Agency (ADPA).

Programme 4: Mine Health and Safety Inspectorate

The Programme spent R243.96 million from the projected spending of R245.25 million resulting in a net budget underspending of R1.29 million (0.53%) which is on par with the total projected expenditure for the 2024/25 financial year with minor underspending across all items.

Programme 5: Mineral and Energy Resources Programmes and Projects

The Programme spent R5.04 billion from the projected spending of R5.05 billion, resulting in a net budget underspending of R12.48 million or 0.25% due to:

- **Venues and facilities:** R3.82 million underspending due to planned workshops and engagements that did not take place as anticipated. Savings from this item were to supplement funding required for hosting the G20 meetings, however, no payments were charged against the vote as the Travel Agent paid on behalf of the Department and following payment arrangements stipulated by chosen service providers.

- **INEP:** Non-Grid Service Providers: R575,000 underspending due to two invoices which were received late in March and therefore fell outside the payments processing period.

- **Budget savings were realised under the INEP:** Non-grid Oversight, Monitoring and Evaluation project, R648,000, due to the lower than anticipated cost charged by the appointed service provider for the monitoring of non-grid connections.

- **Transfer payments:** The net-budget underspending of R2.463 million or 0.01% was mainly due to Pumping subsidies to marginal mines of R2.14 million which were not disbursed owing to lack of qualifying applications from mining companies.

Programme 6: Nuclear Energy Regulation and Management

The Programme spent R1.082 billion on the projected spending of R1.085 billion, resulting in a net budget underspending of R3.046 million or 0.3% mainly under the Goods and services category with R2.25 million underspending. Funding planned for the Nuclear New Build Project Financial model study was not utilised during the year under review as no suitable service provider was identified during the initial request to market. Consequently, as a decision was taken to delay the study and allow the finalisation of a new Strategy for nuclear procurement.

4.1.3 VIREMENTS / ROLLOVERS

- Virement Approvals

  The Department effected virement approvals amounting to R78.975 million after the Adjusted Estimates of National Expenditure.

- Programme 2 received an additional R10 million to increase transfer payments to the South African Diamond and Precious Metals Regulator (SADPMR) to assist the entity with operational funding in the 2024/25 financial year in terms of section 43 of the PFMA and Treasury Regulation 6.3.1(a).

- Programme 5 received an additional R10 million to increase transfer payments to the South African National Energy Development Institute (SANEDI) to assist the entity with operational funding in the 2024/25 financial year in terms of section 43 of the PFMA and Treasury Regulation 6.3.1(a).

- Programme 4 received an additional R3.591 million to provide funding for rescue operations at the Buffelsfontein and Stilfontein gold mines in the North-West Province.

- The Administration Programme (Corporate Services Branch) received additional funding of R15.672 million for the implementation of the online mining system (CADASTRE SYSTEM).

- Programme 2, 5 and 6 received an additional amounts to increase transfer payments to foreign governments and international organisations within the same main divisions of the vote in the 2024/2025 financial year to provide for the payment of international membership fees to the International Energy Forum (IEF - R65,000), the International Atomic Energy Agency (IAEA - R1.7 million) and the African Petroleum Producers Organisation (APPO - R1.4 million).

- On the 9th of April 2025, the Accounting Officer granted a final virement approval in terms of section 43(1) of the PFMA, to utilise savings from main divisions (Programmes) of the vote towards the defrayment of excess expenditure under other main divisions within the vote, including funding for expenditure written off as theft and losses against the vote in the 2024/25 financial year. The Administration Programme received an additional R52.4 million while the Mine Health and Safety Inspectorate received an additional R7.2 million to cater for excess expenditure.

- Rollovers

  From the 2023/24 unspent budget, an amount of R11.671 million, was additionally allocated through the rollover process to the Department to reimburse funds utilised for a 2023/2024 payment of international membership fees to the African Diamond Producers Association (ADPA).

4.1.4 UNAUTHORISED EXPENDITURE

No unauthorised expenditure was recorded in the Department in the 2024/25 financial year after the application of virements.

4.1.5 GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

During the 2024/25 financial year, the Department received donations in kind from international organisations in the form of air tickets, public transport abroad, accommodation and study fees, enabling employees to attend international study tours, conferences, courses, and meetings abroad.

Assistance was received from the following international organisations:

- International Energy Agency (IEA) towards travel (return airfare) and accommodation for the IEA Africa Energy Efficiency Policy in emerging economies training week held in Nairobi, Kenya from 18 to 21 March 2024.
- The Fletcher School of Climate Policy Lab towards visa applications, return flight tickets and accommodation cost for a training programme held in Boston, Unites States of America in June 2024.
- Japan International Cooperation Agency (JICA) towards course fees, inclusive of living allowance, breakfast and dinner, accommodation, medical card and return air tickets for the Knowledge Co-creation Programme in Energy Policy, Scholarship Programme that was held from 23 June 2024 to 20 July 2024.
- DANIDA Fellowship Centre (DFC) Scholarship Programme who funded the tuition fees, accommodation, allowance, air tickets, visa and insurance for employees attending the Programme for Organisational Change Management offered by COWI from 12 to 30 August 2024.
- The European Union funded accommodation, airfares, local transport, subsistence and travel allowances for employees attending the Critical Raw Material Study of Germany and Belgium from 9 to 13 December 2024.

For its part, the Department made in kind, donations to various stakeholders under its outreach programmes and projects mainly to learners, educators, and support staff at various promotional events.

Conclusion

I wish to express my sincere gratitude to Minister Gwede Mantashe his leadership, and to Team DMRE for their dedication to excellence and service delivery. As we transition into a new era, our responsibility is clear: to steer and transform the sectors we oversee with the necessary urgency and diligence to ensure maximum contribution to economic growth and job creation.

Jacob Mbele

Accounting Officer

Department of Mineral Resources and Energy

Date:

5. Statement of responsibility and confirmation of accuracy

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

All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury. The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2025.

Director-General

Department of Mineral Resources and Energy

6. STRATEGIC OVERVIEW

The overarching purpose of the Department of Mineral Resources and Energy is to ensure that diverse resources are available in sustainable quantities and at affordable prices for the growth of the South African economy. In line with the National Development Plan (NDP), the Department contributes to the fight against poverty, unemployment and inequity, whilst considering environmental concerns and obligations.

Vision

A leader in the transformation of South Africa through economic growth and sustainable development in the mining and energy sectors.

Mission

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

Values

Batho Pele **(Sesotho for "people first")**	Represents a Department of Mineral Resources and 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 which 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 and what 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 which 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 country's citizens in line with the dictates of the Constitution of the Republic.

7. LEGISLATIVE AND OTHER MANDATES

Constitutional mandate

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

Legislative mandate

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

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

Policy mandate

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

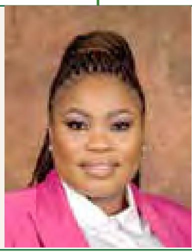
The principal Acts that drive the work of the DMRE are as follows:

- Mines and Works Act, 1956 (Act No. 27 of 1956)
- Mining Titles Registration Act, 1967 (Act No. 16 of 1967)
- Central Energy Fund Act, 1977 (Act No. 38 of 1977)
- Petroleum Products Act, 1977 (Act No. 120 of 1977)
- Diamonds Act, 1986 (Act No. 56 of 1986)
- Mineral Technology Act, 1989 (Act No. 30 of 1989)
- Abolition of the National Energy Council Act, 1991 (Act No. 95 of 1991)
- Geoscience Act, 1993 (Act No. 100 of 1993)
- Nuclear Energy Act, 1993 (Act No. 131 of 1993)
- Mine Health and Safety Act, 1996 (Act No. 29 of 1996)
- National Environmental Management Act, 1998 (Act No. 107 of 1998)
- Nuclear Energy Act, 1999 (Act No. 46 of 1999)
- National Nuclear Regulator Act, 1999 (Act No. 47 of 1999)
- Abolition of Lebowa Mineral Trust Act, 2000 (Act No. 67 of 2000)
- Gas Act, 2001 (Act No. 48 of 2001)
- Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)
- Gas Regulator Levies Act, 2002 (Act No. 75 of 2002)
- Petroleum Pipelines Act, 2003 (Act No. 60 of 2003)
- Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004)
- National Energy Regulator Act, 2004 (Act No. 40 of 2004)
- Precious Metals Act, 2005 (Act No. 37 of 2005)
- Electricity Regulation Act, 2006 (Act No. 4 of 2006)
- National Energy Act, 2008 (Act No. 34 of 2008)
- National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008)

8. ORGANISATIONAL STRUCTURE

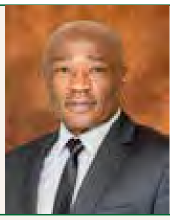
Mr SG Mantashe, MP

Minister of Mineral Resources and Energy



Ms Phumzile Mgcina, MP

Deputy Minister of Mineral Resources and Energy

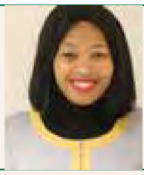


Mr Jacob Mbele

Director - General

Tseliso Maqubela

DDG: Minerals and Petroleum Regulation



Ntokozo Nzimande

DDG: Mining, Mineral and Energy Policy Development

David Mziza

CIOM: Mine Health and Safety Inspectorate

Mr Thabo Kekana

DDG: Energy Programmes and Projects

Zizamele Mbambo

DDG: Nuclear Regulation and Management

Lucas Mulaudzi

ADDG: Corporate Services

Yvonne Chetty

Chief Financial Officer

9. ENTITIES REPORTING TO THE MINISTER OF MINERAL RESOURCES AND ENERGY

Table 4: Entities that report to the Minister of Mineral Resources and Energy

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
1.	**National Nuclear Regulator (NNR)**	The NNR is established in terms of the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999). The Act establishes the Regulator as a competent authority for nuclear regulation in South Africa.	Transfer payments	The purpose of the NNR, as outlined in Section 5 of the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999), is essentially to provide for the protection of persons, property and the environment against nuclear damage through the establishment of safety standards and regulatory practices.
2.	**South African Nuclear Energy Corporation (NECSA) GROUP**	NECSA is established in terms of Section 3(1) of the Nuclear Energy Act, 1999 (Act No. 46 of 1999).	Transfer payments	Provides for the commercialisation of nuclear and related products and services, and delegates specific responsibilities to the corporation, including the implementation and execution of national safeguards and other international obligations. The Nuclear Energy Policy of 2008 reinforced NECSA's mandate relating to research and development, and nuclear fuel cycle responsibilities.
3.	**Central Energy Fund (CEF) GROUP**	Derived from the Central Energy Fund Act, 1977 (Act No 38 of 1977) and the ministerial directives issued thereafter. To finance and promote the acquisition of, research into, and exploitation of oil, gas and renewable/clean energy-related products and technology.	Transfer payments	The mandate of the CEF is to contribute to the security of the energy supply of South Africa and the region through exploration, acquisition, development, marketing and strategic partnerships.
4.	**National Radioactive Waste Disposal Institute (NRWDI)**	The NRWDI is a Nuclear Waste Disposal Institute established in terms of Section 3 of the National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008).	Transfer payments	The Act provides for the establishment of an NRWDI to manage radioactive waste disposal on a national basis and to provide for its functions and for how it is to be managed.

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
5.	**National Energy Regulator of South Africa (NERSA)**	NERSA is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004).	Transfer payments	NERSA's mandate is to regulate the electricity, piped gas and petroleum pipeline industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Gas Act, 2001 (Act No. 48 of 2001) and the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).
6.	**South African National Energy Development Institute (SANEDI)**	SANEDI is an applied energy research institute established in terms of Section 7(1) of the National Energy Act, 2008 (Act No. 34 of 2008).	Transfer payments	The role of SANEDI is to direct, monitor and conduct energy research and development, promote energy research and technology innovation, as well as undertake measures to promote energy efficiency throughout the economy.
7.	**Council for Geoscience (CGS)**	The principal fixed mandate and the one under which the CGS was established is the Geoscience Act, 1993 (Act No. 100 of 1993). It is listed as a schedule 3A public entity in terms of the Public Finance Management Act, Act 1 of 1999. The second fixed mandate under which it operates forms part of the National System of Innovation as stated in South Africa's National Research and Development Strategy of 2002, as defined in the White Paper on Science and Technology of 1996.	Transfer payments	The CGS was established to develop and publish world-class geoscience knowledge products and to render geoscience-related services to the South African public and industry. This includes documentation of the geology of the earth's surface and continental crust, including all offshore areas within the territorial boundaries of South Africa, the compilation of all geoscience data and information, basic geoscience research into the nature and origin of rocks, ores, minerals, formations, the history and evolution of life and the formation of the earth, the collection and curation of all geoscience data and knowledge on South Africa in the National Geoscience Repository, rendering geoscience knowledge services and advice to the state, and the management of a number of national geoscience facilities on behalf of the country. These include the National Seismograph Network, the National Borehole-Core Repository, the National Geoscience Heritage Collections (Geoscience Museum), and the National Geoscience Library.

No	Name of entity	Legislative mandate	Financial relationship	Nature of operations
8.	**State Diamond Trader**	The State Diamond Trader is a state-owned entity established in terms of Section 14 of the Diamonds Act, 1986 (Act No. 56 of 1986), as amended.	Transfer payments	The State Diamond Trader operates in the diamond industry with the aim of growing local diamond beneficiation. Its mandate is to buy and sell rough diamonds and promote equitable access to, and beneficiation of, the country's diamond resources. It aims to grow South Africa's diamond cutting and polishing industry by enabling and increasing the participation of historically disadvantaged South Africans in the diamond beneficiation industry. The entity is empowered by law to purchase up to 10% of the run-of-mine production from all diamond producers in South Africa. It sells to registered customers through an application and approval process.
9.	**South African Diamond and Precious Metals Regulator**	The South African Diamond and Precious Metals Regulator was established in terms of the Diamond Act, 1986 (Act No. 56 of 1986), as amended, and the Precious Metals Act, 2005 (Act No. 36 of 2005).	Transfer payments	The South African Diamond and Precious Metals Regulator is responsible for the regulation of diamonds, gold and platinum group metals (PGMs).
10.	**Mintek**	Mintek is established in terms of the Mineral Technology Act, 1989 (Act No. 30 of 1989).	Transfer payments	Mintek's mandate is to serve the national interest through research, development and technology transfer, to promote mineral technology, and to foster the establishment and expansion of industries in the field of minerals and products derived therefrom.
11.	**Mine, Health and Safety Council**	The Mine Health and Safety Council is a national public entity established in terms of the Mine Health and Safety Act, 1996 (Act No. 29 of 1996), as amended.	Transfer payments	The main task of the Council is to advise the Minister of Mineral Resources and Energy on occupational health and safety legislation and research outcomes focused on improving and promoting occupational health and safety in South African mines. The Council also oversees the activities of its committees, promotes a culture of health and safety in the mining industry, arranges a summit every two years to review the state of occupational health and safety at mines, and liaises with the MQA and any other statutory bodies about mining health and safety.

PART B:

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa performed audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the predetermined objectives heading in the report on the other legal and regulatory requirements section of the Auditor's Report. Please refer to the Report of the Auditor-General published in Part F.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

The Department of Mineral Resources and Energy has developed this Annual Report against indicators, outcomes and targets stated in the 2024/25 Annual Performance Plan, which was tabled in Parliament in March 2024, in line with the requirement of section 10(c) of the Money Bills Amendment Procedure and Related Matters Act of 2009.

2.1 Service Delivery Environment

This Service Delivery Improvement Plan outlines some of the main services that have been achieved against targets stated in the Department's Strategic Plan and the 2019-2024 Medium-term Strategic Framework (MTSF) in pursuit of the goals of the National Development Plan (NDP) to reduce unemployment, poverty and inequality.

Progress has been made with the organisational culture intervention, as focus group sessions were held with staff and management at both Head Office and the Department's regional offices. The information and insights gathered from this process will be used to develop the Department's culture interventions. Most of the services provided by the Department, which directly or indirectly affect the citizens of South Africa, are articulated as a list of services below:

2.2 Service Delivery Improvement Plan

Table 5: Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Compliance with the Petroleum Product Act	South African citizens, manufacturers, wholesalers and retailers	**Achieved** 1,570 retail site inspections were conducted. **Achieved** 1,083 fuel samples were tested.	At least 1,500 retail site compliance inspections conducted. At least 1,080 fuel samples tested.	**Achieved** 1,640 retail site inspections were conducted. **Not Achieved** 566 Fuel sample were tested.
Issuing of permits and mining rights	South African citizens Mining sector	**Achieved** 249 rights and permits issued to HDSA-controlled entities.	200 rights and permits issued to HDSA-controlled entities.	**Achieved** 399 rights and permits were issued.

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Universal access to energy	South African citizens	220 000 households electrified through grid connections. 15,000 households electrified through non-grid connections throughout the country.	An additional 100,000 households electrified through the grid. 15,000 additional households electrified through non-grid technologies	An additional 136, 026 households electrified through the grid. 18,540 additional households connected to non-grid technologies.
Number of investigations conducted	Mining operations	96% of planned investigations as per capacity.	80% of planned investigations as per capacity.	102% of planned investigations as per capacity.
Number of inquiries	Mining operations	100% of planned inquiries as per capacity.	80% of planned inquiries as per capacity.	97 % of planned inquiries as per capacity.

Table 6: Batho Pele arrangements with beneficiaries

Current/actual arrangements	Desired arrangements	Actual achievements
Quality	Compliance with the requirements of the National Library of South Africa for an International Standard Book Number (ISBN), as well as with the Statistics Act.	Compliance with the requirements of the National Library of South Africa for an ISBN, and adequately researched information, using statistical information compliant with the Statistics Act.
Consultation	Any communication with users of the South African Mining Industry (SAMI) publication is communicated through the Department's website. SAMI contains a telephone number that users can call to communicate with the Department regarding SAMI.	A consultation platform is provided by publishing the Department's website address, telephone and fax numbers to allow for feedback and inputs.
Courtesy	The information contained in SAMI provides users with the current and past performance of the minerals and metals sector to inform their investment decisions, where applicable. While the greatest care has been taken in the compilation of SAMI, the Directorate: Mineral Economics of the DMRE does not hold itself responsible for any errors and omissions.	The information contained in SAMI is adequately researched, and quality-edited by professionals before approval. Other publications produced by the Department are listed for users to subscribe to, using the prescribed form at the back of SAMI. While there is a disclaimer for omissions and errors, there has been no negative feedback.

Current/actual arrangements	Desired arrangements	Actual achievements
Access	SAMI is distributed to the list of users of the publication included in the database. SAMI is also posted on the Department's website after it has been printed and published. It is available in hard copy and electronically on CD for any users of the document.	Achieved through formal and systematised distribution. However, there are more distribution platforms, such as giving the publication to one-on-one clients who meet with managers and sending a few copies to South African embassies abroad, as well as other countries' embassies in South Africa.
Information	The information contained in the publication is collected from different mineral resources companies, mines and other institutions that hold such information. The information is reviewed, edited and approved by qualified staff members, which results in the final information being accurate and reliable. While the greatest care has been taken in the compilation of SAMI, the Directorate: Mineral Economics of the DMRE does not hold itself responsible for any errors or omissions.	Compliance with the requirements of the National Library of South Africa for an ISBN, and adequately researched information, using statistical information compliant with the Statistics Act.
Openness and transparency	The information contained in SAMI is a true reflection of the past performance of the South African mineral industry and the performance of the global mineral industry. Contact details of the Department are included in SAMI for public use if further clarity is required on the information contained in the publication.	Openness and transparency are achieved. The information is for national and international public consumption and use.
Redress	The Minister of Mineral Resources and Energy may withdraw or amend any information contained in SAMI if the amendment or withdrawal is necessary or will result in accurate and reliable information being presented.	The Minister reserves the right to withdraw the publication
Value for money	SAMI contains valuable information regarding the performance of the global minerals and metals industry, including South Africa. It also provides market trends of the minerals and metals sector. The information contained in SAMI gives users insights into the country's mineral sector and trends that can be used to make investment decisions.	The information provides true value for money.

Table 7: Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Workshops, Imbizo / public participation programmes, community engagement	To hold regular Workshops, Imbizo/ public participation programmes, and community engagement. More media interviews on community radio stations and SABC's vernacular radio stations.	Workshops, Imbizo and community engagements were conducted with various mining communities. Interviews held with community radio stations and SABC's vernacular radio stations.
Publishing Minerals and Energy statistics	Publications can be used as a critical part of investment attraction and decision making by investors/ citizens.	Three (03) publications were produced (i) Operating Mines, Quarries and Minerals in SA and (ii) Mineral Economics Bulletin Volume 6, and (iii) 2024 Price report published.
Government Competency Certificate	Examination results can be used as a measure of the supply and demand of competent individuals in the mining and minerals sector.	Examinations for the Government Competency Certificate were written in compliance with all five steps of the Competency Certificate model.

Table 8: Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Media, Presidential Anti-Corruption Hotline, telephone enquiries, correspondence, face-to-face meetings, stakeholder engagements during Imbizo.	Enquiries received through the media, Presidential Anti-Corruption Hotline, telephone enquiries, correspondence, face-to-face meetings, questions raised during stakeholder engagements/ Imbizo are responded to promptly.	90% of queries from Presidential Hotline were responded to, with questions from stakeholders responded to promptly during public engagements.

2.3 Organisational Environment

Following the announcement of the new Cabinet by the President on 30th of June 2024, the configuration of the Government (National Macro Organisation of Government – NMOG) was introduced, and this brought changes such as the split of the Department of Minerals Resources and Energy (DMRE) into the Department of Mineral and Petroleum Resources (DMPR) and Department of Electricity and Energy (DEE) and abolishment of the Department of Public Enterprise (DPE) which led to the transferring of functions from DPE to DMPR and DEE. The Department prepared for this major structural change by, amongst others, the configuration of the startup organisational structures for both the DMPR and DEE to operationalise the spilt.

The startup organisational structures were based on the existing components and filled posts and submitted to the Minister of Public Service and Administration (MPSA) for determination. Due to unavailability of funds, all vacant positions that existed during the split process were abolished since unfunded posts could not be carried over to the new departments and this left the two departments extremely under capacitated. The MPSA in his determination letters to both the DMPR and DEE Startup Organisational Structures indicated that the two departments must review the startup organisational structures within a period of six (6) months after approval of the strategic plan, annual performance plan and finalisation of the NMOG process.

The preparation work on the restructuring, combined with cost-containment measures, delayed the implementation of key HR Plan initiatives and the filling of vacancies planned for in the HR Plan. A request for additional funding to cater for vacant positions on the startup organisational structures, submitted to National Treasury in December 2024 was not approved, further compounding capacity constraints. As of 31 March 2025, 1,687 positions were on the structure (200 frozen), with a turnover rate of 10.8%.

The skills assessment results informed the training and development initiatives for the department to support improved coordination and planning for effective service delivery.

Key strategic HR focus areas included:

- Review of the Organisational structure as part of the NMOG process
- Defining a Culture and Climate roadmap
- Implementation of revised Recruitment & Selection guidelines and promoting employment equity, particularly the representation of women in SMS (Senior Management Service) and employment of persons with disabilities.
- Enhancing training and development through alignment with skills audits and the Workplace Skills Plan.
- Establishing talent pipelines through Executive Development and pre-SMS programmes.

Challenges faced:

- NMOG-related preparations hindered initiatives such as the culture survey, and HR policy review.
- Cost-containment measures and the inability to fill departmental positions led to limited capacity to implement planned HR interventions.

Key Workforce Trends or Capacity Shifts:

- Employee exits (165) outpaced new appointments (64) creating staffing gaps.
- Several HR projects were deferred due to shifting priorities.

External Influences That Affected Operations

- The NMOG restructuring was the most significant external influence, resulting in reprioritisation of resources and projects.
- National Treasury's non-consideration of funding departmental vacancies further constrained HR Plan implementation.

2.4 Key policy developments and legislative changes

Amendment of the Mineral and Petroleum Resources Development Act, 28 of 2002 (MPRDA)

The Department developed the draft MPRD Bill and initiated a consultation process with stakeholders, which was finalised 2024/25 financial year. The Bill was approved by Cabinet for gazetting for public comments. The amendments are critical and seek to enhance the legal construct of the law whilst improving the ease of doing business and providing regulatory certainty to investors.

Petroleum Products Act (PPA)

The Petroleum Products Act 1977 (Act No. 120 of 1977) sets out the legislative framework for the manufacturing, wholesaling, and retailing of petroleum products. There have been concerns and challenges raised by the implementers, administrators and licencees of the act, such as non-compliance tools, transformation of the petroleum products industry, clarification of offences and criminalisation of certain acts. The Draft Petroleum Products Bill was gazetted for public comments in the 2024/25 financial year. The Department plans to submit the PPA to Cabinet for submission to Parliament.

The Upstream Petroleum Resources Development Bill, 2021 (UPRD Bill).

The President signed the Bill into law (Act No. 23 of 2024). The Bill was amended to create separate legislation that is investor-friendly for the oil and gas sector from that of mining, given its potential for economic contribution and job creation.

Mine Health and Safety Amendment Bill

The Bill was submitted to the Cabinet for approval to submit to Parliament. The Bill is to simplify the administrative processes, remove ambiguities, add certain definitions and expressions and to harmonise the Act with other laws, in particular the MPRDA.

The South African National Petroleum Company (SANPC)

The Bill was approved by Cabinet for submission to Parliament 2024/25 financial year. The SANPC provides the merger of the Central Energy Fund (CEF) subsidiaries, iGas, PetroSA and the Strategic Fuel Fund. The SANPC marks a pivotal step toward enhancing the country's energy security, reducing reliance on fuel imports, and managing South Africa's petroleum assets more effectively.

3. PROGRESS TOWARDS THE ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Total mining employment grew at 0.66 percent CAGR (Compound Annual Growth Rate), during the period 2019 to 2024, starting at about 459,528 in 2019, increased at 480,427 employees in 2023, reflecting gradual normalisation of production as well as ramp up in production from the 2020 low base under COVID-19 restrictions. It however, experienced a slight decline to an average of 475,009 in the year 2024, as the markets began to reset normalisation after 2020 low trading activity. The corresponding mining employment remuneration grew at 0.56 percent CAGR, during the period 2019 to 2024, starting at about R143.65 billion, increased at about R197.37 billion in 2024, in line with employment, reflecting gradual normalisation of operations as well as salary increment and severance packages payments.

Processed minerals and metals sector employment grew at a negative 1.07 percent CAGR from an average of 10,656 employees in 2019 to 10,100 in 2024. The employment was higher averaging 10,442 in 2020, despite the COVID-19 restrictions in that year, higher than the following years, 2021, 2022 and 2023 averaging 10,033, 9,525, and 9,325 employees, in that order. The corresponding mineral and metals processing remuneration declined at 0.39 percent CAGR from about R5.81 billion in 2019 to about R5.70 billion in 2024. Remuneration was relatively higher at about R5.55 billion for the year 2020, despite the COVID-19 restrictions in that year, in relation to the number of employees, higher than the following years, 2021, 2022 and 2023 at about R5.26 billion, R5.27 billion and R5.35 billion, correspondingly, also attributed to salary increments and payment of severance packages.

Primary minerals and metals sales revenue grew at 0.75 percent CAGR, during the period 2019 to 2024, starting at about R552.9 billion and picking at R 883.7 billion in 2022. There was no negative impact resulting from restrictions implemented to reduce the spread of COVID-19, as commodity prices improved in that year, 2020.

Processed mineral and metals sales revenue grew at 7.68 percent CAGR, during the period 2019 to 2024, starting at about R77.31 billion, picking at R 116.30 billion in 2023, on the back of improved commodity prices and recovery from a low base of 2020. It however, experienced a slight decline to about R111.90 billion in the year 2024, as the markets began to reset for normalisation after the 2020 low trading activity.

Total Mining GDP grew at 7.07 percent CAGR, during the period 2019 to 2024, starting at about R351.46 billion, picking at R488.59 billion in 2022, also reflecting gradual recovery from the low base R314.59 billion of 2020. However, it dropped to about R442.73 billion in the year 2024. It contributed an average of 6.54 percent CAGR to the national average of about R640.86 billion, over the period under review

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose:

To provide support services to the Department to fulfil its mandate and achieve its strategic objectives.

Functions:

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

The following tables contain targets in accordance with the originally tabled Annual Performance Plan (APP) and the revised APP

Table 9: Outcomes, outputs, output indictors, targets and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Functional, efficient and integrated government	Wasteful and fruitless expenditure eliminated	No new incidents of fruitless and wasteful expenditure identified requiring investigation per annum	**Not achieved** 99.95% was achieved owing to historical Wasteful and Fruitless expenditure transactions	**Achieved** 100% of the fruitless and wasteful expenditure incurred in the year under review stems from historical transactions concluded in the previous year	No new incidents of fruitless and wasteful expenditure identified requiring investigation per annum	**Not achieved**	New incidents of fruitless and wasteful expenditure were reported during the year under review	An amount of R18,697.71 was paid in interest due to: 1. late payment of invoice – Telkom 2. late payment of arbitration award.	
	Reduced irregular expenditure	No new incidences of irregular expenditure identified requiring investigation per annum	**Not achieved** 99.6% was achieved.	**Achieved** 70% reduction of irregular expenditure compared to prior year	No new incidents of irregular expenditure identified requiring investigation per annum	**Not achieved**	Ex post facto payment of R31,733.00 was made to Nongoma Lodge	Service was rendered without prior approval from the relevant authority.	
	Unqualified audit opinion in the department	Unqualified audit opinion	**Achieved** Unqualified audit opinion	**Achieved** Unqualified audit opinion	Unqualified audit opinion	**Achieved** Unqualified audit opinion	Target was revised	Indicator revised in line with the SMART principle.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Improved governance and accountability	Improved governance and accountability	Consequences for corruption and misconduct enforced	**Achieved** 100% resolution of reported incidents of corruption	**Achieved** No reported incidents of corruption	95% Resolution of reported incidents of corruption	**Achieved**	Target was revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	
Functional, Efficient and Integrated Government	Functional, Efficient and Integrated Government	Percentage assessment of approved Shareholder Compacts and Corporate Plans of Schedule 2 SOEs	**Not achieved**	**Achieved**	100% assessment of Shareholder Compact and Corporate Plans of Schedule 2 SOEs submitted	**Achieved**	Target was revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	
	Approved SOEs Annual Performance Plans	Percentage of received Schedule 3A SOE's Annual Performance Plans assessed for submission to Parliament	**Achieved** 7 approved Schedule 3A SOEs Annual Performance Plans were submitted to Parliament	**Achieved** 7 approved Schedule 3A SOE's Annual Performance Plans were submitted to Parliament	100% assessment of received schedule 3A SOE Annual Performance Plans and submitted to Parliament	**Achieved**	Target was revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Functional, Efficient and Integrated Government	SOEs Quarterly Performance Reports	Percentage of received SOEs quarterly performance reports reviewed, and ministerial submission produced	**Not achieved** 43 SOEs quarterly performance reports reviewed, and Ministerial submission produced	**Achieved** 44 SOEs quarterly performance reports reviewed, and Ministerial submission produced	100% assessment of received quarterly performance reports reviewed, and Ministerial submission produced	**Achieved**	Target was revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	
	SOEs Annual Reports	Percentage assessment of received SOEs Annual Reports submitted to Parliament	**Achieved** 11 SOEs Annual Reports submitted to Parlia1ment	**Achieved** 11 SOEs Annual Reports submitted to Parliament	100% assessment of received SOEs Annual Reports	**Achieved**	Target was revised	Indicator not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	
Investing in accelerated inclusive growth	Approved invoices from service providers paid within 30 days of receipt	Percentage of approved invoices from service providers paid within 30 days of receipt	**Not achieved** 99% of approved invoices were paid within 30 days of receipt by finance	**Achieved** 100% approved invoices from service providers paid within 30 days of receipt	100% approved invoices from service providers paid within 30 days of receipt	**Achieved** 100% approved invoices from service providers paid within 30 days of receipt	N/A	N/A	

Table 10: Outcomes, outputs, output indictors, targets and actual achievements (Revised APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Functional, efficient and integrated government	Wasteful and fruitless expenditure eliminated	No new incidents of fruitless and wasteful expenditure identified requiring investigation per annum	**Not achieved** 99.95% was achieved owing to historical Wasteful and Fruitless expenditure transactions	**Achieved** 100% of the fruitless and wasteful expenditure incurred in the year under review stems from historical transactions concluded in the previous year	No new incidents of fruitless and wasteful expenditure identified requiring investigation per annum	**Not achieved**	New incidents of fruitless and wasteful expenditure were reported during the year under review	An amount of R18,697.71 was paid in interest due to: 1. late payment of invoices from Telkom 2. late payment of arbitration award.	
	Reduced irregular expenditure	No new incidences of irregular expenditure identified requiring investigation per annum	**Not achieved** 99,6% was achieved.	**Achieved** 70% reduction of irregular expenditure compared to prior year	No new incidents of irregular expenditure identified requiring investigation per annum	**Not achieved**	Ex post facto payment of R31,733.00 was made to Nongoma Lodge	Service was rendered prior approval by the delegated official	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Functional, efficient and integrated government	Unqualified audit opinion in the department	Unqualified audit opinion	**Achieved** Unqualified audit opinion	**Achieved** Unqualified audit opinion	Unqualified FY 23/24 audit opinion	**Achieved** Unqualified audit opinion	N/A	N/A	
Improved governance and accountability	Reduce incidents of corruption	Percentage of reported incidents of corruption requiring investigation referred within 90 days	**Achieved** No reported incidents of corruption	**Achieved** 95% Resolution of reported incidents of corruption	80% of reported incidents of corruption requiring investigation referred within 90 days	**Achieved**	N/A	N/A	
Functional, Efficient and Integrated Government	Shareholder compacts and Corporate plans of schedule 2 SOEs reviewed and Ministerial submission produced	Percentage assessment of approved Shareholder Compacts and Corporate Plans of Schedule 2 SOEs	**Not achieved**	**Achieved**	100% of received Shareholder Compacts and Corporate plans of schedule 2 SOEs reviewed and ministerial submission produced	**Achieved**	N/A	N/A	
	Approved SOEs schedule 3A Annual Performance Plans	Percentage of received scheduled 3A SOE's Annual Performance Plans reviewed and tabled in Parliament	**Achieved** 7 approved Schedule 3A SOE's Annual Performance Plans were submitted to Parliament	**Achieved** 7 approved Schedule 3A SOE's Annual Performance Plans were submitted to Parliament	100% received scheduled 3A SOE's Annual Performance Plans reviewed and tabled in Parliament	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Functional, Efficient and Integrated Government	SOEs Quarterly Performance Reports	Percentage of received SOE's Quarterly Performance Reports reviewed, and Ministerial submission produced	**Not achieved** 43 SOE's quarterly performance reports reviewed, and Ministerial submission produced	**Achieved** 44 SOEs quarterly performance reports reviewed, and Ministerial submission produced	100% assessment of received SOE's quarterly performance reports and Ministerial submission produced	**Achieved**	N/A	N/A	
	Approved SOEs Annual Reports	Percentage of received SOE Annual Reports Reviewed and tabled in Parliament	**Achieved** 11 SOE's Annual Reports submitted to Parlia1ment	**Achieved** 11 SOE's Annual Reports submitted to Parliament	100% of received SOE Annual Reports reviewed and tabled in Parliament	**Achieved**	N/A	N/A	
Investing in accelerated inclusive growth	Approved invoices from service providers paid within 30 days of receipt	Percentage of approved invoices from service providers paid within 30 days of receipt	**Not achieved** 99% of approved invoices were paid within 30 days of receipt by finance	**Achieved** 100% approved invoices from service providers paid within 30 days of receipt	100% approved invoices from service providers paid within 30 days of receipt	**Achieved**	N/A	N/A	

4.1.1 Linking performance to budget

Table 11: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	70,342	60,628	9,714	40,857	40,155	702
Departmental Management	37,421	36,360	1,061	41,310	39,949	1,361
Audit Services	21,948	21,728	220	24,573	23,859	714
Finance Administration	102,053	97,526	4,527	97,062	94,385	2,677
Corporate Services	347,413	337,182	10,231	330,593	311,607	18,986
Office Accommodation	212,440	208,585	3,855	166,511	165,993	518
Total	**791,617**	**762,009**	**29,608**	**700,906**	**675,947**	**24,959**

4.2 Programme 2: Minerals and Petroleum Regulation

Purpose:

To regulate the mining, minerals, and petroleum industry.

Functions:

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

Table 12: Outcomes, outputs, output indictors, targets and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Increased employment in the Mining and Petroleum Sectors	Jobs enabled in the Mining Sector	Number of jobs to be enabled through the issuing of mining rights	**Achieved** 6,977	**Achieved** 8,012 jobs were enabled through the issuing of mining rights	8,000	**Achieved:** 12709 jobs were enabled through the issuing of mining rights	4,709	A number of mining companies responded positively to the invitation to come forward for execution of their mining rights	
Improved Livelihoods in Mining Communities	SLP development Projects completed	Number of SLP development projects completed	**Achieved** 150	**Achieved** 134 SLP development projects were completed	132	**Achieved:** 134 SLP development projects were completed in this financial year	02	The clearance of backlog led to overachievement	
Compliant Mining and Petroleum Sectors	SLP Project inspections conducted	Number of SLP inspections conducted	**Achieved** 237	**Achieved** 261 SLP inspections were conducted	212	**Achieved:** 249 SLP inspections were conducted this financial year	37	Other inspections were in response to complaints by stakeholders and others were prompted by the review of SLP in terms of section 102 and Regulation 44.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Compliant Mining and Petroleum Sectors	Legal compliance inspections conducted	Number of legal compliance inspections (mineral laws-MLA) conducted	**Achieved** 179	**Achieved** 151 Legal compliance inspections were conducted	150	**Achieved:** 162 Legal compliance inspections were conducted this financial year	12	More inspections were conducted due to audit findings and verification of non-operational mines. Some companies inspected held more than one right	
	Mining Economics (MWP/PWP) inspections conducted	Number of Mining Economics (MWP/PWP) inspections conducted	**Achieved** 531	Not Achieved 484 Mine Economics inspections were conducted	500	**Achieved:** 523 Mine Economics inspections were conducted this financial year	23	More inspections were conducted to process ancillary applications (sec 102, renewals and sec 20 application) and complaints	
	Environmental Inspections conducted	Number of Environmental Inspections conducted	**Achieved** 1,400	Achieved 1,487 Environmental inspections were conducted	1 374	**Achieved:** 1,502 Environmental inspections were conducted this financial year	128	More inspections were prompted by amendments of Environmental Authorisation, complaints and follow-ups on compliance notices issued.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Compliant Mining and Petroleum Sectors	Petroleum retail and wholesale site compliance Inspections conducted	Number of petroleum retail and wholesale site compliance inspections conducted	**Not Achieved** 1,463	**Achieved** 1,570 retail site inspections were conducted	1,500	**Achieved** 1,640 retail site and wholesale inspections were conducted this financial year	140	Due to follow-up inspections and petroleum compliance complaints	
Fuel Specifications Regulation Compliant Petroleum Sector	Fuel samples tested	Number of fuel samples Tested	**Achieved** 1,083	**Achieved**	1,080	**Not Achieved** 566 fuel samples were tested this financial year	-514	Appointment of the service provider was delayed. Service provider was appointed on the 17/12/2024 and the project commenced on 07/01/2025.	
Transparent Fuel Pricing of Petroleum Products	Audit reports on fuel price adjustments (external auditors)	Number of Audit reports on fuel price adjustments (external auditors)	N/A	**Achieved**	12	**Achieved:** 12 reports on fuel price adjustments were done in this financial year	N/A	N/A	
Transformed mining sector (HDSA participation)	Rights and permits issued to HDSA controlled entities including individuals	Number of rights and permits issued to HDSA controlled entities including individuals	**Achieved** 249	**Achieved** 290 rights and permits were issued	200	**Achieved** 399 rights and permits were issued to HDSA controlled entities and individuals	199	A number of rights and permits holders responded positively to the invitation to come forward for execution of their rights and permits	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Enable investment in the mining sector	Prospecting and Mining Rights Applications finalised	Number of prospecting and mining rights application finalised	N/A	**Achieved** 2,955 applications were processed and finalised in this financial year	2470	**Achieved** 2,517 applications were and finalised in this financial year	Target was Revised 47	Error in capturing the target	

Table 13: Outcomes, outputs, output indictors, targets and actual achievements (Revised APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Increased employment in the Mining and Petroleum Sectors	Jobs enabled in the Mining Sector	Number of jobs to be enabled through the issuing of mining rights	**Achieved** 6,977	**Achieved** 8,012 jobs were enabled through the issuing of mining rights	8,000	**Achieved:** 12709 jobs were enabled through the issuing of mining rights	4,709	A number of mining companies responded positively to the invitation to come forward for execution of their mining rights	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Investing in accelerated inclusive growth	Jobs enabled in the Petroleum Sector	Number of jobs to be enabled through the granting of new (to industry) petroleum retail licences	N/A	N/A	600	**Achieved:** 708 jobs to be enabled through the granting of new (to industry) petroleum retail licences	108	Worked overtime to implement the catch-up plan	
Improved Livelihoods in Mining Communities	SLP development Projects completed	Number of SLP development projects completed	**Achieved** 150	**Achieved** 134 SLP development projects were completed	132	**Achieved:** 134 SLP development projects were completed in this financial year	02	Catch-up plan for the clearance of backlog led to overachievement	
Compliant Mining and Petroleum Sectors	SLP Project inspections conducted	Number of SLP inspections conducted	**Achieved** 237	**Achieved** 261 SLP inspections were conducted	212	**Achieved:** 249 SLP inspections were conducted this financial year	37	Additional inspections were conducted in response to complaints received from stakeholders and other inspections were prompted by the review of SLP in terms of section 102 and Regulation 44.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Compliant Mining and Petroleum Sectors	Legal compliance inspections conducted	Number of legal compliance inspections (mineral laws-MLA) conducted	**Achieved** 179	**Achieved** 151 Legal compliance inspections were conducted	150	**Achieved:** 162 Legal compliance inspections were conducted this financial year	12	More inspections were conducted in response to audit findings and verification of non-operational mines. Some companies inspected had more than one right	
	Mining Economics (MWP/PWP) inspections conducted	Number of Mining Economics (MWP/PWP) inspections conducted	**Achieved** 531	**Not Achieved** 484 Mine Economics inspections were conducted	500	**Achieved:** 523 Mine Economics inspections were conducted this financial year	23	More inspections were conducted to process ancillary applications (sec 102, renewals and sec 20 application) and complaints	
	Environmental Inspections conducted	Number of Environmental Inspections conducted	**Achieved** 1,400	**Achieved** 1,487 Environmental inspections were conducted	1,374	**Achieved:** 1502 Environmental inspections were conducted this financial year	128	More inspections were prompted by amendments of Environmental Authorisation, complaints and follow-ups on compliance notices issued.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Compliant Mining and Petroleum Sectors	Petroleum retail and wholesale site compliance Inspections conducted	Number of petroleum retail and wholesale site compliance inspections conducted	**Not Achieved** 1,463	Achieved 1,570 retail site inspections were conducted	1,500	**Achieved** 1640 retail site and wholesale inspections were conducted this financial year	140	Follow-up inspections and response to petroleum compliance complaints.	
Fuel Specifications Regulation Compliant Petroleum Sector	Fuel samples tested	Number of fuel samples Tested	**Achieved** 1,083	**Achieved**	1,080	**Not Achieved** 566 fuel samples were tested this financial year	-514	The appointment of the Service Provider was delayed as the department needed to re-confirm with State Law Adviser the validity of the amended Regulations governing fuel specifications.	
Transparent Fuel Pricing of Petroleum Products	Audit reports on fuel price adjustments (external auditors)	Number of Audit reports on fuel price adjustments (external auditors)	N/A	**Achieved**	12	**Achieved:** 12 reports on fuel price adjustments were done in this financial year	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Robot Status
Transformed mining sector (HDSA participation)	Rights and permits issued to HDSA controlled entities including individuals	Number of rights and permits issued to HDSA controlled entities including individuals	**Achieved** 249	**Achieved** 290 rights and permits were issued	200	**Achieved** 399 rights and permits were issued to HDSA controlled entities and individuals	199	A number of rights and permits holders responded positively to the invitation to come forward for execution of their rights and permits	
Enable investment in the mining sector	Mining rights, prospecting rights and mining permits applications finalised	Number of mining rights, prospecting rights and mining permits applications finalised	N/A	**Achieved** 2,955 applications were processed and finalised in this financial year	2,470	**Achieved** 2,517 applications were and finalised in this financial year	47	More focus and effort dedicated to elimination of mining licencing backlog	

4.2.1 Linking performance to budget

Table 14: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Minerals and Petroleum Management	11,997	11,632	365	12,747	12,648	99
Mineral Regulation and Administration	402,337	400,663	1,674	402,681	401,669	1,012
Environmental Enforcement and Compliance	22,610	22,344	266	22,900	22,813	87
Petroleum Compliance, Monitoring, Enforcement and Fuel Pricing	18,810	18,324	486	25,535	25,121	414
Petroleum Licencing and Fuel Supply	71,313	68,058	3,255	67,300	66,197	1,103
Total	**527,067**	**521,021**	**6,046**	**531,163**	**528,448**	**2,715**

4.3 Programme 3: Mining, Minerals and Energy Policy Development

Purpose:

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

Functions:

- Provide a policy and legislative framework for the minerals and energy sectors;
- Provide support and manage the dissemination of information and publications;
- Promote economic growth and attract investments into the mining and energy sectors;
- Develop energy plans for South Africa to manage energy resources in the country;
- Support the advancement of bilateral and multilateral relations to implementation of agreements with other countries and international organisations.

Table 15: Outcomes, outputs, output indicators, targets and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Transformed, competitive, and sustainable minerals and energy sectors	Petroleum Products Act Amended	Petroleum Products Bill presented to Cabinet for submission to Parliament	**Not Achieved**	**Not Achieved**	Petroleum Products Bill presented to Cabinet for submission to Parliament	**Not achieved**	Target revised	The indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Mine Health and Safety Act (MHSA) amended	MHSA Bill presented to Cabinet for submission to Parliament	**Not Achieved**	**Not Achieved**	MHSA Bill presented to Cabinet for submission to Parliament	**Not achieved**	Target revised	The indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	South African National Petroleum Company (SANPC) developed	South African National Petroleum Company Bill presented to Cabinet for submission to Parliament	**Not Achieved**	**Achieved**	South African National Petroleum Company Bill presented to Cabinet for submission to Parliament	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Implementation of the Exploration Fund	Number of reports on implementation of the Exploration Fund	N/A	**Achieved**	Progress report on implementation of the Exploration Fund	**Achieved**	Target revised	Indicator revised in line with the SMART principle	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Transformed, competitive, and sustainable minerals and energy sectors	Critical Minerals Strategy for South Africa developed	Critical Minerals Strategy for South Africa developed	N/A	**Not Achieved**	Critical Minerals Strategy for South Africa developed	**Not achieved**	Target revised	Indicator revised in line with the SMART principle	
Increased investment and job creation in the mining and petroleum sectors	Investment Promotion events held to attract investment in the sector	Number of Investment Promotion events hosted or partnered in to attract investments in the sector	**Not Achieved**	**Achieved**	5 investment promotion events hosted or partnered in to attract investments in the sector	**Achieved** 10	5	The department participated in additional events due its relevancy to the strategic focus area of the Department	
	Revised Radioactive Waste Management Fund (RWMF) Bill	Revised Radioactive Waste Management Fund Bill presented to Cabinet for Submission to Parliament	**Not Achieved**	**Not Achieved**	Radioactive Waste Management Fund Bill presented to Cabinet for Submission to Parliament	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Secure Energy Supply	Radioactive Waste Management Disposal Institute Act Regulations	Radioactive Waste Management Disposal Institute Act Regulations Gazetted	**Not Achieved**	**Achieved**	National Radioactive Waste Management Disposal Institute Act Regulations drafted	**Not achieved** The date of the gazette that promulgates the Act regulations was done after the reporting period of the 2024/25 FY.	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Regulations for the Electricity Regulation Act developed	Regulations for the Electricity Regulation Act Gazetted for public comments	**Achieved**	**Achieved**	Electricity Regulation Act Regulations published for public comments	**Achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Gas Amendment Bill	Amended Gas Bill	**Not Achieved**	**Achieved**	Gas Amendment Bill presented to Cabinet for submission to Parliament	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Secure Energy Supply	Revised Integrated Resource Plan 2023	Revised Integrated Resource Plan 2023	N/A	**Achieved**	Revised Integrated Resource Plan 2023 submitted to Cabinet for approval and implementation	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Integrated Energy Plan	Integrated Energy Plan developed	N/A	N/A	Integrated Energy Plan developed	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	
	Existing Bilateral Agreements implemented,	Number of projects implemented on the signed agreements	**Achieved**	**Achieved**	3	**Not achieved**	Target revised	The Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	

Table 16: Outcomes, outputs, output indicators, targets and actual achievements (Revised APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Deviations	Status
Transformed, competitive, and sustainable minerals and energy sectors	Petroleum Products Act Amended	Petroleum Products Bill submitted to Cabinet for approval to gazette for public comments	**Not Achieved**	**Not Achieved**	Petroleum Products Bill submitted to Cabinet for approval to gazette for public comments.	**Achieved**	N/A	N/A	
	Mine Health and Safety Act (MHSA) amended	MHSA Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	**Not Achieved**	MHSA Bill submitted to Cabinet for approval to submit to Parliament	**Achieved**	N/A	N/A	
	South African National Petroleum Company (SANPC) Act developed	South African National Petroleum Company Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	**Achieved**	South African National Petroleum Company Bill submitted to Cabinet for submission to Parliament	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Deviations	Status
Transformed, competitive, and sustainable minerals and energy sectors	Mineral and Petroleum Resources Development (MPRDA) Act Amended	MPRDA Bill submitted to Cabinet for approval to gazette for public comments	N/A	N/A	MPRDA Bill submitted to Cabinet for approval to gazette for public comments	**Not Achieved**	N/A New target	MPRDA Bill was approved after the reporting period.	
	Implementation of the Exploration Fund	Number of exploration projects approved for funding	N/A	**Achieved**	5 exploration projects approved for funding	**Achieved:** 6	1	Post the awarding of funds, it was decided that a balance be awarded to additional applicants.	
	Critical Minerals Strategy for South Africa developed	Critical Minerals Strategy for South Africa approved by Cabinet	N/A	**Not Achieved**	Critical Minerals Strategy for South Africa approved by Cabinet	**Not Achieved.**	Strategy was submitted to Cabinet	There was a delay in presenting the Strategy to the ESIEID Cluster	
Increased investment and job creation in the mining and petroleum sectors	Investment Promotion events held to attract investment in the sector	Number of Investment Promotion events hosted or partnered in to attract investments in the sector	**Not Achieved**	**Achieved**	5 investment promotion events hosted or partnered in to attract investments in the sector	**Achieved** 10	5	The department participated in additional events due its relevancy to the strategic focus area of the department	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Deviations	Status
Secure Energy Supply	Radioactive Waste Management Fund (RWMF) Bill	Radioactive Waste Management Fund Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	**Not Achieved**	Radioactive Waste Management Fund Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	The department is developing a business case for the establishment of the RWM Fund and whilst awaiting finalisation of the Money Bill by National Treasury	Consultation with National Treasury on the Bill delayed finalisation due to their ongoing development of a Money Bill, which is essential to support the revised RWM Fund Bill	
	National Radioactive Waste Management Disposal Institute Act Regulations	Radioactive Waste Management Disposal Institute Act Regulations promulgated.	N/A	**Achieved**	Radioactive Waste Management Disposal Institute Act Regulations promulgated	**Not Achieved**	N/A	The date of the gazette that promulgates the Act regulations was done after the reporting period of the 2024/25 FY.	
	Regulations for the Electricity Regulation Act	Draft Regulations for the Electricity Regulation Act developed	**Achieved**	**Achieved**	Draft Regulations for the Electricity Regulation Act developed	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Deviations	Status
Secure Energy Supply	Gas Amendment Bill	Gas Amendment Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	**Achieved**	Gas Amendment Bill submitted to Cabinet for approval to submit to Parliament	**Not Achieved**	N/A	The Cabinet memo was signed on the 03/04/2025 which was outside the reporting period	
	Integrated Resource Plan 2023	Integrated Resource Plan 2023 submitted to Cabinet for approval	N/A	**Achieved**	Integrated Resource Plan 2023 submitted to Cabinet for approval	**Not Achieved**	The IRP is at NEDLAC. The department will await conclusion of the NEDLAC process and then proceed to Cabinet after June 2025	Additional stakeholder consultations were held in and affected the planned timeframes of delivery	
	Integrated Energy Plan (Energy Production and Consumption Data)	Production and Consumption data report produced.	N/A	N/A	Energy Production and Consumption Data produce Economic Diplomacy that promotes regional integration, global cooperation, and development.	**Not Achieved**	N/A	The target was not achieved during the 2024/25 financial years as the Energy Production and Consumption Data produced was only issued on 01 April 2025.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Deviations	Status
Economic Diplomacy that promotes regional integration, global cooperation, and development.	Existing bilateral agreements implemented.	Projects on agreed areas of collaboration and cooperation implemented to promote economic diplomacy, global and regional integration	**Achieved**	**Achieved**	Renewed Treaty on Inga Hydropower Scheme project. Exploration project in South Sudan implemented.	**Not achieved**	Treaty on Inga was not implemented and only the South Sudan project has been implemented	DRC did not sign and requested for the review of the Treaty in its entirety with special emphasis on areas that have financial implications.	

4.3.1 Linking performance to budget

Table 17: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Mining Minerals and Energy Policy Development Management	136,257	135,228	1,029	48,643	13,036	35,607
Minerals and Petroleum Policy	34,304	33,286	1,018	35,559	23,619	11,940
Nuclear, Electricity and Gas Policy	15,978	15,783	195	14,171	13,846	325
Economic Analysis and Statistics	41,025	40,541	484	42,970	38,805	4,165
Economic Growth, Promotion and Global Relations	942,136	940,475	1,661	911,458	910,604	854
Mineral and Energy Planning	11,685	11,278	407	19,374	19,120	254
Total	**1,181,385**	**1,176,590**	**4,795**	**1,072,175**	**1,019,029**	**53,146**

4.4 Programme 4: Mine Health and Safety Inspectorate

Purpose:

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

Functions:

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

Table 18: Outcomes, outputs, output indictors, targets, and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters	Number of qualitative inspections conducted (cumulative, including individual and group audits)	**Achieved** The cumulative inspections and audits conducted up to the end of fourth quarter for FY 2022/23 were 9115 versus of an overall target of 8,000.	**Achieved** 8,865	8,000	**Achieved** 9489 inspections and audits were conducted in the fourth quarter instead of 8000.	1,489	More resources were redirected to inspections and audits to ensure that mines comply with MHSA.	
		Number of investigations completed (Initiated vs Completed)	**Achieved** A total of 633 accident-initiated investigations and 637 were completed from April 2023 to March 2024. (637/633)*100 = 101%	**Achieved** A total of 633 accident-initiated investigations and 637 were completed from April 2023 to March 2024. (637/633)*100 = 101%	80%	**Achieved** A total of 601 accident-initiated investigations and 613 were completed from Aprill 2024 to March 2025. Calculation (613/601) *100 = 102%.	22%	The reason for over achievement was due to strictly monitoring of accidents files allocated to inspectors and ensure investigations are completed timely.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters	Percentage of inquiries completed (Initiated v/s completed)	Achieved. A total of 47 accident-initiated inquiries and 49 were completed from April 2022 to March 2023. Calculation (49/47)*100 = 100%	80%	80%	**Achieved** A total of 36 accident-initiated inquiries and 35 were completed from Aprill 2024 to December 2024. Calculation (35/36) *100 = 96%.	16%	The reason for over achievement was due to strictly monitoring of accidents files allocated to inspectors and ensure inquiries are completed timely.	
		Number of MHS Annual Report submitted to parliament	**Achieved**	**Achieved**	1	**Achieved**	NA	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters	Number of Occupational Health and Safety Regional Tripartite Workshops conducted	N/A	N/A	40	**Achieved** 72 OHS regional tripartite workshops were conducted from April 2024 to March 2025 instead of 40.	32	The reason for over achievement was due to tripartite workshops for surface and underground being held with mines to enhance occupational health and safety awareness.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Efficient, effective, and development-orientated department (internal processes)	Improve turnaround times	Percentage adherence to prescribed timeframes for CIOM appeals received during the year	**Achieved** There were 8 CIOM's appeals received and completed within the prescribed timeframe during FY 2022/23. Calculation: (8/8)*100=100%	**Achieved** All statutory instructions to deal with unsafe working conditions or to order compliance in terms of section 54 and 55 instructions issued by Inspectors during the period under review did not attract appeals.	80%	**Achieved** During the financial year 2024-25, the Chief Inspector received a total of 8 appeals. Out of the 8 appeals received by the Chief Inspector, 6 were in terms of section 57 and two were in terms of section 58. In terms of the MHSA, the Chief Inspector can only process appeals lodged in terms of section 57 and appeals in terms of section 58 are processed by the courts. Out of the 6 appeals in terms of section 57 the Chief Inspector managed to process five within 30 days. Calculation 5/6*100=83%	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Efficient, effective, and development-orientated department (internal processes)	Improve turnaround times	Percentage adherence to prescribed timeframes for medical appeals received during the year	**Achieved** 58 appeals received and 54 were completed during FY 2022/23. Calculation: (54/58*100= 93.%.	**Achieved** 112 appeals received and 103 were completed. (103/112) *100= 92%	80%	**Achieved** 86 appeals received and 97 were completed. Calculation: (86/97) *100= 89%.	19%	The reason for over achievement was due to the following: 1. More reports were received early from the OMPs and that has helped in completing the appeals speedily 2. Appellants are sending medical records upfront, so we don't have to wait to compile response appeal reports	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Efficient, effective, and development-orientated department (internal processes)	Improve turnaround times	Percentage adherence to prescribed timeframes for MPRDA applications received during the year	**Achieved** There were 1,815 applications received and 1816 were completed. (1816/1815) *100=103%.	**Achieved** There were 1,815 applications received and 1816 were completed. (1816/1815) *100=103%	80%	**Achieved** There were 2,313 applications received and 2,290 were completed. Calculation: (2290/2313) *100=99%.	19%	The reason for over achievement is due to more applications submitted with correct documents to be processed and finalised timely.	
Sufficient and relevant skills in the mining sector	Contribute to skills development and Transformation	Percentage adherence in Administration of Government Certificate of Competency (GCC) exams policy.	**Achieved**	**Achieved** 5/5*100=100%	80%	**Achieved** All the 5 steps for the certificate of Competency model have been implemented. These consists of the following steps: 1. set the papers, 2. write the exam, 3. mark the exam, 4. moderate the results, 5. release the results. Calculation 5/5*100=100%.	20%	Demand for sufficient and relevant skills in the mining sector	

Table 18: Outcomes, outputs, output indicators, targets and actual achievements (Revised APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters	Number of qualitative inspections conducted (cumulative, including individual and group audits)	**Achieved** The cumulative inspections and audits conducted up to the end of fourth quarter for FY 2022/23 were 9,115 versus of an overall target of 8,000.	**Achieved** 8865	8 000	**Achieved** 9,489 inspections and audits were conducted in the fourth quarter instead of 8000.	1489	More inspections and audits conducted in the fourth quarter.	
		Number of investigations completed (Initiated vs Completed)	**Achieved** A total of 633 accident-initiated investigations and 637 were completed from April 2023 to March 2024. (637/633)*100 = 101%	**Achieved** A total of 633 accident-initiated investigations and 637 were completed from April 2023 to March 2024. (637/633)*100 = 101%	80%	**Achieved** A total of 601 accident-initiated investigations and 613 were completed from Aprill 2024 to March 2025. Calculation (613/601) *100 = 102%.	22%	Strictly monitoring of accidents files allocated to inspectors and ensure investigations are completed timely.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improvement in mine health and safety parameters	Percentage of inquiries completed (initiated vs completed)	**Achieved**	**Achieved**	80%	**Achieved** A total of 36 accident-initiated inquiries and 35 were completed from Aprill 2024 to December 2024. Calculation (35/36) *100 = 97%.	17%	Strictly monitoring of accidents files allocated to inspectors and ensure inquiries are completed timely.	
		Number of MHS Annual Report submitted to parliament	**Achieved**	**Achieved**	1	**Achieved**	NA	N/A	
		Number of Occupational Health and Safety Regional Tripartite Workshops conducted	N/A	N/A	40	**Achieved** 72 OHS regional tripartite workshops were conducted from April 2024 to March 2025 instead of 40.	32	Tripartite workshops for surface and underground being held with mines to enhance occupational health and safety awareness.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Improved & streamlined regulatory, service delivery, operational, health & safety processes and collaboration across regulators and relevant role players	Improve turnaround times	Percentage adherence to prescribed timeframes for medical appeals received during the year	**Achieved** 58 appeals received and 54 were completed during FY 2022/23. Calculation: (54/58*100= 93.%.	**Achieved** 112 appeals received and 103 were completed. (103/112) *100= 92%	80%	**Achieved** 86 appeals received and 97 were completed. Calculation: (86/97) *100= 89%.	19%	1. More reports were received early from the OMPs and that has helped in completing the appeals speedily 2. Appellants are sending medical records upfront, so we don't have to wait to compile response appeal reports	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Efficient, effective, and development-orientated department (internal processes)	Improve turnaround times	Percentage adherence to prescribed timeframes for CIOM appeals received during the year	**Achieved** There were 8 CIOM's appeals received and completed within the prescribed timeframe during FY 2022/23. Calculation: (8/8)*100=100%	**Achieved** All statutory instructions to deal with unsafe working conditions or to order compliance in terms of section 54 and 55 instructions issued by Inspectors during the period under review did not attract appeals.	80%	**Achieved** During the financial year 2024-25, the Chief Inspector received a total of 8 appeals. Out of the 8 appeals received by the Chief Inspector, 6 were in terms of section 57 and two were in terms of section 58. In terms of the MHSA, the Chief Inspector can only process appeals lodged in terms of section 57 and appeals in terms of section 58 are processed by the courts. Out of the 6 appeals in terms of section 57 the Chief Inspector managed to process five within 30 days. Calculation 5/6*100=83%	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2023/24	Reasons for Revision or Deviation	Status
Efficient, effective, and development-orientated department (internal processes)	Improve turnaround times	Percentage adherence to prescribed timeframes for MPRDA applications received during the year	**Achieved** There were 1,815 applications received and 1816 were completed. (1816/1815) *100=103%.	**Achieved** There were 1,815 applications received and 1816 were completed. (1816/1815) *100=103%	80%	**Achieved** There were 2,313 applications received and 2,290 were completed. Calculation: (2290/2313) *100=99%.	19%	More applications submitted with correct documents to be processed and finalised timely.	
Sufficient and relevant skills in the mining sector	Contribute to skills development and Transformation	Percentage adherence in Administration of Government Certificate of Competency (GCC) exams policy.	**Achieved**	**Achieved** 5/5*100=100%	80%	**Achieved** All the 5 steps for the certificate of Competency model have been implemented. These consists of the following steps: 1. set the papers, 2. write the exam, 3. mark the exam, 4. moderate the results, 5. release the results. Calculation 5/5*100=100%.	20%	All the processes as per the exam policy were compliant with as required by the examination policy.	

4.4.1 Linking performance to budget

Table 19: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Mine Health and Safety Management	8,969	8,892	77	10,018	9,945	73
Mine Health and Safety Regions	218,393	217,390	1,003	203,863	202,603	1,260
Occupational Health	17,886	17,674	212	16,835	16,605	230
Total	**245,248**	**243,956**	**1,292**	**230,716**	**229,153**	**1,563**

4.5 Programme 5: Mineral and Energy Resources Programmes and Projects

Purpose:

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

Functions:

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

Table 20: Outcomes, outputs, output indictors, targets, and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Additional Power Generation Capacity Secured	Procurement of Additional Generation Capacity	Request for Proposals (RFP) to Procure additional capacity from renewal energy Issued.	**Achieved** Due to the need to accelerate the procurement of additional power generation capacity, the 1,600MW that was previously allocated for BW7 have been moved forward to increase the Bid Window 6 allocation from 2,600 MW to 4,200 MW	**Not Achieved**	Issue Requests for Proposals (RFPs) in line with section 34 determination	**Not Achieved** Concept note proposes a two-step approach to the issuance of RFP. The programme has been delayed.	Confirmation of gas supplier and timing for first gas are outstanding Memoranda of Cooperation (MOCs) with key stakeholders not yet concluded. Target revised	Ongoing engagements with key stakeholders to finalise MOCs, and resolve outstanding gas supply, timing and pipeline construction and ownership decisions.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Framework developed to improve distribution infrastructure)	Framework developed to improve distribution infrastructure)	Framework developed on ADAM Programme rollout	N/A	N/A	Framework developed on ADAM Programme rollout	**Not Achieved**	The project is currently on schedule as planned. The deviation is related to the project being implemented over 12-month period	The target was erroneously captured to indicate that ADAM Framework will be completed during 2024/25 instead of the end of 2025/26 FY	
Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	**Not achieved**	**Not Achieved**	Monitor and Report on Renewable Energy Sector Master Plan Implementation	**Achieved**	Revised	Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technology	**Achieved** 20,950	**Not Achieved** Only 7,780 households were connected from rollover connections in the 2022/23 financial year plans	15,000 additional households electrified through non-grid technology	**Achieved** 18,540 additional households electrified through non-grid technology	3,540	The revision of pricing threshold resulted in significant cost saving enabling the department to reallocate remaining resource for additional installation non-grid system	
	Report on the monitoring and verification of the implementation of grid electrification of additional households by Eskom and contracted municipalities	Number of quarterly reports on the planning, funding, implementation, monitoring and verification of grid electrification of households towards the national commitment in the MTSF	**Achieved** 4 Quarterly Reports from Eskom and 4 quarterly reports from Municipalities were produced indicating that we have connected 145,877 additional households through grid electrification against 200,000 targets	**Achieved**	4 Reports from Eskom and 4 Reports from municipality on the monitoring and verification of the implementation of the grid electrification of additional 100,000 households by Eskom and contracted municipalities	**Achieved** Four quarterly were produced with 136,026 additional households electrified through grid electrification by Eskom and the municipalities	Target revised	Indicator was not clearly defined in relation to measurement of targets and evidence required to support achieved targets	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
AMD mitigated	Ingress Control of potential AMD water	Number of ingress control (AMD) measures implemented	**Achieved**	**Achieved**	Number of Acid Mine Drainage (AMD) ingress control measures implemented	**Achieved**	Target revised	Target revised in line with the SMART principle	
State of geological infrastructure improved	ADM mitigated.	Ingress control of potential ADM water	N/A	**Achieved**	Number of Acid Mine Drainage ingress control measures implemented	**Achieved**	Target removed	Duplication	
	Derelict and ownerless mine site rehabilitated	Number of derelict and ownerless mine site rehabilitated	**Not Achieved** 2	**Not Achieved** 1 D&O mine site rehabilitated	3 Derelict and ownerless mine sites rehabilitated	**Achieved** 4 Derelict and ownerless mine sites rehabilitated	1	2 were carried over from the previous financial year but finalised in 2024/25 FY	
	Unsafe mines shafts sealed off	Number of unsafe mines sealed off	**Achieved** 95	**Achieved** 45 unsafe mine shafts sealed off	40 unsafe mines sealed off	**Achieved** 280 unsafe mines sealed off	Target revised 240	During the year 2024/2025 financial year a supplementary budget of about R181 million was allocated to expedite the closing of holings in Gauteng as it attracts illegal mining activities.	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Improved energy efficiency across all sectors	Reports on the planning, monitoring and verification of the implementation of EEDSM projects in industry, buildings, municipalities, or residential sector to achieve 0.5 TWh savings	Number of reports on the planning, monitoring and verification of the implementation of EEDSM projects in industry, buildings, municipalities, or residential sector to achieve 0.5 TWh savings	**Achieved** Report on the achieved energy savings of 1.072 TWh prepared.	**Achieved**	4 Quarterly reports detailing the energy savings from specific sectors of the industry, (buildings or residential)	**Achieved**	Revised	Additional resources comprising of two (2) technical assistants were provided by GIZ and SANEDI to support the monitoring and verification of EEDSM project	
			Not Achieved Report compiled with energy savings of 0.0093 TWh	**Achieved**	4 Quarterly reports on the planning, implementation, monitoring, and achievement of 0.0196 TWh savings by EEDSM grant participating municipalities	**Achieved** Energy savings 37 x EEDSM project site inspections have been completed with 0.873 TWh savings achieved in the residential, industry, and buildings sectors	Revised	Target revised in line with the SMART principle	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Transformed Energy and Mining Sector	Small-scale miners financially supported	Number of Small-scale miners financially supported	**Not achieved**	**Not Achieved** Funding allocations have been approved following successful calls for applications and adjudication. Due diligence on shortlisted beneficiaries has commenced upon which agreements will be signed followed by disbursement of funds	3 Small-scale miners supported	**Achieved** 5 Small-scale miners supported	2	There were historical funds still available to support more than the planned target	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
		Number of Women Small-scale Miners financially Supported	**Not achieved**	**Not Achieved** 0 Funding allocations have been approved following successful calls for applications and adjudication. Due diligence on shortlisted beneficiaries has commenced upon which agreements will be signed followed by disbursement of funds	10 Women Small-scale miners financially supported	**Not Achieved** 4 Women Small-scale miners supported	Target revised	Target revised in line with the available budget	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25 (October 2024)	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Transformed Energy and Mining Sector	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan	Draft Mining Sector Women Empowerment and Gender Equality Strategy and implementation plan	**Not Achieved**	**Achieved**	Implementation of the approved Mining Sector Women Empowerment and Gender Equality Strategy	**Not Achieved**	Target revised	Target revised in line with the SMART principle	
	Mining Sector Youth Empowerment Strategy and implementation Plan drafted	Mining Sector Youth Empowerment Strategy and implementation Plan	N/A	**Achieved**	Implementation of the approved Mining Sector Youth Empowerment Strategy and Gender Frameworks	**Not Achieved**	N/A	N/A	
Youth transformed Mining Sector	Mainstream Youth in the Energy and Mining Sector Programmes and Projects	Mining Sector Youth Empowerment Strategy and implementation Plan	N/A	**Achieved**	Implementation of the approved Mining Sector Youth Empowerment Strategy and Gender Frameworks	**Not Achieved**	Target removed	Target was a Duplication	
Implement new mining rights licencing system	Modernised transparent and effective mining cadastre system implemented	New Mining cadastral system implemented	N/A	**Achieved**	New Mining cadastral system implemented	**Achieved**	Revised	Target revised in line with the SMART principle	

Table 21: Outcomes, outputs, output indictors, targets, and actual achievements (Revised APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Additional Power Generation Capacity Secured	Procurement of Additional Generation Capacity	Request for Proposal (RFP) for 1,000 MW of Gas-to-Power issued to the Market	**Not Achieved**	**Achieved**	1. Request for Proposal (RFP) for 1,000 MW of Gas-to-Power issued to the Market	**Not Achieved** Concept note proposes a two-step approach to the issuance of RFP. The programme has been delayed	Confirmation of gas supplier and timing for first gas are outstanding. Memoranda of Cooperation (MOCs) with key stakeholders not yet concluded	Ongoing engagements with key stakeholders to finalise MOCs, and resolve outstanding gas supply, timing and pipeline construction and ownership decisions	
		Additional capacity brought online (MW)	N/A	N/A	Additional capacity brought online (MW)	**Not Achieved** 2,257 MW from 21 projects currently in construction. No project(s) reached Commercial Operation Date (COD) by end of Mar'25	Construction delays which include, but are not limited to Force Majeure claims, transformer failures, have been experienced by the projects	Construction risk delays are at the risk of the IPPs and not within the direct control of the Department. However, in line with the relevant provisions of the Power Purchase Agreements, IPPs are penalised for delays	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Framework developed to improve distribution infrastructure).	Framework developed to improve distribution infrastructure).	Framework developed on Approach to Distribution Asset Management (ADAM) Programme rollout	N/A	N/A	Framework developed on Approach to Distribution Asset Management (ADAM) Programme rollout	**Not Achieved** • ADAM programme Framework development ongoing. •Three Milestones achieved. a) Component 1 - review of previous work done. b) Component 2 - market assessment. c) Component 3 - programme design for phase ii of Adam.	The project is currently on schedule as planned. The deviation is related to the project being implemented over 12-month period	The target was erroneously captured to indicate that ADAM Framework will be completed during 2024/25 instead of the end of 2025/26 FY	
Renewable Energy Sector industrialisation and localisation	Renewable Energy Sector Master Plan	Approved Renewable Energy Sector Master Plan	**Not achieved**	**Not Achieved**	Approved Renewable Energy Sector Master Plan	**Achieved** SAREM was approved by Cabinet on 26 March 2025	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Electrification of additional households	Additional households electrified through non-grid technologies	Number of households electrified through non-grid technology	**Achieved** 20,950	**Not Achieved** Only 7,780 households were connected from rollover connections in the 2022/23 financial year plans	15,000 additional households electrified through non-grid technology	**Achieved** 18,540 additional households electrified through non-grid technology	3,540	The revision of pricing threshold resulted in significant cost-saving enabling the department to reallocate remaining resource for additional installation non-grid system	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Electrification of additional households	Monitoring and verification reports of the implementation of grid electrification of additional households by Eskom and contracted municipalities	Number of municipalities to be monitored through site visits on the planning, funding, implementation, and verification of grid electrification of households with respect to the national commitment in the MTDP towards achieving 100,000 household connections	**Achieved** 4 Quarterly Reports from Eskom and 4 quarterly reports from Municipalities were produced indicating that we have connected 145,877 additional households through grid electrification against 200,000 targets	**Achieved**	140 municipalities monitored and evaluated on the planning and implementation of electrification projects under schedule 5B	**Achieved** 140 municipalities were monitored and evaluated with 136,026 additional households electrified through grid electrification by Eskom and the municipalities	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Electrification of additional households	Monitoring and verification reports of the implementation of grid electrification of additional households by Eskom and contracted municipalities	Number of municipalities to be monitored through site visits on the planning, funding, implementation, and verification of grid electrification of households with respect to the national commitment in the MTDP towards achieving 100,000 household connections	**Achieved** 4 Quarterly Reports from Eskom and 4 quarterly reports from Municipalities were produced indicating that we have connected 145,877 additional households through grid electrification against 200,000 targets	**Achieved**	120 Eskom municipalities monitored and evaluated on the planning and implementation of electrification under schedule 6B to achieve additional 100,000 households	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
AMD mitigated	Ingress Control of potential AMD water	Number of ingress control (AMD) measures implemented	**Achieved**	**Achieved**	1 Acid Mine Drainage (AMD) ingress control measures implemented	**Achieved**	N/A	N/A	
	Derelict and ownerless mine sites rehabilitated	Number of derelict and ownerless mine sites rehabilitated	**Not Achieved:** 2	**Not Achieved** 1 D&O mine site rehabilitated	3 Derelict and ownerless mine sites rehabilitated	**Achieved** 4 Derelict and ownerless mine sites rehabilitated	1	2 Mine sites were carried over from the previous year but finalised in 2024/25 FY	
State of geological infrastructure improved	Unsafe mines shaft sealed off	Number of unsafe mines shafts sealed off	**Achieved** 95	**Achieved** 45 unsafe mine shafts sealed off	40 Unsafe mine shafts sealed off	**Achieved** 280 unsafe mines sealed off	240	During the year 2024/2025 financial year a supplementary budget of about R181 million was allocated to expedite the closing of holings in Gauteng as it attracts illegal mining activities	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
Improved energy efficiency across all sectors	Reports on the planning, monitoring, and verification of the implementation of EEDSM projects in industry, buildings, municipalities, or residential sector	Number of EEDSM project site inspections in industry, buildings, municipalities, or residential sector to achieve 0.5 TWh savings	**Achieved** Report on the achieved energy savings of 1.072 TWh prepared	**Achieved**	20 EEDSM project site inspections in industry, buildings, residential or municipalities	**Achieved** Energy savings 37 x EEDSM project site inspections have been completed with 0.873 TWh savings achieved in the residential, industry, and buildings sectors	17	Additional resources comprising of two (2) technical assistants were provided by GIZ and SANEDI to support the monitoring and verification of EEDSM project	
Transformed Energy and Mining Sector	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan approved	**Not achieved**	**Achieved**	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan approved	**Not Achieved**	Draft strategy in place, pending consultation process	Consultation process to commence in Q1 of 2025/26 FY	
	Small-scale miners financially supported	Number of Small-scale miners financially supported	**Not achieved**	**Not achieved**	3 Small-scale miners financially supported	**Achieved** 5 Small-scale miners supported	2	There were historical funds still available to support more than the planned target	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or Deviation	Status
		Number of Women Small-scale financially Miners Supported	**Not achieved**	**Not achieved**	3 Women Small-scale miners financially supported	**Achieved** 4 Women Small-scale miners supported	1	There were historical funds still available to support more than the planned target	
Transformed Energy and Mining Sector	Mining Sector Youth Empowerment Strategy and implementation Plan	Mining Sector Youth Empowerment Strategy and implementation Plan approved	**Achieved**	**Achieved** Draft Mining Sector Youth Empowerment Strategy Framework developed	Mining Sector Youth Empowerment Strategy and implementation Plan approved	**Not Achieved**	Draft strategy in place, pending consultation process	Consultation process to commence in Q1 of 2025/26 FY	
Implement new mining rights licencing system	Modernised transparent and effective mining cadastre system implemented	New Mining cadastre system implemented	N/A	Achieved	New Mining cadastre system implemented	Achieved	N/A	N/A	

4.5.1 Linking performance to budget

Table 22: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme and Projects Management	5,186	5,029	157	2,796	2,262	534
Integrated National Electrification Programme	4,228,474	4,227,079	1,395	5,851,841	5,667,192	184,649
Programme and Projects Management Office	65,277	64,369	908	67,992	66,549	1,443
Electricity Infrastructure and Industry Transformation	6,898	6,786	112	7,013	6,325	688
Energy Efficiency Projects	256,639	256,111	528	245,904	235,701	10,203
Renewable Energy Projects	110,342	105,665	4,677	150,264	116,351	33,913
Environmental Management Projects	378,561	376,253	2,308	250,939	179,886	71,053
Total	**5,051,377**	**5,041,292**	**10,085**	**6,576,749**	**6,274,266**	**302,483**

4.6 Programme 6: Nuclear Energy Regulation and Management

Purpose:

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

Functions:

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

Table 23: Outcomes, outputs, output indictors, targets and actual achievements (Original APP)

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or deviation	Status
Improved security of supply for nuclear energy	Increased supply of electricity for grid stability through procurement of base load power in form of 2,500MW Nuclear New Build Programme	Number of Quarterly Monitoring Progress reports for the 2,500 MW NNBP roadmap implementation	**Not Achieved**	**Not Achieved**	4 Quarterly Monitoring Progress reports for the 2,500 MW NNBP roadmap implementation produced	**Not achieved**	Two quarterly reports produced instead of 4	Withdrawal of Gazette for Section 34 Determination on 2,500 MW NNBP	
	Oversight on implementation of the Koeberg Nuclear Power Plant Long-term Operation Programme (LTO)	Number of quarterly monitoring reports on Koeberg Nuclear Power Plant Long-term Operation Programme (LTO)	**Achieved**	**Achieved**	4 quarterly monitoring reports on Koeberg Nuclear Power Plant Long-term Operation Programme (LTO)	**Achieved**	N/A	N/A	
	Policy oversight and direction for the establishment of the Central Interim Storage Facility (CISF) Project	Number of Quarterly Monitoring Progress reports for the Central Interim Storage Facility (CISF)	**Not Achieved**	**Not Achieved**	4 Quarterly Monitoring Progress reports for the Central Interim Storage Facility (CISF) project produced	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or deviation	Status
	Procurement of Multi-Purpose Reactor (MPR)	Number of Quarterly Monitoring Progress reports for the Multi-Purpose Reactor (MPR)	**Not Achieved**	**Achieved**	4 Quarterly Monitoring Progress reports for the Multi-Purpose Reactor (MPR) project produced	**Achieved**	N/A	N/A	
Strengthen the Control of Nuclear Material and equipment	Issued authorisations or denials of authorisations	% of authorisation applications processed within the 8-week time period.	**Achieved**	**Achieved** 107 were received and processed, 93 (87%) met turnaround time	70% of authorisation applications processed within the 8-week time period	**Achieved**	N/A	N/A	
	Nuclear Safeguards compliance inspections reports	Number of nuclear Safeguards compliance inspections reports submitted to the DG for approval	**Achieved**	**Achieved**	40 Nuclear Safeguards compliance inspections reports submitted to the DG for approval	**Achieved**	N/A	N/A	
Strengthen physical protective measures for nuclear material and facilities	Nuclear Security compliance inspections Reports	Number of Nuclear Security compliance inspections Report submitted to the DG for approval	**Achieved**	**Achieved**	20 Nuclear Security compliance inspections report submitted to the DG for approval	**Achieved**	N/A	N/A	

Outcome	Output	Output Indicators from 2024/25 APP	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Targets from 2024/25 APP	Actual Achievement 2024/25	Deviation from Planned Targets to Actual Achievement 2024/25	Reasons for Revision or deviation	Status
Strengthen and promote the utilisation of nuclear technology	Improved Coordination of IAEA Technical Cooperation (TC) Programme	IAEA 2024-2029 Country programme Framework	**Achieved**	**Achieved**	IEA 2024 – 2029 Country Programme Framework completed	**Not achieved**	Target removed	Error in capturing the target. The target was achieved in 2023/2024	
	Improved Coordination of IAEA Technical Cooperation (TC) Programme	IAEA Monitoring report on Technical Cooperation Programme	**Achieved**	**Achieved**	IAEA Annual report on Technical Cooperation Programme produced	**Achieved**	N/A	N/A	
	Improved Coordination of AFRA Programme	Monitoring report on the AFRA Programme	**Achieved**	**Achieved**	Monitoring report on the AFRA Programme produced	**Achieved**	N/A	N/A	

No major amendments were made under programme 6: Nuclear Energy Regulation and Management in the 2024/25 APP. However, only minor language corrections were done and one (1) target was removed since it was achieved in 2023/24 FY.

4.6.1 Linking performance to budget

Table 25: Subprogramme expenditure

Sub-programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Nuclear Energy Management	9,072	8,827	245	8,393	7,398	995
Nuclear Safety and Technology	1,062,598	1,060,374	2,224	1,137,796	1,133,810	3,986
Nuclear Non-proliferation and Radiation Security	13,098	12,522	576	13,320	12,554	766
Total	**1,084,768**	**1,081,722**	**3,046**	**1,159,509**	**1,153,762**	**5,747**

4.7 Programme expenditure for the Department of Mineral Resources and Energy

Table 26: Programme expenditure

Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	791,617	762,009	29,608	700,906	675,947	24,959
Minerals & Petroleum Regulation	527,067	521,021	6,046	531,163	528,448	2,715
Mining Minerals & Energy Policy Development	1,181,385	1,176,590	4,795	1,072,175	1,019,029	53,146
Mine Health and Safety Inspectorate	245,248	243,956	1,292	230,716	229,153	1,563
Mineral and Energy Resources Programmes and Projects Management	5,051,377	5,041,292	10,085	6,576,749	6,274,266	302,483
Nuclear Energy Regulation Management	1,084,768	1,081,722	3,046	1,159,509	1,153,762	5,747
Total	**8,881,462**	**8,826,590**	**54,872**	**10,271,218**	**9,880,606**	**390,612**

4.8 Strategy to overcome areas of underperformance

The following mitigation measures will be applied to overcome areas of under performance:

- Filling of vacancies due to natural attrition
- Modernise the ICT infrastructure, integrate application and digitalisation to mitigate obsolete application and ICT infrastructure –
- Enforce implementation of ICT and corporate governance
- Modernisation and automation of integrated productivity support solutions
- Conduct organisation structure review to align the structure to the mandate of the department,
- Conduct skill audit and define desired organisational culture for the department and change management due to the merger of the two department
- Improve communication and engagement with stakeholders in the value chain
- Reprioritisation of funds for high priority projects and identify critical element of the projects which can be initiated whilst funds are being secured.

The Department will develop an intervention strategy that seeks to address threats and areas of weaknesses to improve performance towards the achievement of targets not achieved in the control environment.

5. TRANSFER PAYMENTS

The transfer of payments to municipalities has been made in accordance with the approved annual Division of Revenue Act of South Africa (DoRA) transfer requirements (Refer to note 7 to the Annual Financial Statements).

5.1 Transfers Payments to Public Entities

Table 27: The table below reflects the transfer payments made for the period 01 April 2024 to March 2025 to public entities reporting to the DMRE Minister. The transfers were aimed at funding the entities' operational requirements as follows:

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R	R	
South African Nuclear Energy Corporation (NECSA)	• Undertaking and promoting research and development in the field of nuclear science; • Processing source material, including uranium; and • Co-operating with other institutions on nuclear-related matters.	922,516,000	900,712,000	Refer to general information of public entities reporting to the Minister

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R	Amount spent by the public entity R	Achievements of the public entity
National Nuclear Regulator (NNR)	• Providing for the protection of people, property and the environment against nuclear damage; • Exercising regulatory control related to the sitting, design, construction, operation, manufacture of component parts, and decontamination, decommissioning and closure of nuclear installations; • Exercising regulatory control over the actions, to which the Act applies, through the granting of nuclear authorizations; • Providing assurance of compliance with the conditions of nuclear authorizations through the implementation of a system of compliance inspections; • Fulfilling national obligations in respect of international legal instruments concerning nuclear safety; and • Ensuring that provisions for nuclear emergency planning are in place.	44,558,000	44,558,000	Refer to general information of public entities reporting to the Minister
National Radio-Active Waste Disposal Institute (NRWDI)	• Plan, design, construct, operate, manage and monitor radioactive waste disposal facilities; • Design and implement disposal solutions for all classes of radioactive waste; • Maintain a national radioactive waste database and publish reports on the inventory and location of radioactive waste in South Africa	47,916,000	47,916,000	Refer to general information of public entities reporting to the Minister
South African National Energy Development Institute (SANEDI)	• Direct, monitor and conduct energy research and development; and • Undertake measures to promote energy efficiency throughout the economy.	87,240,000	77 240 000	Refer to general information of public entities reporting to the Minister
Council for Geoscience (CGS)	• Gather, compile, develop and publish world-class geoscience data, knowledge and products • Render geoscience related services to the South African Public and industry.	613,649,000	613,649,000	Refer to general information of public entities reporting to the Minister
Council for Mineral Technology Research (MINTEK)	• Fundamental research and development in efficient mineral processing technologies and value-added products and services	302,455,000	302,455,000	Refer to general information of public entities reporting to the Minister

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R	R	
SA Diamond & Precious Metals Regulator (SADPMR)	• Ensure competitiveness, sustainable development and job creation in the diamond and precious metals industry; • Ensure effective transformation of the diamond and precious metals sectors. • Ensure equitable access to resources for local beneficiation.	69,921,000	69,921,000	Refer to general information of public entities reporting to the Minister
Petroleum Agency SA (PASA)	• Promote onshore and offshore exploration for, and production of petroleum. • Receive, evaluate and make recommendations to the Minister on applications for reconnaissance permits, technical cooperation permits and exploration and production rights for petroleum. • Monitor and report on compliance with such permits or rights and • Receive, maintain, store, interpret, evaluate, add value to and disseminate or deal in all geological or geophysical information relating to petroleum.	87,398,000	87,398,000	Refer to general information of public entities reporting to the Minister
Mine Health & Safety Council (MHSC)	• Advise on occupational health and safety in mines	4,495,000	4,495,000	Refer to general information of public entities reporting to the Minister

5.2 Transfer payments to all organisations other than public entities

The table below reflects transfer payments made by the Department during the period of 01 April 2024 to 31 March 2025.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
African Diamond Producers Association (ADPA)	International Organisation	International Membership Fees	N/A	15,915,714	N/A	Not Applicable
African Petroleum Producers Organisation (APPO)	International Organisation	International Membership Fees	N/A	4,479,338	N/A	Not Applicable

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Generation IV International Forum (GIF)	International Organisation	International Membership Fees	N/A	675,611	N/A	Not Applicable
International Atomic Energy Agency (IAEA)	International Organisation	International Membership Fees	N/A	25,110,724	N/A	Not Applicable
International Energy Forum (IEF)	International Organisation	International Membership Fees	N/A	435,776	N/A	Not Applicable
International Renewable Energy Agency (IRENA)	International Organisation	International Membership Fees	N/A	923,926	N/A	Not Applicable
Industrial Development Corporation (Small-scale Mining)	Public Corporation	Implementation of small-scale mining projects	N/A	28,628,000	N/A	Not Applicable
Mining Companies (Marginal Mines)	Private Companies	Provide subsidies to marginal mines for the management of ingress of water	N/A	-	N/A	Not Applicable
Ex-employees	Households	Leave gratuities and retirement benefits, pension liabilities for early retirement benefits, claims against government (loss of office)	N/A	3,464,330	N/A	Not Applicable
Mine Qualifications Authority (MQA)	Departmental Agencies - SETA	Annual contributions to SETAs in accordance with the Department of Public Service and Administration (DPSA) Circular HRD 1 of 2013.	YES	1,085,000	N/A	Not Applicable
Energy & Water SETA	Departmental Agencies - SETA	Annual contributions to SETAs in accordance with the Department of Public Service and Administration (DPSA) Circular HRD 1 of 2013.	YES	1,084,000	N/A	Not Applicable
Chemical Industry SETA	Departmental Agencies - SETA	Annual contributions to SETAs in accordance with the Department of Public Service and Administration (DPSA) Circular HRD 1 of 2013.	YES	1,084,000	N/A	Not Applicable

The table below reflects the transfer payments which were budgeted for in the period 01 April 2024 to 31 March 2025, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Mining Companies (Marginal Mines)	Private Companies	Provide subsidies to marginal mines for the management of ingress of water	2 137	-	No awards for water management subsidies were made to marginal mines during the year under review owing to lack of uptake.

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the Department.

Table 26: Conditional Grant 1: National Electrification Programme Municipalities (equitable share)

6.2 Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by theDepartment.

Table 28: Conditional Grant 1: National Electrification Programme Municipalities (equitable share)

Department/ Municipality to whom the grant has been transferred	Several municipalities
Purpose of the grant	Electricity connections
Expected outputs of the grant	39 954 household connections
Actual outputs achieved	52 954 households including rollovers achieved
Amount per amended DoRA (R'000)	1,746,436
Amount transferred (R'000)	1,746,436
Reasons if amount as per DoRA not transferred	All funds were transferred as per DoRA
Amount spent by the Department/ municipality (R'000)	1,447,158 spent at the end of June 2025 in line with the departmental municipal financial year. Municipalities will apply for rollovers by end of August 2025 from National Treasury for funds not spent by the end of their financial year in June 2025.
Reasons for the funds unspent by the entity	Late appointment of service providers by municipalities. Projects implemented by municipalities differs from plans submitted to DMRE during contracting.
Monitoring mechanism by the transferring Department	Technical audits conducted and monthly reports. Energy forums and verification of implemented projects to check progress and challenges.

Table 29: Conditional Grant 2: National Electrification Programme (Eskom)

Department/Municipality to whom the grant has been transferred	Eskom
Purpose of the grant	Electricity Connections

Expected outputs of the grant	50 371 household connections
Actual outputs achieved	83 072 household connections including rollovers
Amount per amended DoRA (R'000)	2,196,019
Amount transferred (R'000)	2,196,019
Reasons if amount as per DoRA not transferred	All funds were transferred as per DoRA
Amount spent by the Department/ public corporation (R'000)	1,344,306
Reasons for the funds unspent by the entity	Community unrests, challenges with material shortages, delay in environmental approvals, theft of material from site camps, business forums demanding 30% from contractors. All these challenges made Eskom not to spend all the transferred funds. Eskom has applied to National Treasury for unspent funds to be spent in the 2025/26 financial year.
Monitoring mechanism by the transferring Department	Monthly and Quarterly reports submitted by Eskom, verification reports and quarterly meetings between DMRE and Eskom to check progress and challenges. Verification of implemented projects to check progress and challenges

Table 30: Conditional Grant 3: Energy Efficiency and Demand Side Management Programme (equitable share)

Department/Municipality to whom the grant has been transferred	52 Municipalities
Purpose of the grant	To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency
Expected outputs of the grant	Installation of energy-efficient public lighting, retrofitting of municipal buildings, Wastewater Treatment Plants (WWTPs), implementation of smart metering and energy management systems
Actual outputs achieved	19,5 GWh
Amount per amended DoRA (R'000)	R 235,700
Amount transferred (R'000)	R 235,700
Reasons if amount as per DoRA not transferred	All funds were transferred as per DoRA
Amount spent by the Department/ municipality (R'000)	R 212 188, however municipalities will have to apply for the roll-over of the balance amount of R 23 million.
Reasons for the funds unspent by the entity/municipalities	Delays in procurement processes and project implementation challenges in certain municipalities
Monitoring mechanism by the transferring Department	Independent Measurement and Verification (M&V) by the third party; quarterly progress workshops with municipalities; project site inspection visits; monthly and quarterly reports by the municipalities

6.3 Conditional grants and earmarked funds received

No conditional grants and earmarked funds were received.

6.4 Donor Funds

Donor Funds Received

No donor funds were withdrawn or received from the RDP fund during the period under review.

PART C:
GOVERNANCE

INTRODUCTION

The Department is committed to maintaining the highest standards of governance on the management of public finances and compliance with laws, rules and regulations. The public expects the Department to have good governance and to act in the best interests of the citizens of South Africa, improve the performance of the organisation and be more productive.

1. RISK MANAGEMENT

The Department has a Risk Management Committee (RMC), which comprises both management and external members with the necessary blend of skills, competencies and attributes. The RMC is appointed by the Accounting Officer to assist him to discharge his responsibility for risk management in line with the requirements of section 38(1)(a) of the Public Finance Management Act (PFMA).

The Department has an approved Risk Management Strategy and Policy, which provides guidance on the implementation and integration of the risk management system. The Risk Management Unit assists the Department to embed risk management and leverage its benefits to enhance performance, as well as to work with management to develop risk management regulatory frameworks. Risk management information is communicated to management and other employees of the Department timeously during risk assessment workshops, orientation and induction programmes, and through the placement of posters in visible areas at Head Office and at the regional offices.

During the period under review, the Department updated its risk profile and continued to monitor concerns raised by oversight structures on a regular basis to confirm the effective and efficient implementation of mitigation strategies and the movement of residual risk exposure to acceptable levels. The Department's risk maturity is gradually being monitored to determine the extent to which management and other officials of the Department can embed risk management principles in their day-to-day activities. It is our intention to conduct the risk maturity assessment in the 2025/26 financial year to understand the Department's risk maturity gaps and limitations, and to put measures in place to improve our weaknesses.

2. FRAUD AND CORRUPTION

The Department has a Fraud Prevention Plan in place to facilitate the development of controls to assist in the prevention and detection of fraud and corruption, as well as to provide guidelines on how to respond to incidences of reported cases or incidents of fraud and corruption. The Fraud Prevention Strategy applies to all employees, stakeholders, contractors and any other party doing business with the Department.

3. MINIMISING CONFLICT OF INTEREST

The Department has instituted certain mechanisms to minimise conflicts of interest in line with the provisions of the Public Service Regulations, 2016.

Senior managers and managers remunerated at salary level 9 and 10, also referred to as designated employees, disclosed their financial interest as required by the financial disclosure framework during the year under review. The Department of Public Service and Administration (DPSA) exempted other designated employees (middle managers, as well as finance and supply chain employees) from disclosing their financial interests in 2024 with a view to allow the recently designated employees on level 9 and 10 in the eDisclosure system enough time to submit their financial interests.

The principle of consequence management was applied to management and other employees of the department that had failed to comply with the disclosure and conflict of interest directives. Attendees of various management structures are required to disclose and append their signatures on the record of attendance/register. The conflict-of-interest disclosure register was signed by all attendees of management structures.

A departmental gift register is in place as a mechanism to record and maintain gifts received by management and other employees of the Department. An Ethics Management Committee, which is responsible for providing oversight on ethics management, is in place. It is chaired by a Deputy Director-General and comprises senior managers from various branches.

The table below depicts the number of employees who complied with the disclosure and conflict of interest framework during the year under review.

Employee categories	Senior management	Levels 9 and 10
Registered employees	151	316
Employees that submitted disclosures	151	316
Registered employees that did not submit disclosures	0	0
Unregistered employees	0	0

4. CODE OF CONDUCT

The Code of Conduct is applicable and acts as a guide to employees of the DMRE as to what is expected of them from an ethical point of view. In order to promote a high standard of professional ethics within the Department, employees are encouraged to think and behave ethically. All the Department's employees have the responsibility to comply with the Code of Conduct through workshops.

5. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

A significant aspect of Health, Safety, and Environment activities involves striving for compliance with organisational and legislative requirements. Departmental offices are not fully compliant with the OHS legislative requirements as required by the Occupational Health and Safety Act and Regulations. Below are the major health and safety issues:

- Ventilation systems that are not functioning properly lead to health problems including sick building syndrome due to accumulation of Carbon Dioxide in the building etc.
- Employees working under pressure, which may lead to lack of concentration, unnecessary accidents and injuries and loss of productivity.
- Poor quality of furniture equipment as well as office arrangement exposing employees to Human Factor Ergonomic.
- Poor management of Emergency Evacuation Plans and systems. Dysfunctional or unavailability of emergency lights, emergency exit doors that are locked with rusted emergency staircases. Such non-compliant emergency exits may render emergency procedures ineffective resulting in injuries or loss of lives.

6. PORTFOLIO COMMITTEES

Table 31: Meetings of the Portfolio Committee on Mineral Resources and Energy: April 2024 to March 2025

Date of meeting	Agenda
Tuesday, 9 April 2024	• Briefing by the Department of Mineral Resources and Energy on the National Nuclear Regulator Amendment Bill [B25B-2023] s75 • Consideration and Adoption of Minutes
Tuesday, 9 April 2024	• Briefing by the Permanent delegate on Electricity Regulatory Amendment Bill (Eastern Cape Province)

Date of meeting	Agenda
Friday, 12 April 2024	Free State Provincial briefing meeting for the Portfolio Committee on Economic Development and Cooperative Governance
Monday, 15 April 2024	Briefing Gauteng Portfolio Committee on Economic Development to consider Electricity Regulation Amendment Bill
Wednesday, 17 April 2024	Northern Cape Provincial briefing and Hybrid Public Hearing on the Electricity Regulation Amendment Bill
Wednesday, 17 April 2024	KZN Provincial Portfolio Committee briefing Bhongweni Youth Centre: Greater Kokstad LM
Thursday 18 April 2024	KZN Provincial Portfolio Committee briefing Hybrid Platform: KZN Leg Chamber
Friday 19 April 2024	KZN Provincial Portfolio Committee briefing: Osizweni Community Hall: Newcastle LM
Tuesday, 23 April 2024	KZN Provincial Portfolio Committee Old Chamber: Ulundi LM
Thursday, 25 April 2024	• KZN Provincial Portfolio Committee Stanger Manor Hall: KwaDukuza LM
Thursday, 2 May 2024	Meeting of the Select Committee on Land Reform, Environment, Mineral Resources and Energy (National Council of Provinces) 1) Continuation of discussions on the National Nuclear Regulator Amendment Bill [B25B-2023] (S75) with possible finalisation 2) Negotiating Mandate Meeting on the Electricity Regulation Amendment Bill [B23B-2023] s76 3) Consideration and Adoption of Minutes
Tuesday, 14 May 2024	Meeting of Select Committee on Land Reform, Environment, Mineral Resources and Energy NCOP 1) Briefing by the Department of Mineral Resources and Energy on The Revised African Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology (AFRA) Agreement, tabled in terms of section 231(2) of the Constitution, 1996, and the Explanatory Memorandum to The Revised African Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology Agreement (AFRA) 2) Final Mandate meeting on the Electricity Regulation Amendment Bill [B23B-2023] s76.
Tuesday, 11 February 2025	Portfolio Committee on Mineral Petroleum Resources: Update on operationalisation of the South African National Petroleum Company (SANPC)
Tuesday, 11 March 2025	Briefing on the state of SA mining, exploration and critical minerals strategy
Tuesday, 18 March 2025	Briefing on rehabilitation of ownerless and derelict mines, and illegal mining specifically in Stillfontein (Joint meeting with PC on Police) and Mpumalanga Oversight report
Tuesday, 25 March 2025	Programme for the PCMPR: Visit to the SFF Saldanha bay and Milnerton Facilities
Wednesday, 26 March 2025	PCMPR visit to Astron Energy (Milnerton)

7. SCOPA RESOLUTIONS

None

8. PRIOR MODIFICATIONS TO AUDIT REPORTS

None

9. INTERNAL CONTROL UNIT

The Internal Control and Reporting Unit ensures that internal controls are in place to provide reasonable assurance that the Department has accounted for all financial transactions, and that they are free of errors and fraud. This unit also ensures that the transactions are accurate, valid and complete, as well as being compliant with applicable laws and regulations to ensure reliable financial reporting. In addition, the Internal Control Sub-directorate ensures that the Department complies with Treasury Regulations in terms of reporting, and coordinates audits by the Auditor-General of South Africa (AGSA).

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the Internal Audit Activity

The purpose of the Internal Audit Activity (IAA) is to provide independent, objective assurance and consulting services designed to add value and improve the Department's operations. It helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The Internal Audit Activity continues to function in a manner which monitors that:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as required;
- Significant financial, managerial, and operating information is accurate, reliable, and timely;
- All Department's assets are appropriately safeguarded and the existence of such assets, where applicable, can be verified;
- Employees' actions are in compliance with prescripts - policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently and adequately protected;
- Programmes, plans, and objectives are achieved;
- Quality and continuous improvement is fostered in the Department's control process;
- Significant legislative or regulatory issues impacting the Department are recognised and addressed appropriately.

The primary objective of Internal Audit Activity (IAA) is to assist the Accounting Officer (AO) and the Audit Committee (AC) in the effective discharge of their responsibilities. Internal Audit provides them with independent analysis, appraisals, recommendations, counsel and information concerning the activities reviewed, with a view to improving accountability and performance.

The IAA provides the Department with the following benefits:

- Regular presence, which helps to protect the Department's assets by deterring fraud, waste, and abuse.
- Input, which helps employees to improve their overall job performance and adherence to established controls.
- Keeps the Department accountable to the public by reviewing and reporting on adherence to established policies and procedures, laws and efficiency of operations.

The IAA provides both the oversight structures such as the AC and relevant parliamentary structures with required information for them to exercise their monitoring and oversight role and responsibility.

Based on the review of the work of the Internal Audit Activity, the AC is satisfied that the internal audit activity properly discharged its functions and responsibilities during the year under review and operated to the best of its ability to effectively address the risks pertinent to the department.

In addition, the AC has no reason to doubt that the Internal Auditors operated objectively and independently.

The type of risk-based audits performed by Internal Audit during the year include a combination of Financial Audits, Performance Audits, Operational Audits and Information Communication Technology Audit.

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

Name	Qualifications	Internal or external	Date appointed	Date resigned	Number of meetings attended
Zanele Monnakgotla	• Post Grad Diploma in Risk Management • Master's in Finance • Management Advanced Programme • LLM in tax • LLB • BCom	External	December 2023 (Reappointment)	29 November 2024	7
Tishaniso Nyathi	• BCom Finance • BCom (Hons) Finance • Master of Business Administration (MBA) • Doctor of Business Leadership (DBL) • Certificate in Accounting Information Systems • Certificate in Small Business Management	External	December 2023	N/A	9*
Johannes Weapond	• MTech Information Technology • Master's in Business Systems • BCom Honours IT • MTech Forensic investigation • Bachelor of Law • BTech Policing • Dip in Business Management • Certificate in Policing • Diploma in Compliance Management • Diploma in Education	External	December 2023	N/A	9*
Gilbert Makaba	• BCom • Post Grad Dip in Project Management • Accredited Assessor of Risk Management • MBA	External	December 2023	N/A	9*

*Includes three (3) meetings which had to consider three quarter reports of the previous financial year (2023/24), prior to members' appointments.

11. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- Review of the annual financial statements.
- Review of Quarterly Finance Reports Q2, Q3.
- Audit on the Supply Chain Management, Process, Contract management.
- Audit on Expenditure management activities focusing on, accounts payable, sundry payments and transfers payments.
- Audit on Asset Management processes.
- Audit on transport management.
- IT Risk Management.
- MPRDA and NEMA inspections audit.
- Audit on the review, development, amendments of Laws, Bills Regulations and Policies and implementation of international MOU/ Bilateral agreements.
- Audit on Integrated National Electrification Programme (INEP) transfer payments (Municipalities and Eskom project monitoring and municipal performance.
- Review of the accumulative annual performance.
- Audit on DMRE's Performance Information 1st quarter, 2nd quarter, and 3rd quarter.
- Audit Services Finding Register including POPIA Q1, Q2 Q3 & Q4.
- Audit Services Finding Register (AGSA) Q3 & Q4.
- Audit of the monthly mineral statistics reporting system of the mineral and mining economy.
- Ad-hoc request for PMDS Review of the performance management and development system.
- Follow-up in Legal Services Processes, appeals.
- Application Controls Review: Magic System.
- Audit of Energy Efficiency and Demand Side Management projects implementation as per the DORA's allocations of 5 TWh savings realised and verified from EEDSM projects.

The following are some of the areas requiring attention:

- Pre-allocation inspection visits not conducted.
- Database for INEP funded projects (municipalities 5b) still not secured.
- Inadequate ICT change management policy.
- Inconsistent Completion of ICT Change Information supported by valid evidence.
- Remote Desktop Protocol (RDP) access not securely configured.
- Encryption settings not appropriately configured.
- Indicator not assigned to a responsible official.
- Baud system for former DOE and DMR not merged.
- Inventory list not updated.
- Asset could not be located.
- Inadequate training and awareness programme.
- Source of data not aligned to the indicator title.
- Management did not put measures in place to ensure that quarterly performance information is accurately reported.

- Inadequacies in the Transport Management Policy.
- Accidents reported by the regions not tabled in the DTAC meetings.
- Vehicle accidents not reported to the South African police services (SAPS) within 24 hours.
- No procedure manuals and standardised templates for Sub-Directorates within Mineral Petroleum Regulations.
- Misalignment of Annual Inspection Plan and Performance Agreements.
- Active mines not inspected.
- Inability to specify the state's liability.
- No control on trust funds provided as financial provision.
- Financial provision was reduced without supporting documents.
- S & T claims were processed with inaccurate information.
- Inadequate controls for retesting of retained sample.
- Inadequate follow-up on notices issued.

In-Year Management and Monthly/Quarterly Report

The department reported monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

We reviewed the annual financial statements prepared by the department.

Auditor-General's Report

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

Dr Tishaniso Nyathi

Chairperson of the Audit Committee

Department of Mineral Resources and Energy

31 July, 2025

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The Department has applied Broad-Based Black Economic Empowerment (B-BBEE) Certificate Levels 1-8 in the procurement of all goods and services above R30,000.00.

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response** **Yes / No**	**Discussion** **(include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	N/A
Developing and implementing a preferential procurement policy?	N/A	N/A
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A
Developing criteria for entering into partnerships with the private sector?	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	N/A	N/A

PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

During the financial year under review, the NMOG process was implemented, resulting in the separation of the Department of Mineral Resources and Energy (DMRE) into two entities: the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity and Energy. This restructuring, along with cost-containment measures, hindered the implementation of several Human Resources priorities and delayed the filling of vacant posts. A critical post list was compiled and submitted to the National Treasury in December 2024; however, the submission was not approved.

2. OVERVIEW OF HUMAN RESOURCES

2.1 The status of human resources in the Department

At the close of the reporting period, the organisational structure comprised a total of 1,687 positions (including additional posts), of which 200 were classified as frozen. The employee turnover rate stood at 10.80%. During the period, 64 new employees were appointed and 7 internal promotions were effected. However, 165 employees exited the organisation for various reasons (including the change of executive offices and end of the Internship contract period), which are detailed further in this report.

Training and development activities continued in alignment with the Workplace Skills Plan (WSP) and the completed skills audit for the DMRE. Of the recent cohort of Interns who commenced on 1 April 2023, contracts for 51 Interns concluded on 31 March 2025.

Six policies were developed, adopted, and approved during the 2024/25 financial year, reflecting the Department's ongoing commitment to policy enhancement and compliance.

The Department maintained established structures to monitor the implementation of the approved Employment Equity Plan. Advancing the representation of women in senior management positions and increasing the employment of persons with disabilities remain key priorities. As of 31 March 2025, women occupied 36.54% of Senior Management Service (SMS) positions, while the representation of persons with disabilities stood at 1.68%.

Overall, the Department continues to maintain constructive and stable labour relations. Regular engagements between the employer and organised labour (NEHAWU and PSA) take place to address matters of mutual interest. Workshops on grievance and disciplinary procedures were conducted to promote a shared understanding of these processes.

The majority of grievances lodged related to pay progression, followed by complaints of harassment. A limited number of misconduct cases were reported and addressed, with some resulting in dismissal. Common disciplinary issues included misrepresentation of facts and insubordination.

2.1.1 Human resource priorities for the year under review and the impact of these:

During the reporting period, the Department made notable progress in several strategic human resource areas, despite the significant organisational restructuring resulting from the NMOG process and the departmental split. Below is a summary of key HR priorities and their outcomes:

a) **Conduct culture and Climate Survey**

This output was overtaken by events with the split of the Department and the unfolding of the NMOG process, hence the roadmap could not be fully implemented. Given that organisational culture is unique to each entity, the newly formed departments are now positioned to develop tailored approaches in their respective HR plans.

b) **Implementation of revised Recruitment and Selection (R&S) guideline for the employment of Women in SMS posts and Persons with Disability**

Although achieved it needs to be noted that cost-containment measures and the NMOG process slowed down the process of filling of posts.

c) **Review of the Recruitment and Selection Policy**

Policy was approved on 20 August 2024 and implemented.

d) **Alignment of Personal Developmental Plans (PDPs) with Branch needs**

Branch-specific needs were successfully integrated into the Workplace Skills Plan (WSP). Following the PwC skills audit, PDPs were replaced with individual development reports to align better with identified competencies.

e) **Annual Analysis report on the impact of training within DMRE**

Annual ROI analysis report was finalised and presented to the D: HRU&D. Training impact assessment reports were captured and analysed.

f) **Engagements between Directorate: Human Resource Utilisation and Development and Supply Chain Management**

Engagements between HR Utilisation & Development and Supply Chain Management were maintained, with key meetings held on 29 January and 25 March 2025.

g) **Review Bursary Allocation Criteria (Budget, impact, future placement)**

The bursary adjudication process included a review of allocation criteria. It was determined that no further policy revision was necessary at this time.

h) **Implementation of Public Service Management and Executive Leadership Development Programme**

A total of 22 Senior Management Service (SMS) members participated in the Executive Development Programme (EDP), supporting leadership capacity building.

i) **Advanced Development Programme for women to prepare for SMS posts (EDP and Certificate for entry to SMS) align with NSG**

The Department unlocked a key step in the process for the development of a pipeline of female candidates for SMS positions by issuing a memorandum informing Middle Management Service (MMS) members that the Department will cover the cost of the pre-entry SMS programme, aligning with NSG guidelines.

j) **Investigate the development of a special Skills Programme for Inspectorate with SETAs (or other organisation responsible for skills standards and Mine Health and Safety Inspectorate (MHSI) (Incubator level)**

The feasibility of developing a specialised skills programme in partnership with SETAs and the Mine Health and Safety Inspectorate (MHSI) was successfully investigated. Implementation, however, was not approved.

k) **Coaching guideline to be developed**

This initiative was deferred due to competing priorities during the year but remains on the Department's agenda.

l) **Obtain approval for E-learning Policy and implement**

Although progress was made, the E-Learning Policy could not be adopted at the DBC level due to prioritisation of NMOG-related initiatives. The matter will be revisited in the new cycle by each new Department.

m) **PMDS workshops**

Engagements around PMDS will continue into the 2025/26 financial year, particularly to support the conclusion of the 2024/25 performance assessments and implementing PMDS post-restructuring.

n) **Develop non-monetary awards/rewards policy**

This output was delayed due to the focus on NMOG priorities. It remains a key area for future development.

o) **Improve data generation and analysis for improved decision-making**

Quarterly meeting took place as scheduled except for the last quarter, but consultation did take place with HR Planning Committee members.

p) **Shorten Line Function questionnaire (Automate if necessary)**

The Line Function Questionnaire was successfully streamlined and automated to improve efficiency in data collection. It was deployed between 16 and 26 April 2024, yielding 67 responses. This enhancement supports improved responsiveness and decision-making through more accessible and accurate data.

q) **Short Survey on EAP/EHW**

A short survey was conducted to assess employee needs under the EAP/EHW framework. In addition, Health Risk Assessments were carried out and a range of wellness-related articles were published to promote employee health and wellbeing.

r) **Strategic Interventions Based on EAP/EHW/ Labour Relations Analysis**

Targeted workshops were facilitated to address key strategic gaps identified through analyses of Employee Health and Wellness (EHW), Employee Assistance Programmes (EAP), and Labour Relations (LR) data. These interventions were designed to proactively manage workplace challenges and enhance employee support.

s) **Grievance and Misconduct Management Workshops**

Several workshops were conducted to reinforce consistent understanding and application of grievance and misconduct procedures. These sessions were aimed at improving turnaround times in resolving such matters and ensuring procedural fairness and compliance.

3. Human Resources Oversight Statistics

Below please find key information on the department's human resources aligned to the annual financial statements.

3.1 Personnel-related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2024 and to 31 March 2025

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
ASSETS & LIABILITIES	-	-	-	-	-	-
ADMIN	762,009	343,681	3,758	3,161	45.10%	615
MINE HEALTH & SAFETY INSPECT	243,956	197,295	-	3,608	80.87%	777
MINERALS & PETROLEUM REGULAT	521,021	317,539	-	4,544	60.95%	751
MINI MINE&ENERGY POLICY DEV	,176,590	109,337	57	124,155	9.29%	882
NUCLEAR ENERGY REGULATN&MAN	1,081,722	35,245	-	626	3.26%	1,037
PROGRAMMES & PROJECTS	5,041,292	106,378	-	615,364	2.11%	933
Total	**8,826,590**	**1,109,474**	**3,816**	**751,458**	**12.57%**	**736**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 to 31 March 2025

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Skilled (level 3-5)	89 212,00	7,70	344	259 337,00
Highly skilled production (levels 6-8)	216 424,00	18,60	367	589 711,00
Highly skilled supervision (levels 9-12)	579 162,00	49,70	622	931 129,00
Senior and Top management (levels 13-16)	227 360,00	19,50	154	1 476 364,00
Periodicals	174,00	-	21,00	8 286,00
Total	**1 112 332,00**	**95,50**	**1 508,00**	**737 621,00**

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2024 to 31 March 2025

Programme	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
ADMIN	296,449	86.26%	4,577	1.33%	9,838	2.86%	17,462	5.08%
MINE HEALTH & SAFETY INSPECT	173,583	87.98%	106	0.05%	3,136	1.59%	5,402	2.74%
MINERALS AND PETROLEUM REGULATION	268,869	84.67%	2,927	0.92%	8,991	2.83%	17,730	5.58%
MINI-MINE & ENERGY POLICY DEV	95,355	87.21%	0	0.00%	3,192	2.92%	3,820	3.49%
NUCLEAR ENERGY REGULATION & MANAGEMENT	31,405	89.10%	0	0.00%	1,351	3.83%	650	1.84%
PROGRAMMES & PROJECTS	92,154	86.63%	290	0.27%	2,263	2.13%	4,167	3.92%
Total	**957,814**	**86.33%**	**7,900**	**0.71%**	**28,772**	**2.59%**	**49,231**	**4.44%**

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2024 to 31 March 2025

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 3-5)	63 802,00	70,60	1 061,00	1,20	4 801,00	5,30	10 716,00	11,90
Highly skilled production (levels 6-8)	166 468,00	75,50	3 283,00	1,50	8 237,00	3,70	17 499,00	7,90
Highly skilled supervision (levels 9-12)	488 247,00	78,80	3 164,00	0,50	11 155,00	1,80	18 773,00	3,00
Senior management (level 13-16)	200 991,00	86,00	0,00	0,00	4 541,00	1,90	1 878,00	0,80
Periodicals	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**919 508,00**	**79,00**	**7 508,00**	**0,60**	**28 734,00**	**2,50**	**48 866,00**	**4,20**

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below)

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

Table 3.2.1 Employment and vacancies by programme as at 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Administration	631	552	12.50	83
Mine Health & Safety Inspectorate	283	240	15.20	0
Minerals And Petroleum Regulation	469	423	9.80	2
Minerals, Mining & Energy Policy Development	141	124	12.10	0
Nuclear Energy Regulation & Management	36	34	5.60	3
Programmes & Projects	127	114	10.20	1
TOTAL	**1687**	**1487**	**11.90**	**89**

Table 3.2.2 Employment and vacancies by salary band as at 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Lower skilled (1 -2)	1	1	0.00	0
Skilled (3-5)	379	344	9.20	62
Highly skilled production (6-8)	409	367	10.30	4
Highly skilled supervision (9-12)	724	622	14.10	11
Senior management (13-16)	174	154	11.50	12
Total	**1,687**	**1,487**	**11.90**	**89**

Table 3.2.3 Employment and vacancies by critical occupations as at 31 March 2025

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Administration Clerks	135	123	8.90	1
Administration Officer	71	63	11.30	4
Administrative And Governance Policy Manager	35	30	14.30	1
Applications Developer	3	2	33.30	0
Applications Programmer	1	0	100.00	0
Cashier	6	5	16.70	0
Chief Financial Officer	1	1	0.00	0
Chief Information Officer	1	1	0.00	0
Clerical Supplementary Workers Not Elsewhere Classified	60	60	0.00	60
Climate Change Scientist	1	1	0.00	0
Communication And Marketing Manager	2	2	0.00	0
Communication Coordinator	7	5	28.60	0
Communication Strategist	4	2	50.00	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Compliance Officer	10	9	10.00	0
Computer Network Technician	10	9	10.00	0
Criminal Enforcement Manager (Environment)	2	2	0.00	0
Database Designer and Administrator	3	2	33.30	0
Dispatching and Receiving Clerk	4	3	25.00	0
Economic Growth & Promotion & Global Relations Manager	7	7	0.00	0
Economic Analyst	2	2	0.00	0
Economist	31	26	16.10	0
Elementary Workers Not Elsewhere Classified	3	3	0.00	1
Employee Wellness Practitioner	1	1	0.00	0
Energy Engineer	2	2	0.00	0
Environmental Enforcement and Compliance Officer	23	21	8.70	0
Environmental Manager	3	1	66.70	0
Facilities Manager	2	2	0.00	0
Filing And Registry Clerk	64	60	6.30	0
Finance Clerk	17	16	5.90	0
Finance Manager	4	4	0.00	0
Financial Accountant	4	4	0.00	0
General Accountant	20	18	10.00	0
Graphic Designer	2	1	50.00	0
Heads of National Department	1	1	0.00	0
Human Resource Clerk	19	17	10.50	0
Human Resource Manager	6	5	16.70	0
Human Resource Practitioner	6	6	0.00	0
ICT Systems Analyst	1	1	0.00	0
Industrial/Labour Relations Officer	1	1	0.00	0
Information Technology & Systems Manager	2	2	0.00	0
Internal Audit Manager	3	3	0.00	0
Internal Auditor	10	7	30.00	0
Interpreter	1	0	100.00	0
Kitchen Hand	1	0	0.00	0
Legal Administration Officer	10	9	10.00	2
Legal-Related Manager	4	4	0.00	0
Librarian	1	1	0.00	0
Managers Not Elsewhere Classified	23	20	13.00	6
Mechanical Engineer	3	2	33.30	0
Messengers	2	0	100.00	0
Middle Manager: Human Resource & Organisational Development-Related	34	30	11.80	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Middle Manager: Administrative-Related	117	102	12.80	6
Middle Manager: Engineering Sciences-Related	25	21	16.00	0
Middle Manager: Finance And Economics-Related	46	38	17.40	1
Middle Manager: Information Technology-Related	22	18	18.20	0
Middle Manager: Internal Audit-Related	12	10	16.70	0
Middle Manager: Legal-Related	8	7	12.50	0
Middle Manager: Natural Science-Related	120	113	5.80	0
Middle Manager: Social Science-Related	18	16	11.10	1
Middle Manager: Trade And Industry-Related	19	16	15.80	0
Middle Manager: Communication & Information-Related	12	11	8.30	0
Mine Communities & Stakeholder Engagement Manager	1	1	0.00	0
Mine Equipment Inspector	37	23	37.80	0
Mine Health and Safety Inspector	46	37	19.60	0
Mine Health and Safety Manager	19	16	15.80	0
Mine Surveying Inspector	10	8	20.00	0
Mine Surveying Manager	1	1	0.00	0
Mineral & Petroleum Titles Registration Office Manager	1	1	0.00	0
Mineral Law Administration Officer	25	21	16.00	0
Mineral Regulation and Administration Manager	12	12	0.00	0
Mining Engineer	2	2	0.00	0
Multimedia Designer	1	1	0.00	0
Nuclear Enforcement and Compliance Inspector	3	2	33.30	0
Nuclear Manager	5	5	0.00	0
Nuclear Non-Proliferation & Radiation Security Manager	3	3	0.00	0
Nuclear Safety & Liabilities & Emergency Officer	2	2	0.00	0
Nuclear Technology Officer	2	2	0.00	0
Occupational Hygiene Inspector	20	15	25.00	0
Occupational Medicine Inspector	18	17	5.60	0
Office Cleaner	2	2	0.00	0
Organisational Development Practitioner	4	3	25.00	0
Other Clerical Support Workers	1	1	0.00	0
Other Middle Manager	31	26	16.10	0
Payroll Clerk	6	4	33.30	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (Includes frozen posts)	Number of employees additional to the establishment
Personal Assistant	103	97	5.80	1
Petroleum Licencing and Fuel Supply Manager	13	11	15.40	0
Policy Analyst	24	19	20.80	0
Policy and Planning Managers	7	7	0.00	0
Programme or Project Manager	12	11	8.30	3
Public/Media Relations Manager	2	1	50.00	0
Receptionist (General)	13	12	7.70	0
Regulatory and Compliance and Enforcement Manager	6	5	16.70	1
Risk and Integrity Manager	2	2	0.00	1
Risk Officer	3	3	0.00	0
Safety/Health & Environment & Quality (She&Q) Practitioner	1	1	0.00	0
Security Officer	86	75	12.80	0
Security/Reintegration Manager	1	1	0.00	0
Skills Development Facilitator/Practitioner	6	6	0.00	0
Social and Labour Plan Officer	11	11	0.00	0
Statistician	6	6	0.00	0
Strategy/Monitoring & Evaluation Management	3	3	0.00	0
Supply Chain Clerk	24	23	4.20	0
Supply Chain Manager	2	2	0.00	0
Supply Chain Practitioner	12	11	8.30	0
Surveying or Cartographic Technician	1	1	0.00	0
Switchboard Operator	4	3	25.00	0
Systems Administrator	10	9	10.00	0
Technical & Associate Technical Occupations Not Classified	2	2	0.00	0
Technical Writer	1	1	0.00	0
Trade And Industry Manager	1	1	0.00	0
Training Manager	1	0	100.00	0
Transport Clerk	10	9	10.00	0
TOTAL	**1,687**	**1,487**	**11.90**	**89**

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

(a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as at 31 March 2025

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant (Includes frozen posts)	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	4	4	100%	0	0%
Salary Level 15	8	8	100%	0	0%
Salary Level 14	38	31	82%	7	18%
Salary Level 13	123	110	89%	13	11%
Total	**174**	**154**	**89%**	**20**	**11%**

Table 3.3.2 SMS post information as at 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant (Includes frozen posts)	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	7	7	100%	0	0%
Salary Level 15	8	8	100%	0	0%
Salary Level 14	38	33	87%	5	15%
Salary Level 13	119	110	92%	9	8%
Total	**173**	**159**	**92%**	**14**	**9%**

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

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant (Includes frozen posts)	Number of vacancies per level filled in 6 months of becoming vacant (Includes frozen posts)	Number of vacancies per level not filled in 6 months but filled in 12 months (Includes frozen posts)
Director-General/ Head of Department	0	0	0
Salary Level 16	0	2*	0
Salary Level 15	0	0	0
Salary Level 14	0	1*	0
Salary Level 13	0	5*	0
Total	**0**	**8***	**0**

*SMS posts filled within the financial year

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2024 to 31 March 2025

Reasons for vacancies not advertised within six months
No posts were advertised in 2024/25 performance year due to the implications of Circular 49 of 2023 (Directive on the implementation of control measures aimed at assisting EAs in managing fiscal sustainability during the process of creating and filling posts in Departments). This circular was augmented with Circular 20 of 2024 extending the Directive to 31 March 2025. This resulted in all vacant posts within the Department being frozen.

Reasons for vacancies not filled within twelve months
*Whilst the Department was not able to advertise posts, it managed to fill 8 SMS posts within the Offices of the Minister of Mineral and Petroleum Resources, the Minister of Electricity and Energy (DEE) as well as the Deputy Minister: DEE within 6 months of the posts being vacant.

Notes:

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

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 to 31 March 2025

Reasons for vacancies not advertised within six months
No Disciplinary action due to lack of vacant and funded posts.

Reasons for vacancies not filled within six months
No Disciplinary action due to lack of vacant and funded posts.

Notes:

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

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2024 to 31 March 2025

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
None							

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 to 31 March 2025

Gender	African	Asian	Coloured	White	Total
None					

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 to 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				None

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2024 to 31 March 2025

Gender	African	Asian	Coloured	White	Total
None					

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2024 to 31 March 2025

Salary band	Number of employees at beginning of the period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Skilled (Levels 3-5)	248	21	31	12,50
Highly Skilled Production (Levels 6-8)	488	4	72	14,80
Highly Skilled Supervision (Levels 9-12)	637	22	41	6,40
Senior Management Service Band A	109	7	10	9,20
Senior Management Service Band B	33	1	4	12,10
Senior Management Service Band C	9	0	1	11,10
Senior Management Service Band D	4	9	6	150,00
TOTAL	**1,528**	**64**	**165**	**10,80**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Number of employees at beginning of period – April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administration Clerks	129	0	8	6.20
Administration Officer	64	2	4	6.30
Administrative and Governance Policy Manager	31	1	3	9.70
Applications Developer	2	0	0	0.00
Cashier	5	0	0	0.00
Chief Financial Officer	1	0	0	0.00
Chief Information Officer	1	0	0	0.00
Clerical Supplementary Workers Not Elsewhere Classified (Inclusive of Interns)	70	1	63	88.60
Climate Change Scientist	1	0	0	0.00
Communication and Marketing Manager	2	0	0	0.00
Communication Coordinator	6	0	1	16.70
Communication Strategist	2	0	0	0.00
Compliance Officer	10	0	1	10.00
Computer Network	10	0	1	10.00
Criminal Enforcement Manager (Environment) Permanent	2	0	0	0.00
Database Designer and Administrator	2	0	0	0.00
Dispatching and Receiving Clerk	3	0	0	0.00

Critical occupation	Number of employees at beginning of period – April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Economic Growth & Promotion & Global Relations Manager	7	0	0	0.00
Economic Analyst	2	0	0	0.00
Economist	27	0	1	3.70
Elementary Workers Not Elsewhere Classified	2	3	3	150.00
Employee Wellness Practitioner	1	0	0	0.00
Energy Engineer Permanent	2	0	0	0.00
Environmental Enforcement and Compliance Officer	21	0	0	0.00
Environmental Manager	2	0	1	50.00
Facilities Manager Permanent	2	0	0	0.00
Filing and Registry Clerk	61	2	3	4.90
Finance Clerk	16	0	0	0.00
Finance Manager	3	1	0	0.00
Financial Accountant	4	0	0	0.00
General Accountant	18	0	0	0.00
Graphic Designer	1	0	0	0.00
HeadsoOf National Department	1	0	0	0.00
Human Resource Clerk	18	0	1	5.60
Human Resource Manager	6	0	1	16.70
Human Resource Practitioner	6	0	0	0.00
ICT Systems Analyst	1	0	0	0.00
Industrial/Labour Relations Officer	1	0	0	0.00
Information Technology & Systems Manager	2	0	1	50.00
Internal Audit Manager	3	0	0	0.00
Internal Auditor	7	0	0	0.00
Kitchen Hand	0	1	1	0.00
Legal Administration Officer	11	2	4	36.40
Legal-Related Manager	4	0	0	0.00
Librarian	1	0	0	0.00
Managers Not Elsewhere Classified	16	9	6	43.80
Mechanical Engineer	2	0	0	0.00
Messengers	2	2	4	200.00
Middle Manager: Human Resource & Organisational Development-Related	32	0	2	6.30
Middle Manager: Administrative-Related	102	3	6	5.90
Middle Manager: Engineering- Sciences Related	21	1	0	0.00
Middle Manager: Finance And Economics-Related	38	0	0	0.00

Critical occupation	Number of employees at beginning of period – April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Middle Manager: Information Technology-Related	20	0	2	10.00
Middle Manager: Internal Audit-Related	9	1	0	0.00
Middle Manager: Legal-Related	7	0	0	0.00
Middle Manager: Natural Science-Related	116	1	4	3.40
Middle Manager: Social Science-Related	16	0	0	0.00
Middle Manager: Trade and Industry-Related	16	0	0	0.00
Middle Manager: Communication & Information-Related	11	0	0	0.00
Mine Communities & Stakeholder Engagement Manager	1	0	0	0.00
Mine Equipment Inspector Permanent	24	0	3	12.50
Mine Health and Safety Inspector	36	4	0	0.00
Mine Health and Safety Manager	17	1	2	11.80
Mine Surveying Inspector	8	0	0	0.00
Mine Surveying Manager	1	0	0	0.00
Mineral & Petroleum Titles Registration Office Manager	1	0	0	0.00
Mineral Law Administration Officer	21	0	0	0.00
Mineral Regulation and Administration Manager	12	0	0	0.00
Mining Engineer Permanent	2	0	0	0.00
Multimedia Designer	1	0	0	0.00
Nuclear Enforcement and Compliance Inspector	2	0	0	0.00
Nuclear Manager	5	0	0	0.00
Nuclear Non-Proliferation & Radiation Security Manager	3	0	0	0.00
Nuclear Safety & Liabilities & Emergency Officer	2	0	0	0.00
Nuclear Technology Officer	2	0	0	0.00
Occupational Hygiene Inspector	18	0	3	16.70
Occupational Medicine Inspector	17	0	1	5.90
Office Cleaner	1	4	3	300.00
Organisational Development Practitioner	3	0	0	0.00
Other Clerical Support Workers	1	0	0	0.00
Other Middle Manager	29	0	3	10.30
Payroll Clerk	4	0	0	0.00
Personal Assistant	98	0	2	2.00
Petroleum Licencing and Fuel Supply Manager	13	0	2	15.40
Policy Analyst	19	0	0	0.00

Critical occupation	Number of employees at beginning of period – April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Policy And Planning Managers	7	0	0	0.00
Programme or Project Manager	9	14	14	155.60
Public/Media Relations Manager	1	1	1	100.00
Receptionist (General)	12	4	4	33.30
Regulatory and Compliance and Enforcement Manager	5	0	0	0.00
Risk and Integrity Manager	3	0	1	33.30
Risk Officer	3	0	0	0.00
Safety Health and Quality Inspectors	0	1	0	0.00
Safety/Health & Environment & Quality (She&Q) Practitioner	1	0	0	0.00
Secretaries & Other Keyboard Operating Clerks	1	0	0	0.00
Security Officer	75	6	4	5.30
Security/Reintegration Manager	1	0	0	0.00
Skills Development Facilitator/Practitioner	6	0	0	0.00
Social and Labour Plan Officer	11	0	0	0.00
Statistician	6	0	0	0.00
Strategy/Monitoring & Evaluation Manager	3	0	0	0.00
Supply Chain Clerk	24	0	1	4.20
Supply Chain Manager	2	0	0	0.00
Supply Chain Practitioner	11	0	0	0.00
Surveying or Cartographic Technician	1	0	0	0.00
Switchboard Operator	3	0	0	0.00
Systems Administrator	10	0	0	0.00
Technical & Associated Technical Occupations Not Classified	2	0	0	0.00
Technical Writer	1	0	0	0.00
Trade and Industry Manager	1	0	0	0.00
Transport Clerk	9	0	0	0.00
TOTAL	**1528**	**64**	**165**	**10.80**

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

(a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) in respect of which a department experiences a high degree of difficulty to recruit, or retain, the services of employees.

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2024 to 31 March 2025

Termination Type	Number	% of Total Resignations
Death	6	4
Resignation	34	21
Expiry of contract	101	61
Transfers	3	2
Dismissal-misconduct	4	2
Retirement	17	10
Total	**165**	**100**
Total number of employees who left as a % of total employment	**10.8**	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 to 31 March 2025

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administration Clerks	129	0	0	69	54
Administration Officer	64	0	0	31	48
Administrative And Governance Policy Manager	31	0	0	24	77
Applications Developer	2	0	0	1	50
Cashier	5	0	0	1	20
Chief Financial Officer	1	0	0	0	0
Chief Information Officer	1	0	0	0	0
Clerical Supplementary Workers Not Elsewhere Classified	70	0	0	1	1
Climate Change Scientist	1	0	0	1	100
Communication And Marketing Manager	2	0	0	2	100
Communication Coordinator	6	0	0	2	33
Communication Strategist	2	0	0	1	50
Compliance Officer	10	0	0	4	40
Computer Network Technician	10	0	0	6	60
Criminal Enforcement Manager (Environment)	2	0	0	2	100

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Database Designer and Administrator	2	0	0	1	50
Dispatching and Receiving Clerk	3	0	0	3	100
Economic Growth & Promotion & Global Relations Manager	7	0	0	3	43
Economic Analyst	2	0	0	2	100
Economist	27	1	4	17	63
Elementary Workers Not Elsewhere Classified	2	0	0	0	0
Employee Wellness Practitioner	1	0	0	1	100
Energy Engineer	2	0	0	2	100
Environmental Enforcement and Compliance Officer	21	0	0	14	67
Environmental Manager	2	0	0	0	0
Facilities Manager	2	0	0	2	100
Filing And Registry Clerk	61	0	0	39	64
Finance Clerk	16	0	0	8	50
Finance Manager	3	0	0	2	67
Financial Accountant	4	0	0	3	75
General Accountant	18	0	0	10	56
Graphic Designer	1	0	0	1	100
Heads of National Department	1	0	0	0	0
Human Resource Clerk	18	0	0	11	61
Human Resource Manager	6	0	0	5	83
Human Resource Practitioner	6	0	0	3	50
ICT Systems Analyst	1	0	0	0	0
Industrial/Labour Relations Officer	1	0	0	1	100
Information Technology & Systems Manager	2	0	0	1	50
Internal Audit Manager	3	0	0	3	100
Internal Auditor	7	0	0	6	86
Legal Administration Officer	11	0	0	3	27
Legal-Related Manager	4	0	0	4	100
Librarian	1	0	0	1	100
Managers Not Elsewhere Classified	16	0	0	8	50
Mechanical Engineer	2	0	0	0	0

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Messengers	2	0	0	0	0
Middle Manager: Human Resource & Organisational Development-Related	32	0	0	20	63
Middle Manager: Administrative-Related	102	0	0	71	70
Middle Manager: Engineering Sciences-Related	21	0	0	12	57
Middle Manager: Finance And Economics-Related	38	0	0	26	68
Middle Manager: Information Technology-Related	20	1	5	11	55
Middle Manager: Internal Audit-Related	9	1	11	8	89
Middle Manager: Legal-Related	7	0	0	1	14
Middle Manager: Natural Science-Related	116	1	1	80	69
Middle Manager: Social Science-Related	16	0	0	8	50
Middle Manager: Trade and Industry-Related	16	0	0	7	44
Middle Manager: Communication & Information-Related	11	0	0	7	64
Mine Communities & Stakeholder Engagement Manager	1	0	0	1	100
Mine Equipment Inspector	24	0	0	14	58
Mine Health and Safety Inspector	36	0	0	18	50
Mine Health and Safety Manager	17	0	0	13	77
Mine Surveying Inspector	8	0	0	8	100
Mine Surveying Manager	1	0	0	1	100
Mineral & Petroleum Titles Registration Office Manager	1	0	0	1	100
Mineral Law Administration Officer	21	0	0	4	19
Mineral Regulation and Administration Manager	12	0	0	9	75
Mining Engineer	2	0	0	1	50
Multimedia Designer	1	0	0	1	100

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Nuclear Enforcement and Compliance Inspector	2	0	0	1	50
Nuclear Manager	5	0	0	3	60
Nuclear Non-Proliferation & Radiation Security Manager	3	0	0	3	100
Nuclear Safety & Liabilities & Emergency Officer	2	0	0	1	50
Nuclear Technology Officer	2	0	0	1	50
Occupational Hygiene Inspector	18	0	0	8	44
Occupational Medicine Inspector	17	0	0	9	53
Office Cleaner	1	0	0	0	0
Organisational Development Practitioner	3	0	0	2	67
Other Clerical Support Workers	1	0	0	0	0
Other Middle Manager	29	0	0	17	59
Other Occupations	0	0	0	6	0
Payroll Clerk	4	0	0	3	75
Personal Assistant	98	0	0	46	47
Petroleum Licencing and Fuel Supply Manager	13	0	0	11	85
Policy Analyst	19	1	5	10	53
Policy And Planning Managers	7	0	0	2	29
Programme or Project Manager	9	0	0	2	22
Public/Media Relations Manager	1	0	0	0	0
Receptionist (General)	12	0	0	8	67
Regulatory and Compliance and Enforcement Manager	5	0	0	3	60
Risk And Integrity Manager	3	0	0	2	67
Risk Officer	3	0	0	2	67
Safety/Health & Environment & Quality (She&Q) Practitioner	1	0	0	0	0
Secretaries & Other Keyboard Operating Clerks	1	0	0	0	0
Security Officer	75	2	3	59	79
Security/ Reintegration Manager	1	0	0	1	100

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Skills Development Facilitator/ Practitioner	6	0	0	2	33
Social And Labour Plan Officer	11	0	0	1	9
Statistician	6	0	0	5	83
Strategy/Monitoring & Evaluation Manager	3	0	0	0	0
Supply Chain Clerk	24	0	0	12	50
Supply Chain Manager	2	0	0	1	50
Supply Chain Practitioner	11	0	0	7	64
Surveying or Cartographic Technician	1	0	0	0	0
Switchboard Operator	3	0	0	2	67
Systems Administrator	10	0	0	6	60
Technical & Associate Technical Occupations Not Classified	2	0	0	2	100
Technical Writer	1	0	0	0	0
Trade And Industry Manager	1	0	0	1	100
Transport Clerk	9	0	0	6	67
TOTAL	**1528**	**7**	**1**	**866**	**57**

Table 3.5.5 Promotions by salary band for the period 1 April 2024 to 31 March 2025

Salary Band	Employees 1 April 2024	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Skilled (Levels 3-5)	242	2	1	155	64
Highly Skilled Production (Levels 6-8)	409	0	0	210	51
Highly Skilled Supervision (Levels 9-12)	624	5	1	394	63
Senior Management (Levels >= 13)	150	0	0	99	66
Other, Permanent	70	0	0	0	0
Contract (Levels 3-5)	6	0	0	1	17
Contract (Levels 6-8)	9	0	0	4	44
Contract (Levels 9-12)	13	0	0	3	23
Contract (Levels >= 13)	5	0	0	0	0
TOTAL	**1528**	**7**	**1**	**866**	**57**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Labourers and Related Workers	10	0	0	0	18	0	0	0	**28**
Clerical Support Workers	111	2	2	1	287	17	0	12	**432**
Elementary	1	0	0	0	4	0	0	0	**5**
Managers	268	1	4	15	264	2	6	6	**566**
Professionals	113	1	2	3	133	3	1	0	**256**
Protect Rescue Social Health Science Support Personnel	55	1	0	2	16	1	0	0	**75**
Security & Custodian Personnel	1	0	0	0	0	0	0	0	**1**
Technicians & Associate Technical Occupations	52	0	0	0	69	1	0	2	**124**
TOTAL	**611**	**5**	**8**	**21**	**791**	**24**	**7**	**20**	**1487**
Employees with disabilities	7	0	0	6	11	0	0	1	**25**

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	6	0	0	0	4	0	1	1	**12**
Senior Management, Permanent	80	0	2	2	46	0	2	1	**133**
Professionally qualified and experienced specialists and mid-management, Permanent	279	2	2	13	300	3	4	5	**608**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	109	0	1	3	264	15	0	11	**403**
Semi-skilled and discretionary decision making, Permanent	94	2	1	0	129	5	0	2	**233**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (Top Management), Permanent	4	0	0	1	0	0	0	0	**5**
Contract (Senior Management), Permanent	2	0	1	1	2	0	0	0	**6**
Contract (Professionally Qualified), Permanent	7	0	0	1	5	0	0	0	**13**
Contract (Skilled technical), Permanent	27	1	1	0	27	1	0	0	**57**
Contract (Semi-skilled), Permanent	3	0	0	0	14	0	0	0	**17**
Total	**611**	**5**	**8**	**20**	**792**	**24**	**7**	**20**	**1487**

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	0	1	**4**
Senior Management	1	0	0	0	1	0	0	0	**2**
Professionally qualified and experienced specialists and mid-management	7	0	0	0	1	0	0	0	**8**
Semi-skilled and discretionary decision-making	4	0	0	0	2	0	0	0	**6**
Intern	1	0	0	0	0	0	0	0	**1**
Contract (Top Management)	3	0	0	1	0	0	0	0	**4**
Contract (Senior Management)	3	0	1	1	2	0	0	0	**7**
Contract (Professionally qualified)	6	0	0	2	6	0	0	0	**14**
Contract (Skilled technical), Permanent	2	0	0	0	1	0	0	0	**3**
Contract (Semi-skilled), Permanent	4	0	0	0	10	0	0	0	**14**
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	**1**
TOTAL	**32**	**0**	**1**	**4**	**26**	**0**	**0**	**1**	**64**
Employees with disabilities	0	0	0	0	0	0	0	0	**0**

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	2	0	0	0	**4**
Senior Management	56	0	2	1	33	0	2	1	**95**
Professionally qualified and experienced specialists and mid-management	177	1	0	3	210	1	3	4	**399**
Skilled technical and academically qualified workers, junior management, supervisors, foremen	59	0	0	0	142	5	0	4	**210**
Semi-skilled and discretionary decision making	67	2	0	0	81	5	0	2	**157**
Contract (Professionally qualified)	2	0	0	0	1	0	0	0	**3**
Contract (skilled, technical)	2	0	0	0	2	0	0	0	**4**
Contract (semi-skilled)	1	0	0	0	0	0	0	0	**1**
TOTAL	**366**	**3**	**2**	**4**	**471**	**11**	**5**	**11**	**873**
Employees with disabilities	5	0	0	2	6	0	0	1	**14**

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	1	2	0	0	0	**7**
Senior Management	9	0	1	2	4	0	0	0	**16**
Professionally qualified and experienced specialists and mid-management	21	0	0	3	13	0	0	0	**37**
Skilled technical and academically qualified workers, junior management, supervisors, foremen	29	2	1	0	26	1	0	1	**60**
Semi-skilled and discretionary decision making, permanent	18	0	0	1	26	0	0	0	**45**
TOTAL	**81**	**2**	**2**	**7**	**71**	**1**	**0**	**1**	**165**
People with disability	0	0	0	0	0	0	0	0	**0**

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Corrective counselling	1	0	0	0	0	0	0	0	**1**
Dismissal	5	0	0	0	0	0	0	0	**5**
Written warning	1	0	0	0	0	0	0	0	**1**
Final written Warning	2	0	0	0	1	0	0	0	**3**

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Clerical Support Workers	34	0	0	0	56	1	2	2	**94**
Managers	73	0	1	0	70	1	1	0	**145**
Professionals	39	0	2	0	57	2	2	0	**100**
Protect Rescue Social Health Science Support Personnel	15	0	0	0	0	0	0	0	**15**
Technicians & Associate Technical Occupations	28	1	0	1	52	1	2	1	**85**
Grand Total	**189**	**1**	**3**	**1**	**235**	**5**	**7**	**3**	**439**
Employees with disabilities	1	0	0	0	1	0	0	0	**0**

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as at 31 August 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 15	8	8	8	100%
Salary Level 14	38	33	28	74%
Salary Level 13	121	108	99	82%
Total	**168**	**150**	**136**	**81%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as at 31 March 2025

Reasons
Contract expired, retirement before the due date, probation.

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

Reasons
None

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2024 to 31 March 2025

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
None					

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
None						

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
None					

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
None						

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2024 to 31 March 2025

Salary band	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior Management (13-16)	4	100	4	100	4	100
Total	**4**	**100**	**4**	**100**	**4**	**100**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2024 to 31 March 2025

Major occupation	01 April 2024		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	4	100	4	100	4	100
Total	**4**	**100**	**4**	**100**	**4**	**100**

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 3-5)	18	56	5	1	4	5
Contract (Levels 6-8)	112	69	31	3	4	75
Contract (Levels 9-12)	7	100	1	0	7	21
Contract Other	83	57	32	3	3	24
Highly skilled production (Levels 6-8)	2548	75	325	29	8	4703
Highly skilled supervision (Levels 9-12)	3015	78	425	38	7	10236
Senior management (Levels 13-16)	558	78	94	9	6	2886
Skilled (Levels 3-5)	1561	81	196	18	8	1892
TOTAL	**7902**	**77**	**1109**	**100**	**7**	**19843**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 224

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Highly skilled production (Levels 6-8)	843	100	36	38	23	1620
Highly skilled supervision (Levels 9-12)	569	100	28	30	20	1953
Senior management (Levels 13-16)	108	100	5	5	22	555
Skilled (Levels 3-5)	506	100	26	27	19	626
TOTAL	**2026**	**100**	**95**	**100**	**21**	**4755**

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

Table 3.10.3 Annual Leave for the period 1 January 2024 to 31 December 2025

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	3	1	3
Contract (Levels 13-16)	48	10	5
Contract (Levels 3-5)	111	19	6
Contract (Levels 6-8)	649	68	10
Contract (Levels 9-12)	105	13	8
Contract Other	602	69	9
Highly skilled production (Levels 6-8)	11430	410	28
Highly skilled supervision (Levels 9-12)	16474	631	26
Senior management (Levels 13-16)	3769	153	25
Skilled (Levels 3-5)	6287	250	25
TOTAL	**39478**	**1624**	**24**

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2025
Highly skilled production (Levels 6-8)	3	2	2	11
Highly skilled supervision (Levels 9-12)	13	2	7	16
Senior management (Levels 13-16)	1	1	1	32
Skilled (Levels 3-5)	0	0	0	21
TOTAL	**17**	**5**	**3**	**17**

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

Table 3.10.5 Leave payouts for the period 1 April 2024 to 31 March 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Discounting With Resignation (Workdays)	1063	28	37,9
Annual - Discounting: Contract Expiry (Workdays)	16	2	8
Annual - Discounting: Unused Vacation Credits (Workdays)	11	1	11
Annual - Gratuity: Death/Retirement/Medical Retirement (Workdays)	938	16	58,6
Capped - Gratuity: Death/Retirement/Medical Retirement (Workdays	401	7	57,2
TOTAL	**2429**	**54**	**44,9**

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Sexually Active employees and those who travel frequently	HIV Awareness and Testing

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr Lufuno Nemudzivhadi Director: ERM
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		We have Three (3) officials. Budget is shared between Labour Relations Management and Employee Health and Wellness.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		EAP services are outsourced and the key elements are • Education and awareness • Work life support • Family challenges

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent	Yes		The Department. has 45 committee members. Labour Unions have 3 members each. Some of the key members are Mr Moshokoa Mashamaite Assistant Director: OHS, Ms Veronica Mohai OHS practitioner, Mr Lesibana Katjedi Wellness Practitioner. Mr Ranwedzi Sinthumule -Chairperson, Ms Mamello Sako- Secretary.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Access to Voluntary testing, Confidentiality, protection of employees who are HIV positive and protection against discrimination, victimisation, or harassment.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Department has developed a policy to address discrimination and stigmatisation of employees perceived to be HIV positive. Prevention of re-infection through education and training Care, support, and protection of the rights of the infected employees
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		We conduct Health Risk assessments twice per year, employees who test positive easily disclose their status and seek advice from relevant institutions. Most of the positive employees choose to access treatment early and they normally discuss their treatment plan with Wellness officials
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	No		We use a System Monitoring Tool (SMT) from DPSA

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2024 to 31 March 2025

Policies	Date Approved
Policy on Recruitment and Selection	2024/08/20
Policy and Guidelines on Management of Leave	2024/08/20
Policy on Transfers	2024/04/04
Policy on Harassment	2024/08/20
Policy on EE	2024/08/20
Policy on Job Evaluation and Job Description	2024/04/04

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2024 to 31 March 2025

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	10%
Verbal warning	0	0%
Written warning	1	10%
Final written warning	3	30%
Suspended without pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	5	50%
Not guilty	0	0%
Case withdrawn	0	0%
Total	**10**	**100%**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 to 31 March 2025

Type of misconduct	Number	% of total
Gross Dishonesty	1	25%
Theft	1	25%
Misrepresentation	1	25%
Gross Insubordination & absenteeism	1	25%
Total	**4**	**100%**

Table 3.12.4 Grievances logged for the period 1 April 2024 to 31 March 2025

Grievances	Number	% of Total
Number of grievances resolved	29	94%
Number of grievances not resolved	2	6%
Total number of grievances lodged	**31**	**100%**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2024 to 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	2	18%
Number of disputes dismissed	2	18%
Number of disputes withdrawn	1	9%
Number of disputes in progress	6	54%
Total number of disputes lodged	**11**	**100%**

Table 3.12.6 Strike actions for the period 1 April 2024 to 31 March 2025

Total number of persons working days lost	None
Total costs working days lost	None
Amount recovered as a result of no work, no pay (R'000)	None

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

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	193
Cost of suspension(R'000)	448

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2024 to 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Clerical Support Workers	Male	127	0	42	14	**56**
	Female	326	0	117	29	**146**
Elementary	Male	2	0	0	0	**0**
	Female	3	0	0	0	**0**
Managers	Male	298	0	49	0	**49**
	Female	286	0	33	1	**34**
Professionals	Male	133	0	175	11	**186**
	Female	151	0	259	13	**272**
Protect Rescue Social Health Science Support Personnel	Male	58	0	16	0	**16**
	Female	17	0	6	0	**6**
Technicians & Associate Technical Occupations	Male	54	0	130	18	**148**
	Female	72	0	159	20	**179**
Security and Custodian Personnel	Male	1	0	0	1	**1**
	Female	0	0	0	0	**0**
Sub Total	Male	673	0	412	44	**456**
	Female	855	0	574	63	**637**
Total		**1528**	**0**	**986**	**107**	**1093**

Table 3.13.2 Training provided for the period 1 April 2024 to 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Clerical Support Workers	Male	127	0	12	12	**34**
	Female	326	0	40	20	**60**
Elementary	Male	2	0	0	0	**0**
	Female	3	0	0	0	**0**
Managers	Male	298	0	72	2	**74**
	Female	286	0	69	2	**71**
Professionals	Male	133	0	35	6	**41**
	Female	151	0	46	13	**59**
Protect Rescue Social Health Science Support Personnel	Male	58	0	14	0	**14**
	Female	17	0	0	0	**0**
Technicians & Associate Technical Occupations	Male	54	0	10	20	**30**
	Female	72	0	36	19	**55**
Security and Custodian Personnel	Male	1	0	0	1	**1**
	Female	0	0	0	1	**0**
Sub Total	Male	673	0	153	41	**194**
	Female	855	0	191	45	**245**
Total		**1528**	**0**	**344**	**95**	**439**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2024 to 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	6	33%
Temporary Total Disablement	12	67%
Permanent Disablement	0	0%
Fatal	0	0%
Total	**18**	**100%**

3.15 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the department.

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

(a) The rendering of expert advice;

(b) The drafting of proposals for the execution of specific tasks; and

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2024 to 31 March 2025

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
Invitation of bids for the appointment of SGS South Africa for sampling and testing of petroleum products on behalf of the Department of Mineral Resources and Energy to monitor fuel quality compliance in the South African petroleum industry in terms of regulations regarding petroleum products specifications and standards R 627, issued on 23 June 2006 in gazette no. 28958, as amended for the Department of Mineral Resources and Energy for a period of thirty six (36) Months.	13 consultants	60	R22,957,020.00
The appointment of Advance Call (Pty) Ltd to establish and manage the 24/7/365 days, anti-corruption hotline number for the Department of Mineral Resources and Energy for a period of twenty- four (24) months.	10 Consultants	340	R125,580.00
Appointment of Mehato Engineering (Pty) Ltd to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	4 consultants	120	R1,952, 697.20
Appointment of Phaladikelello (Pty) Ltd to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	5 consultants	120	R3,813,331.78
Appointment of 3B Technical Services cc to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	5 consultants	85	R1,327,790.00

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
Appointment of OMA Chartered Accountants to audit the monthly Fuel Price Adjustments, Fuel Price Media Statement, verify the consolidation of Regulatory Accounting System (RAS) Data from the Petroleum Industry and confirm the different margins administered by the Department of Mineral Resources and Energy for a period of thirty-six (36) months.	4 Consultants	18	R985,837.50
Appointment of Transformex to render Broad-Based Black Economic Empowerment (B-BBEE) Assessment for 2024/25 and issue a compliance report for the Department of Mineral Resources and Energy (DMRE) for a period of two (2) months.	3 Consultants	116	R186, 799.20
Appointment of University of Johannesburg with registered EPC Professionals for Energy Performance Assessments and issuing of Energy Performance Certificates (EPC) for ten (10) selected buildings for a period of five (5) months.	06 Consultants	99	R156,200.00
Appointment of a panel of Phaladikelello (Pty) Ltd to conduct monitoring and evaluation of solar home systems installed in five provinces for a period of six (6) months.	08 Consultants	125	R4,347,000.00
The Appointment of Phaladikelello (Pty) to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	08 Consultants	125	R1, 998, 150.00
The appointment of 3B Technical Services cc to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	04 Consultants	125	R2, 081, 500.00
The appointment of Ernst & Young Advisory Services to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	04 Consultants	85	R947, 152.00
Appointment of Mintek to seal additional unsafe mine openings in Gauteng Province.	12 Consultants	108	R 181, 896, 000.00
Appointment of Council for Geoscience (CGS) as an implementing agency of the research and mine water management projects on behalf of the department for the period of 36 months.	33 Consultants	107	R 30, 956, 000.00

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
14	119	1633	R253, 731, 057.68

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 to 31 March 2025

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
The appointment of **SGS South Africa** for sampling and testing of petroleum products on behalf of the Department Mineral Resources and Energy to monitor fuel quality compliance in the South African petroleum industry in terms of regulations regarding petroleum products specifications and standards R 627, issued on 23 June 2006 in gazette no. 28958, as amended for the Department of Mineral Resources and Energy for a period of thirty six (36) Months.	85.49%	85.49%	3 White males 3 Indian males 3 Black females 4 Black males
The appointment of **Advance Call (Pty)** Ltd to establish and manage the 24/7/365 days, anti-corruption hotline number for the Department of Mineral Resources and Energy for a period of twenty-four (24) months.	0%	0%	6 Black males 1 White male 1 Indian male 2 Black females
The appointment of **Mehato Engineering (Pty) Ltd** to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	100%	100%	1 Black male 1 Black female 2 White males
The appointment of **Phaladikelello (Pty) Ltd** to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	100%	100%	2 Black females 6 Black males
The appointment of **3B Technical Services** cc to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	100%	100%	2 Black female 2 Black male 1 White male
The appointment of **OMA Chartered Accountants** to audit the monthly Fuel Price Adjustments, Fuel Price Media Statement, verify the consolidation of Regulatory Accounting System (RAS) Data from the Petroleum Industry and confirm the different margins administered by the Department of Mineral Resources and Energy for a period of thirty-six (36) months.	100%	100%	1 Indian male 1 Indian female 1 White male 1 Black male
The appointment of **Transformex** to render Broad-Based Black Economic Empowerment (B-BBEE) Assessment for 2024/25 and issue a compliance report for the Department of Mineral Resources and Energy (DMRE) for a period of two (2) months.	100%	100%	1 Indian female 1 White male 1 Indian male

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
The appointment of the **University of Johannesburg** with registered EPC Professionals for Energy Performance Assessments and issuing of Energy Performance Certificates (EPC) for ten (10) selected buildings for a period of five (5) months.	0%	0%	3 White male 1 Black male 1 Black female 1 Indian male
The appointment of a panel of **Phaladikelello (Pty) Ltd** to conduct monitoring and evaluation of solar home systems installed in five provinces for a period of six (6) months.	100%	100% Black	2 Black females 6 Black males
The appointment of **Phaladikelello (Pty)** to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	100% Black	100% Black	2 Black females 6 Black males
The appointment of **3B Technical Services** cc to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	100% Black	100% Black	2 Black female 1 Black male 1 White male
The appointment of **Ernst & Young Advisory Services** to render Technical Energy Audits and Measurement and Verification (M&V) of Energy Savings achieved from the implementation of the 2024/25 Municipal Energy Efficiency and Demand Side Management (EEDSM) grant projects from Municipalities for a period of six (6) months.	57,72% Black	57.72% Black	2 Black male 1 White 1 Indian male
The appointment of **Mintek** to seal additional unsafe mine openings in Gauteng Province.	0%	0%	5 African male 6 African female 1 White male
The appointment of the Council for **Geoscience (CGS)** as an implementing agency of the research and mine water management projects on behalf of the department for the period of 36 months.	0%	0%	13 African males 14 African females 4 White males 1 White females 1 Indian male
The appointment of **Netbaleng Trading CC** to develop a level 1 integrated disaster management plan of sector Department for Minerals and Energy, under the Department of Mineral Resources and Energy, for a period of six (6) months.	100% Black	100% Black	3 Black males 1 black female
The appointment of **Laetoli** to define a desired organisational culture which is aligned to the values, vision and mission of the Department.	51% Black	51% Black	1 African male 1 African female

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 to 31 March 2025

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 to 31 March 2025

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

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 20YY to 31 March 20ZZ

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
None				

PART E:

PFMA COMPLIANCE REPORT

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

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	277 462	291 347
Adjustment to opening balance	(2 327)	-
Opening balance as restated	275 135	291 347
Add: Irregular expenditure confirmed	14	-
Less: Irregular expenditure not condoned and removed	(1 814)	(13 885)
Less: Irregular expenditure not recoverable and written off	(19)	-
Closing balance	**273 316**	**277 462**

The amount of irregular expenditure was reduced following an investigation by Internal Audit into the alleged irregular expenditure. The investigation concluded that, out of a total of R2,836,418.56, an amount of R2,325,772.77 was not irregular. Only R510,645.79 was confirmed to be irregular expenditure.

The amount of irregular expenditure of the amount of R13 798 is as a result of an ex-post payment for catering services during an outreach programme where more than anticipated people attended the event.

The irregular expenditure removed related to non-compliance to SCM process. The official responsible terminated their contract of employment prior to finalisation of the investigation and could not be held accountable. The department benefitted from the transaction and there was no criminal or fraudulent intent by the official.

The official responsible for the irregular expenditure written off resigned from the department prior to finalisation of investigation and could not be interviewed nor provide clarity on the procurement process in question, hence the transaction was written off, and the investigation was inconclusive.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure for the current year	14	-
Total	**14**	**-**

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under determination	273 316	277 462
Total	**273 316**	**277 462**

c) Details of irregular expenditure removed - (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	1 814	
Total	**1 814**	

d) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	20/20YY
	R'000	R'000
Irregular expenditure written off	19	
Total	**19**	

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	334 860	331 830
Adjustment to opening balance	-	-
Opening balance as restated	334 860	331 830
Add: Fruitless and wasteful expenditure confirmed	19	3 048
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	1	18
Closing balance	**334 879**	**334 860**

Fruitless and wasteful expenditure incurred in the current year relate to interest charges incurred for late payment of invoices from a service provider amounting to circa R17 761 and R936 arising from a settlement of an arbitration award. Subsequently, the fruitless and wasteful expenditure of the arbitration award was subsequently written off as no negligence was identified from any official of the Department

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure for the current year	19	3 048
Total	**19**	**3 048**

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under determination	19	3 048
Total	**19**	**3 048**

c) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	1	-
Total	**1**	**-**

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	50 604	50 604
Closing balance	**50 604**	**50 604**

2010/11 – R14.86 million: A Condonation Request was presented again by the DMRE to SCOPA in 2023. SCOPA has resolved to condone the R14.86 million unauthorised expenditure without funding. The Department's future budget will be reduced to accommodate the writing-off of this amount. As captured in the report from the Standing Committee on Public Accounts (SCOPA) to the sixth Parliament, the Committee discussed the unauthorised expenditure incurred by the former Department of Energy (DoE) in 2010/11 financial year. However, the sixth Parliament term ended before it could consider the report from SCOPA. Accordingly, it is expected that the seventh Parliament will consider recommendations on unauthorised expenditure and pass the relevant Finance Bill on funding for unauthorised expenditure if in agreement.

2016/17 – R35.74 million: An investigation under the auspices of the Department's Internal Audit division for the 2016/17 unauthorised expenditure of R35.74 million was concluded in June 2023. A final report on the outcome and recommendations thereof was presented by Internal Audit to the Accounting Officer and subsequently submitted to the Legal service division and Employee Relations Unit for verification. Based on the recommendation from the mentioned divisions, the Department applied for the support and facilitation of a condonation application to the relevant Public Accounts Committee.

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

Description	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under determination	50 604	50 604
Total	**50 604**	**50 604**

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

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	336	583
Less: Not recoverable and written off	100	
Total	**466**	**583**

Losses suffered by the Department emanates from theft of laptops and other machinery. Furthermore, computer equipment and other machinery that have been thoroughly investigated and no negligence has been determined are subsequently written off.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1 275	445 234
Invoices paid within 30 days or agreed period	1 275	445 234

3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of Council for Geoscience as an implementing agency of the mine research and mine water management projects on behalf of the DMRE for the 2024/25 financial year	The Council for Geoscience	Continuation of prior work done	N/A	30 956 000,00
Appointment of Council for Geoscience as an implementing agency of the mine research and mine water management projects on behalf of the DMRE for the 2025/26 financial year	The Council for Geoscience	Continuation of prior work done	N/A	30 956 001,00
Appointment of Council for Geoscience as an implementing agency of the mine research and mine water management projects on behalf the DMRE for 2026/27 financial year	The Council for Geoscience	Continuation of prior work done	N/A	30 956 002,00
Request for the BAC to recommend and the Director-General to approve the procurement of maintenance, enhancement, and support of SAMRAD GIS System for a period of twenty-four (24) months from a Sole supplier	ESRI South Africa	Sole supplier	BAC-09-2024-25	3 016 381,37

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Request for the BAC to recommend and the Director-General to approve the procurement of maintenance, enhancement, and support of SAMRAD online System through deviation from a normal procurement process for a period of twelve (12) months from a sole supplier	Moneo Professional Services	Sole supplier	BAC-10-2024-25	1 243 242
Hosting and participation in annual mining and energy conference (Mining Indaba 2024)	Hyve Events	Sole service provider – Hyve Events has exclusive rights as the event organisers	N/A	4 421 152,00
Participation in the Africa Critical Mineral summit scheduled to take place on 29th to 30th of August 2025 at the Santon Convention Centre	Africa Critical Minerals Summit	Sole service provider: Africa Critical Minerals Summit has exclusive rights as the event organisers	N/A	1 550 000,00
Procurement of manage engine software, annual maintenance and support	Mindspring Computing	Limited bidding: Quotations sourced from manage engine software resellers.	BAC-43-2023-24	1 414 134,00
Implementation and support for teammate plus software subscription	Wolters Kluwer	Sole service provider: Wolters Kluwer is the developer of the teammate system.	BAC-43-2024-25	1 817 935,89
Procurement of McAfee endpoint security maintenance and support for a period of 12 months	Nclose (Pty) Ltd	Limited bidding: Quotations sourced from OEM partners.	BAC-39-2024-25	1 359 934,80
Urgent operations to extract illegal miners from shaft 11 at Buffelsfontein Gold Mine	Mines Rescue Services	Emergency	N/A	5 989 427,89
Appointment of Mintek as the professional service provider to seal additional unsafe holdings in Gauteng	Mintek	Emergency and continuation of work done	N/A	181 896 000,00
Appointment of Council for Scientific and Industrial Research (CSIR) to provide technical advisory and support service for a period of 12 months	Council for Scientific and Industrial Research (CSIR)	Exclusive Capability	N/A	3 087 405,00
Total				**298 663 615.95**

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Genmed Services (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Genmed Services (Pty) Ltd	Expansion	DMRE/015/2022/23	795 000	0	341 850

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Genmed Services (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Genmed Services (Pty) Ltd	Expansion of time	DMRE/015/2022/23	795 000	341 850	678 930
Appointment of Ultimate Projects and Management (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Ultimate Projects and Management (Pty) Ltd	Expansion	DMRE/015/2022/23	880 000	0	154 880

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Ultimate Projects and Management (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Ultimate Projects and Management (Pty) Ltd	Expansion of time	DMRE/015/2022/23	880 000	154 880	373 120
Appointment of Allnat Projects (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Allnat Projects (Pty) Ltd	Expansion	DMRE/015/2022/23	878 500	0	375 998

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Allnat Projects (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Allnat Projects (Pty) Ltd	Expansion of time	DMRE/015/2022/23	878 500	375 998	593 866
Appointment of Real Time Trading (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Real Time Trading (Pty) Ltd	Expansion	DMRE/015/2022/23	899 000	0	158 224

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
					R'000	R'000
Appointment of Real Time Trading (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Real Time Trading (Pty) Ltd	Expansion of time	DMRE/015/2022/23	899 000	158 224	381 176
Appointment of Fullswing Trading 458 (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Fullswing Trading 458 (Pty) Ltd	Expansion	DMRE/015/2022/23	775 000	0	333 250

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Fullswing Trading 458 (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Fullswing Trading 458 (Pty) Ltd	Expansion	DMRE/015/2022/23	775 000	333 250	661 850
Appointment of KRYSP (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	KRYSP (Pty) Ltd	Expansion	DMRE/015/2022/23	855 459	0	152 270

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of KRYSP (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	KRYSP (Pty) Ltd	Expansion	DMRE/015/2022/23	855 459	152 270	364 421,70
Appointment of a service provider to render security guarding services in the Department of Mineral Resources and Energy at Head Office Matimba house building for a period of twenty-four (24) months	Mmampheng Construction and Security Services	Expansion	DMRE/012/2021/22	4 388 721,12	0	365 726,26

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a service provider to render security guarding services in the Department of Mineral Resources and Energy at Head Office Matimba house building for a period of twenty-four (24) months	Mmampheng Construction and Security Services	Expansion	DMRE/012/2021/22	4 388 721,12	365 726, 26	274 295,07
Appointment of Fullswing Trading 458 (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (City of Matlosane Municipality)	Fullswing Trading 458 (Pty) Ltd	Expansion	DMRE/015/2022/23	775 000	0	642 200

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Genmed Services (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Polokwane Municipality)	Genmed Services (Pty) Ltd	Expansion	DMRE/015/2022/23	775 000	0	341 850
Appointment of Magic software South Africa for the procurement of maintenance, enhancement and support of system developed, on Magix platform for a period of eighteen (18) months	Magic Software South Africa	Expansion of time	BAC-51- 2022/23	7 710 060,00	0	0

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Ditiropele and Maintenance Services for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (Elundini Municipality)	Ditiropele and Maintenance Services	Expansion	DMRE/015/2022/23	900 000	0	108 000
Appointment of Dumaliwe (Pty) Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (eThekwini Municipality)	Dumaliwe (Pty) Ltd	Expansion	DMRE/015/2022/23	900 000	0	424 800

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Ourkingdom Engineering & Projects Pty Ltd for the installation of five hundred (500) units of solar water heaters also referred to as solar geysers in Polokwane Municipality under the social component of the National Solar Water Heater (NSWH) programme for a period of eight (8) months (eThekwini Municipality)	Ourkingdom Engineering & Projects Pty Ltd	Expansion	DMRE/015/2022/23	900 000	0	424 800
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Kukhanya Energy Services (Pty) Ltd	Expansion of time	DMRE/002/2023/24	15 953 750		

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Ditiropele Development and Maintenance Services	Expansion of time	DMRE/002/2023/24	16 209 010	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Enpower (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 591 900	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Realtime Trading and Projects (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 337 088	0	0

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Valotone 91 cc	Expansion of time	DMRE/002/2023/24	16 163 394	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	KRYSP (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 081 380	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Xpedite Consulting and Properties	Expansion of time	DMRE/002/2023/24	16 081 380	0	0

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Makgolokwe Projects (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 591 900	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Musenga Investment (Pty)	Expansion of time	DMRE/002/2023/24	16 026 140	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Xahumba Engineering Consulting (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 591 900	0	0

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	Eltek Engineering Services (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 030 210	0	0
Appointment of a panel of non-grid Service providers for the supply, installation, and maintenance of solar home systems for the period of six (6) months in the Department of Mineral Resources and Energy	The Brothers Engineering Solution (Pty) Ltd	Expansion of time	DMRE/002/2023/24	16 037 000	0	0
Appointment of a service provider to render cleaning services, fumigation, hygiene services and deep cleaning for the Department of Mineral Resources and Energy (DMRE) Limpopo Regional Office (Dorp Street) for a period of twenty-four (24) months	OKS Investment	Expansion	DMRE/009/2022/23	747 960	0	31 165.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a service provider to render cleaning services, fumigation, hygiene services and deep cleaning for the Department of Mineral Resources and Energy (DMRE) Kwa-Zulu Natal Regional Office (Durban) for a period of twenty-four (24) months	Maredi558 Property and Security (Pty) Ltd	Expansion	DMRE/013/2022/23	912 911,76	0	38 037.99
Appointment of a service provider to render cleaning services, fumigation, hygiene services and deep cleaning for the Department of Mineral Resources and Energy (DMRE) Northwest Regional Offices (Klerksdorp, Mafikeng and Rustenburg) for a period of twenty-four (24) months	Tshepo Thabang and Tshepang	Expansion	DMRE/008/2022/23	2 036 602,08	0	51 993.14

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of Emmaquelate Security to render security services for DMRE Limpopo Regional Office for a period of thirty-six (36) months	Emmaquelate Security	Expansion	DMRE/011/2020/21	1 766 491,56	0	98 138,40
Appointment of a service provider to provide travel, accommodation, venue hire and related services to the Department of Mineral Resources and Energy for the period of thirty-six (36) months as per the Agreement last signed on 20 June 2022 (hereinafter referred to as "the Agreement") for a period of three (3) years up until 31 March 2025.	Tourvest Travel Services (TTS)	Expansion	DMRE/016/2021/22	Services are rate-based	Services are rate-based	Services are rate-based

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of a service provider to provide travel, accommodation, venue hire and related services to the Department of Mineral Resources and Energy for the period of thirty-six (36) months as per the Agreement last signed on 20 June 2022 (hereinafter referred to as "the Agreement") for a period of three (3) years up until 31 March 2025.	Travel With Flair (TWF)	Expansion	DMRE/016/2021/22	Services are rate-based	Services are rate-based	Services are rate-based
Total				**231 062 437.64**	**1 882 198.26**	**7 370 841.56**

PART F:

FINANCIAL INFORMATION

Report of the auditor-general to Parliament on vote no.34: Department of Mineral Resources and Energy

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Mineral Resources and Energy (DMRE) set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Mineral Resources and Energy as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Impairment of accrued departmental revenue

7. As disclosed in note 23.3 to the financial statements, an amount of R 218 898 000 was impaired as a result of the department's inability to collect revenue due to the department.

Restatement of corresponding figures

8. As disclosed in note 32 to the annual financial statements, the corresponding figures as at 31 March 2024 were restated as a result of an error in the financial statements of the department at, and for the year ended 31 March 2025.

Other matter

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

10. The supplementary schedules set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2 – Minerals and Petroleum Regulations	XX	To regulate the mining, minerals and petroleum industry
Programme 3 – Mining, Minerals and Energy Policy Development	XX	To develop integrated minerals and energy policies to promote transformation, investment and sustainable development in the mining and energy sectors
Programme 5 – Mineral and Energy Resources Programmes and Projects	XX	To manage, coordinate and monitor energy and minerals programmes and projects

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

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

- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
20. The material findings on the reported performance information for the selected programme are as follows:

Programme 5: Mineral and Energy Resources Programme and Projects

Various indicators

21. Achievements were reported against various targets, but these targets had not been clearly defined during the planning process. Consequently, the targets are not useful for measuring and reporting on progress against the department's planned objectives.

Indicator	Planned target	Actual achievement
Additional capacity brought online (MW)	Additional capacity brought online (MW)	Not achieved 2257 MW from 21 projects currently in construction. No project(s) reached commercial operation date (COD) by end of Mar'25
New Mining cadastre system implemented	New Mining cadastre system implemented	Not achieved

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

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

Programme 2: Minerals and Petroleum Regulation

Targets achieved: 91.67% Budget spent: 98.9%		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of Fuel samples tested	1080	Not Achieved 566 fuel samples were tested this financial year

Programme 3: Mining, Minerals and Energy Policy Development

Targets achieved: 71.4% Budget spent: 99.6%		
Key indicator not achieved	**Planned target**	**Reported achievement**
Critical Minerals Strategy for South Africa approved by Cabinet	Critical Minerals Strategy for South Africa approved by Cabinet	Not Achieved
Radioactive Waste Management Fund Bill submitted to Cabinet for approval to submit to Parliament	Radioactive Waste Management Fund Bill submitted to Cabinet for approval to submit to Parliament	Not Achieved
Integrated Resource Plan 2023 submitted to Cabinet for approval	Integrated Resource Plan 2023 submitted to Cabinet for approval	Not Achieved
Projects on agreed areas of collaboration and cooperation implemented to promote economic diplomacy, global and regional integration	Renewed Treaty on Inga Hydropower Scheme project. (Not achieved) Exploration project in South Sudan implemented. (achieved)	Not Achieved

Programme 5: Mineral and energy Resources Programmes and projects

Targets achieved: 63% Budget spent: 99.8%		
Key indicator not achieved	**Planned target**	**Reported achievement**
Request for Proposal (RFP) for 1000 MW of Gas-to-Power issued to the Market.	Request for Proposal (RFP) for 1000 MW of Gas-to-Power issued to the Market.	Not Achieved Concept note proposes a two-step approach to the issuance of RFP. The programme has been delayed
Additional capacity brought online (MW)	Additional capacity brought online (MW)	Not Achieved 2257 MW from 21 projects currently in construction. No project(s) reached commercial operation date (COD) by end of Mar'25

Targets achieved: 63% Budget spent: 99.8%		
Key indicator not achieved	**Planned target**	**Reported achievement**
Framework developed on Approach to Distribution Asset Management (ADAM) Programme roll out.	Framework developed on Approach to Distribution Asset Management (ADAM) Programme roll out.	Not Achieved • ADAM programme Framework development ongoing. • Three Milestones achieved. a) Component 1 - review of previous work done. b) Component 2 - market assessment. c) Component 3 - programme design for phase ii of Adam.
Number of derelict and ownerless mine sites rehabilitated	3 Derelict and ownerless mine sites rehabilitated	Not Achieved 2 Derelict and ownerless mine sites rehabilitated
Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan approved	Mining Sector Women Empowerment and Gender Equality Strategy and Implementation plan approved	Not Achieved
Mining Sector Youth Empowerment Strategy and implementation Plan approved	Mining Sector Youth Empowerment Strategy and implementation Plan approved	Not Achieved
New Mining cadastral system implemented	New Mining cadastral system implemented	Not Achieved.

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 3 and Programme 5. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Revenue management

30. Effective and appropriate steps were not taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA.

Other information in the annual report

31. The accounting officer is responsible for the other information included in the annual report which includes the general information, governance, human resource management. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

32. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

36. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

37. The senior management did not adequately prepare regular, accurate and complete performance reports to ensure that the targets formulated are specific and measurable.

38. The senior management did not adequately review and monitor compliance with applicable laws and regulations. As a result, there was material non-compliance

Material irregularities

39. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Payment for storage fees in relation to Solar Water Heaters

40. From 2016 until the 31 March 2024 financial year, the department made payments to service providers in relation to the storage of solar water heaters because beneficiaries for the installations had not been identified. This was not

an effective, efficient and economical use of the departments' resources because the solar water units were meant to be installed and not stored. The storage fees are as a result of delays in the implementation and completion of this project.

41. The payment for storage fees resulted in non-compliance with section 38(1)(b) of the PFMA. The non-compliance resulted in a material loss of R315 723 235.44 as at 30 June 2022 which forms part of the closing balance of the fruitless and wasteful expenditure disclosed in Part E of the annual report.

42. I notified the accounting officer of the material irregularity on 29 July 2022 and invited written submissions on the actions taken and that will be taken to address the matter. The accounting officer responded to the notification on 15 September 2022 and could not provide sufficient and appropriate supporting evidence for actions taken or planned to be taken in response to being notified of the material irregularity and I concluded that the accounting officer was not taking appropriate actions to address the material irregularity.

43. I recommended that the accounting officer should take the following actions to address the material irregularity, which should have been implemented by 30 October 2023:

    (a) Appropriate action should be taken to finalise the investigation into the solar water heaters project, including storage costs and any other related costs, in order to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and to address control weaknesses as well as to identify responsible officials.

    (b) The financial loss relating to the solar water heaters project, including storage costs and any other related costs, should be quantified and appropriate action should be taken to determine whether the responsible official(s) is liable in law for the losses suffered by the department for the purpose of recovery, as required by Treasury Regulation 12.7.1.

    (c) Appropriate action should be taken to develop a plan for the installation of solar water heaters and the implementation of the plan should commence without further undue delays. The plan at a minimum should include:

        - The identification of all participating beneficiaries and related municipalities as per the original project objectives.
        - All commitments between the department and participating municipalities to be in writing, with clearly identified beneficiaries' units to be installed.
        - The appointment and training of service providers to install the solar water heaters (in line with the available units).
        - Performance of a detailed count of the solar water heaters to determine the number of units on hand which can be installed for the identified participating beneficiaries and for identification of those units that have been lost or damaged to enable remedial action to be taken to achieve the project objectives and recovery of the related losses where applicable.
        - Anticipated milestones and timelines for all the deliverables in the implementation plan

    (d) All reasonable steps should be taken to prevent any further storage fees costs and any other related costs by ensuring that the solar water heaters are installed without any further undue delay in line with the abovementioned plan.

    (e) Effective and appropriate disciplinary steps should be initiated without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.

44. On 31 October 2023, the accounting officer submitted a written response and substantiating documentation on the implementation of the recommendations. However, the response did not include the final investigation report. The final investigation report was received on 25 January 2024. A further response with substantiating documentation were received on 17 May 2024 on the progress being made in implementing the recommendations.

45. I duly assessed the accounting officer's responses and substantiating documentation on the implementation of the recommendations and noted that some actions were in process and not yet completed. I granted the accounting officer additional time up to 10 September 2024 for the implementation of the recommendations.

46. A final written response with substantiating documentation was received 12 September 2024 with supplementary responses between October 2024 and May 2025 on the actions taken or in process to implement the recommendations. In the response received in March 2025, the accounting officer reported that a legal opinion was requested from the Office of the State Attorney on the prospect for recovering the financial loss. Delays were noted in receiving the legal opinion and the accounting officer only received the opinion in the beginning of May 2025.

47. I followed-up in July 2025 on the progress made with the actions in process and the accounting officer provided a response and substantiating documentation on 28 July 2025. I am in the process of assessing the response and finalising my assessment on the implementation of the recommendations.

Effective and appropriate steps not taken to collect revenue

48. South African Mineral and Petroleum resources belongs to the nation and that the state is the custodian thereof. Failure by the department to collect prospecting fees from the holders of the rights and/or license fees from the licensees causes financial losses to the state as the nation's natural resources are plundered by those who do not pay their dues.

49. Management has acknowledged that effective steps are not being taken to collect revenue from licensees and cited that Covid-19 had an impact on the collection efforts, however based on the accrued departmental revenue listing, I identified debts as far back as 2005 that had not been collected by the department.

50. The non-collection resulted in non-compliance with section 38(1)(c)(i) of the PFMA, as the department did not take effective steps to recover money due to the state. The non-compliance resulted in a material financial loss for the department of R69 196 000, as disclosed in note 23.2 of the annual financial statements.

51. The accounting officer was notified of the material irregularity on 13 July 2023 and invited written submissions on the actions taken and that will be taken to address the matter. The accounting officer responded to the notification on 10 August 2023 indicating that the reasons for the non-collection of revenue was mainly due to historic debt and backlogs with the Office of the State Attorney. The department provided planned actions, which included utilisation of tracing agents to perform the collection. The tracing agents were appointed in March 2025 and therefore sufficient evidence on the implementation and impact of this control was not yet available at the time of concluding on the matter.

52. The accounting officer provided a supplementary response on 07 May 2025 on the implementation of the planned actions. However, I noted that milestones are not met, and actions are not being implemented in a timely manner. I considered the representations made and the substantiating documents provided and have concluded that appropriate actions are not being taken to address the material irregularity.

53. I recommend that the accounting officer should take the following actions to address the materiality, which should be implemented by 22 February 2026 with a progress report by 31 October 2025:

    (a) The non-compliance with section 38(1)(c)(i) of the PFMA and TR 11.2.1(b) should be investigated to determine the reasons and circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and to address control weaknesses.

    (b) Appropriate action should be taken to quantify and recover the prospecting rights and petroleum licenses fees due and payable to the department. The recovery process should not be unduly delayed.

    (c) Appropriate action should be taken to develop and commence with implementation of an action plan, to address the reasons and circumstances identified by the investigation for the non-collection of prospecting rights and petroleum licenses fees due and payable to the department. The plan should include anticipated timeframes and address the following key areas as a minimum:

- Enhancing controls around credit control management.
- Implementing consistent process to monitor the prospecting rights and petroleum licenses fees due and payable to the department.

54. I will follow up on the implementation of the recommendations during my next audit.

Auditor - General

Pretoria

31 July 2025

AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	PFMA 38(1)(d) PFMA 43(4) PFMA 39(2)(a) PFMA 39(1)(a) PFMA 38(1)(h)(iii) PFMA 38(1)(c)(ii) PFMA 38(1)(c)(i) PFMA 38(1)(b) PFMA 45(b) PFMA 57(b) PFMA Instruction Note 3 of 2021/22 par. 4.3 and 4.4 PFMA instruction note no.3 of 2021/22 par. 4.2 (b) PFMA section 44 PFMA instruction note no.3 of 2021/22 par. 4.4.(d) PFMA instruction note no.3 of 2021/22 par. 4.3 PFMA SCM Instruction No. 3 of 2021/22 par. 7.2 (tenders advertised on or after 1 April 2022) PFMA SCM instruction note 03 of 2021/22 par 4.1 PFMA instruction note no.3 of 2021/22 definition PFMA instruction note no.3 of 2021/22 par. 4.2 (b) PFMA SCM instruction note 03 of 2021/22 par 4.1 PFMA instruction note no.3 of 2021/22 definition PFMA instruction note no.3 of 2021/22 par. 4.4 (c)
Preferential Procurement reg 2017	Reg 2017 5(7) Reg 2017 5(6) Reg {2017} 5(1) & 5(3) 8(5) Reg 8(2) 6(8), 7(8), 10(1)&(2) & 11(1)

Legislation	Sections or regulations
Treasury regulations	Treasury reg.16A8.4
	Treasury reg R16A6.3 (a) and (b)
	Treasury reg 8.2.1 and 8.2.2
	Treasury reg 16A9.1(d)
	Treasury reg 16A8.4
	Treasury reg 16A8.3
	Treasury reg 16A6.3(e)
	Treasury reg 16A6.3(c)
	Treasury reg 16A6.3(b)
	"Treasury reg 16A6.3(a) (i)
	NT Instruction note 4 of 2015/16 par. 3.4
	SBD 6.2 issued in 2015/16
	Treasury reg 16A6.3(a) (i)
	Treasury reg 16A6.1
	Treasury reg 16A3.2(a)
	Treasury reg 16A3.2 (fairness)
	Treasury reg 16A3.2 (fairness)
	Treasury reg 16A3.2 (fairness)
	TR16A6.6
	TR 9.1.4
	TR 9.1.1
	TR 8.4.1
	TR 8.2.3
	TR 8.2.1
	TR 8.1.1
	TR 7.2.1
	TR 6.4.1(b)
	TR 6.3.1(c)
	TR 6.3.1(b) & (d)
	TR 6.3.1(a) & (d)
	TR 5.3.1
	TR 5.2.3(d)
	TR 5.2.3(a)
	TR 5.2.1

Legislation	Sections or regulations
	TR 5.1.1 TR 4.1.3 TR 4.1.1 TR 19.6.1 TR 16A9.1(f) TR 16A9.1(e) TR 16A9.1(e) TR 16A9.1(d) TR 16A9.1(b)(ii) TR 16A8.4 TR 16A6.5 TR 16A6.3(c) TR 16A6.2(b) TR 16A6.2(a) TR 16A.7.7 TR 16A.7.6 TR 16A.7.3 TR 16A.7.1 TR 15.10.1.2(c) TR 12.5.1 TR 10.1.1(a) TR 10.1.1(a) NT Instruction note 4 of 2015/16 par. 3.4 NT Instruction 4A of 2016/17 par 6 NT Instruction 07 of 2017/18 par 4.3 Treasury reg 16A9.1(e) Treasury reg 16A9.2(a)(ii) Treasury reg 16A8.4 Public Service reg 18(1),(2) Treasury reg 16A8.4 Treasury reg 16A8.4 Treasury reg 16A6.4; SCM Instruction 3 of 2016
Entity specific legislation : National Energy Act (NEA)	NEA, Section 3(4)(a-c) NEA, Section 3(5) NEA, Section 3(6)

Appropriation Statement for the year ended 31 March 2025

Appropriation per programme									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. ADMINISTRATION	723 450	-	68 167	791 617	762 009	29 608	96,3%	700 906	675 947
2. MINERALS AND PETROLEUM REGULATION	533 560	-	(6 493)	527 067	521 021	6 046	98,9%	531 163	528 448
3. MINING, MINERALS AND ENERGY POLICY DEVELOPMENT	1 211 185	-	(29 800)	1 181 385	1 176 590	4 795	99,6%	1 072 175	1 019 029
4. MINE HEALTH AND SAFETY INSPECTORATE	234 440	-	10 808	245 248	243 956	1 292	99,5%	230 716	229 153
5. MINERAL AND ENERGY RESOURCES PROGRAMMES AND PROJECTS	5 093 109	-	(41 732)	5 051 377	5 041 292	10 085	99,8%	6 576 749	6 274 266
6. NUCLEAR ENERGY REGULATION AND MANAGEMENT	1 085 718	-	(950)	1 084 768	1 081 722	3 046	99,7%	1 159 509	1 153 762
TOTAL	**8 881 462**	**-**	**-**	**8 881 462**	**8 826 590**	**54 872**	**99,4%**	**10 271 218**	**9 880 606**

Appropriation Statement for the year ended 31 March 2025

	2024/25				2023/24	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)	8 881 462	8 826 590			10 271 218	9 880 606
Reconciliation with statement of financial performance						
ADD						
Departmental receipts	53 871				48 961	
Actual amounts per statement of financial performance (Total revenue)	**8 935 333**				**10 320 179**	
ADD						
Aid assistance						
Prior year unauthorised expenditure approved without funding						
Actual amounts per statement of financial performance (Total expenditure)		**8 826 590**				**9 880 606**

Appropriation Statement for the year ended 31 March 2025

Appropriation per economic classification									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**2 443 247**	**(14 000)**	**(24 391)**	**2 404 856**	**2 274 164**	**130 692**	**94,6%**	**2 182 873**	**1 821 659**
Compensation of employees	1 132 464	-	(2 560)	1 129 904	1 109 474	20 430	98,2%	1 066 468	1 057 931
Goods and services	1 310 783	(14 000)	(21 831)	1 274 952	1 164 691	110 261	91,4%	1 116 405	763 728
Transfers and subsidies	**6 420 121**	**-**	**24 325**	**6 444 446**	**6 521 189**	**(76 743)**	**101,2%**	**8 073 704**	**8 050 943**
Provinces and municipalities	1 982 136	-	-	1 982 136	1 982 136	-	100,0%	2 256 138	2 256 138
Departmental agencies and accounts	851 032	-	20 000	871 032	871 032	-	100,0%	809 628	808 468
Foreign governments and international organisations	45 541	-	3 165	48 706	47 541	1 165	97,6%	50 088	35 286
Public corporations and private enterprises	3 539 153	-	-	3 539 153	3 617 016	(77 863)	102,2%	4 955 335	4 948 517
Households	2 259	-	1 160	3 419	3 464	(45)	101,3%	2 515	2 534
Payments for capital assets	**18 094**	**14 000**	**-**	**32 094**	**31 176**	**918**	**97,1%**	**14 463**	**7 828**
Buildings and other fixed structures	2 358	(2 358)	-	-	-	-	0,0%	2 522	47
Machinery and equipment	15 736	(3 773)	-	11 963	11 044	919	92,3%	11 941	7 761
Software and other Intangible assets	-	20 131	-	20 131	20 131	(0)	100,0%	-	20
Payments for financial assets	**-**	**-**	**66**	**66**	**61**	**5**	**91,7%**	**178**	**176**
Total	**8 881 462**	**-**	**-**	**8 881 462**	**8 826 590**	**54 872**	**99,4%**	**10 271 218**	**9 880 606**

Appropriation Statement for the year ended 31 March 2025

Programme 1: Administration									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Ministry	76 266	(4 888)	(1 036)	70 342	60 628	9 714	86,2%	40 857	40 155
2. Departmental Management	38 898	(1 477)	-	37 421	36 360	1 061	97,2%	41 310	39 949
3. Audit Services	22 465	(517)	-	21 948	21 728	220	99,0%	24 573	23 859
4. Financial Administration	102 136	(83)	-	102 053	97 526	4 527	95,6%	97 062	94 385
5. Corporate Services	329 787	4 923	12 703	347 413	337 182	10 231	97,1%	330 593	311 607
6. Office Accommodation	153 898	2 042	56 500	212 440	208 585	3 855	98,2%	166 511	165 993
Total for sub programmes	**723 450**	**-**	**68 167**	**791 617**	**762 009**	**29 608**	**96,3%**	**700 906**	**675 947**
Economic classification									
Current payments	**699 844**	**(14 000)**	**67 051**	**752 895**	**724 162**	**28 733**	**96,2%**	**680 596**	**663 206**
Compensation of employees	358 631	-	(1 071)	357 560	343 681	13 879	96,1%	331 144	326 800
Goods and services	341 213	(14 000)	68 122	395 335	380 481	14 854	96,2%	349 452	336 406
Transfers and subsidies	**5 512**	**-**	**1 071**	**6 583**	**6 631**	**(48)**	**100,7%**	**5 787**	**4 854**
Departmental agencies and accounts	3 253	-	-	3 253	3 253	-	100,0%	3 480	2 320
Households	2 259	-	1 071	3 330	3 378	(48)	101,5%	2 307	2 534
Payments for capital assets	**18 094**	**14 000**	**-**	**32 094**	**31 176**	**918**	**97,1%**	**14 463**	**7 828**
Buildings and other fixed structures	2 358	(2 358)	-	-	-	-	0,0%	2 522	47
Machinery and equipment	15 736	(3 773)	-	11 963	11 044	919	92,3%	11 941	7 761
Software and other Intangible assets	-	20 131	-	20 131	20 131	(0)	100,0%	-	20

Appropriation Statement for the year ended 31 March 2025

Programme 1: Administration									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for financial assets	**-**	**-**	**45**	**45**	**40**	**5**	**88,7%**	**60**	**60**
Total	**723 450**	**-**	**68 167**	**791 617**	**762 009**	**29 608**	**96,3%**	**700 906**	**675 947**

Appropriation Statement for the year ended 31 March 2025

Programme 2: Minerals and Petroleum Regulation									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Minerals and Petroleum Management	16 004	(1 338)	(2 669)	11 997	11 632	365	97,0%	12 747	12 648
2. Mineral Regulation and Administration	392 018	652	9 667	402 337	400 663	1 674	99,6%	402 681	401 669
3. Environmental Enforcement and Compliance	24 379	381	(2 150)	22 610	22 344	266	98,8%	22 900	22 813
4. Petroleum Compliance Monitoring, Enforcement and Fuel Pricing	26 282	119	(7 591)	18 810	18 324	486	97,4%	25 535	25 121
5. Petroleum Licensing and Fuel Supply	74 877	186	(3 750)	71 313	68 058	3 255	95,4%	67 300	66 197
Total for sub programmes	**533 560**	**-**	**(6 493)**	**527 067**	**521 021**	**6 046**	**98,9%**	**531 163**	**528 448**
Economic classification									
Current payments	**383 113**	**-**	**(17 919)**	**365 194**	**359 198**	**5 996**	**98,4%**	**366 432**	**363 839**
Compensation of employees	328 143	-	(5 969)	322 174	317 539	4 635	98,6%	306 738	305 381
Goods and services	54 970	-	(11 950)	43 020	41 659	1 361	96,8%	59 694	58 458
Transfers and subsidies	**150 447**	**-**	**11 426**	**161 873**	**161 824**	**49**	**100,0%**	**164 688**	**164 566**
Departmental agencies and accounts	59 921	-	10 000	69 921	69 921	-	100,0%	63 136	63 136
Foreign governments and international organisations	3 128	-	1 400	4 528	4 479	49	98,9%	9 342	9 345

Appropriation Statement for the year ended 31 March 2025

Programme 2: Minerals and Petroleum Regulation									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public corporations and private enterprises	87 398	-	-	87 398	87 398	-	100,0%	92 085	92 085
Households	-	-	26	26	25	1	97,2%	125	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**0,0%**	**43**	**43**
Total	**533 560**	**-**	**(6 493)**	**527 067**	**521 021**	**6 046**	**98,9%**	**531 163**	**528 448**

Appropriation Statement for the year ended 31 March 2025

Programme 3: Mining, Minerals and Energy Policy Development									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Mining, Minerals and Energy Policy Development Management	143 194	258	(7 195)	136 257	135 228	1 029	99,2%	48 643	13 036
2. Minerals and Petroleum Policy	38 281	(353)	(3 624)	34 304	33 286	1 018	97,0%	35 559	23 619
3. Nuclear, Electricity and Gas Policy	16 375	981	(1 378)	15 978	15 783	195	98,8%	14 171	13 846
4. Economic Analysis and Statistics	50 101	596	(9 672)	41 025	40 541	484	98,8%	42 970	38 805
5. Economic Growth, Promotion and Global Relations	945 782	(1 729)	(1 917)	942 136	940 475	1 661	99,8%	911 458	910 604
6. Mineral and Energy Planning	17 452	247	(6 014)	11 685	11 278	407	96,5%	19 374	19 120
Total for sub programmes	**1 211 185**	**-**	**(29 800)**	**1 181 385**	**1 176 590**	**4 795**	**99,6%**	**1 072 175**	**1 019 029**
Economic classification									
Current payments	**278 522**	**-**	**(29 820)**	**248 702**	**164 551**	**84 151**	**66,2%**	**182 400**	**140 878**
Compensation of employees	109 846	-	(20)	109 826	109 337	489	99,6%	103 667	102 854
Goods and services	168 676	-	(29 800)	138 876	55 214	83 662	39,8%	78 733	38 024
Transfers and subsidies	**932 663**	**-**	**20**	**932 683**	**1 012 039**	**(79 356)**	**108,5%**	**889 761**	**878 137**
Departmental agencies and accounts	613 649	-	-	613 649	613 649	-	100,0%	559 458	559 458
Foreign governments and international organisations	16 559	-	-	16 559	15 916	643	96,1%	11 624	-
Public corporations and private enterprises	302 455	-	-	302 455	382 455	(80 000)	126,5%	318 679	318 679
Households	-	-	20	20	20	0	98,6%	-	-

Appropriation Statement for the year ended 31 March 2025

Programme 3: Mining, Minerals and Energy Policy Development									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for financial assets	-	-	-	-	-	-	0,0%	14	14
Total	**1 211 185**	**-**	**(29 800)**	**1 181 385**	**1 176 590**	**4 795**	**99,6%**	**1 072 175**	**1 019 029**

Appropriation Statement for the year ended 31 March 2025

Programme 4: Mine Health and Safety Inspectorate									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Mine Health and Safety Management	9 370	(401)	-	8 969	8 892	77	99,1%	10 018	9 945
2. Mine Health and Safety Regions	207 410	175	10 808	218 393	217 390	1 003	99,5%	203 863	202 603
3. Occupational Health	17 660	226	-	17 886	17 674	212	98,8%	16 835	16 605
Total for sub programmes	**234 440**	**-**	**10 808**	**245 248**	**243 956**	**1 292**	**99,5%**	**230 716**	**229 153**
Economic classification									
Current payments	**229 945**	**-**	**10 791**	**240 736**	**239 445**	**1 291**	**99,5%**	**225 924**	**224 361**
Compensation of employees	193 317	-	4 500	197 817	197 295	522	99,7%	187 794	187 144
Goods and services	36 628	-	6 291	42 919	42 151	768	98,2%	38 130	37 217
Transfers and subsidies	**4 495**	**-**	**17**	**4 512**	**4 511**	**1**	**100,0%**	**4 736**	**4 736**
Departmental agencies and accounts	4 495	-	-	4 495	4 495	-	100,0%	4 736	4 736
Households	-	-	17	17	16	1	91,6%	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**0,0%**	**56**	**56**
Total	**234 440**	**-**	**10 808**	**245 248**	**243 956**	**1 292**	**99,5%**	**230 716**	**229 153**

Appropriation Statement for the year ended 31 March 2025

Programme 5: Mineral and Energy Resources Programmes and Projects									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programmes and Projects Management	4 493	1 431	(738)	5 186	5 029	157	97,0%	2 796	2 262
2. Integrated National Electrification Programme	4 227 109	1 838	(473)	4 228 474	4 227 079	1 395	100,0%	5 851 841	5 667 192
3. Programmes and Projects Management Office	66 654	792	(2 169)	65 277	64 369	908	98,6%	67 992	66 549
4. Electricity Infrastructure and Industry Transformation	7 117	63	(282)	6 898	6 786	112	98,4%	7 013	6 325
5. Energy Efficiency Projects	257 549	(180)	(730)	256 639	256 111	528	99,8%	245 904	235 701
6. Renewable Energy Projects	147 167	(1 549)	(35 276)	110 342	105 665	4 677	95,8%	150 264	116 351
7. Environmental Management Projects	383 020	(2 395)	(2 064)	378 561	376 253	2 308	99,4%	250 939	179 886
Total for sub programmes	**5 093 109**	**-**	**(41 732)**	**5 051 377**	**5 041 292**	**10 085**	**99,8%**	**6 576 749**	**6 274 266**
Economic classification									
Current payments	**805 328**	**-**	**(51 844)**	**753 484**	**745 863**	**7 621**	**99,0%**	**683 450**	**389 475**
Compensation of employees	105 688	-	950	106 638	106 378	260	99,8%	102 773	102 023
Goods and services	699 640	-	(52 794)	646 846	639 484	7 362	98,9%	580 677	287 452
Transfers and subsidies	**4 287 781**	**-**	**10 091**	**4 297 872**	**4 295 409**	**2 463**	**99,9%**	**5 893 294**	**5 884 787**
Provinces and municipalities	1 982 136	-	-	1 982 136	1 982 136	-	100,0%	2 256 138	2 256 138
Departmental agencies and accounts	77 240	-	10 000	87 240	87 240	-	100,0%	81 383	81 383

Appropriation Statement for the year ended 31 March 2025

Programme 5: Mineral and Energy Resources Programmes and Projects									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Foreign governments and international organisations	1 621	-	65	1 686	1 360	326	80,7%	3 201	1 512
Public corporations and private enterprises	2 226 784	-	-	2 226 784	2 224 647	2 137	99,9%	3 552 572	3 545 754
Households	-	-	26	26	25	1	97,7%	-	-
Payments for financial assets	**-**	**-**	**21**	**21**	**21**	**0**	**98,2%**	**5**	**4**
Total	**5 093 109**	**-**	**(41 732)**	**5 051 377**	**5 041 292**	**10 085**	**99,8%**	**6 576 749**	**6 274 266**

Appropriation Statement for the year ended 31 March 2025

Programme 6: Nuclear Energy Regulation and Management									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Nuclear Energy Management	8 136	636	300	9 072	8 827	245	97,3%	8 393	7 398
2. Nuclear Safety and Technology	1 062 800	(202)	-	1 062 598	1 060 374	2 224	99,8%	1 137 796	1 133 810
3. Nuclear Non-Proliferation and Radiation Security	14 782	(434)	(1 250)	13 098	12 522	576	95,6%	13 320	12 554
Total for sub programmes	**1 085 718**	**-**	**(950)**	**1 084 768**	**1 081 722**	**3 046**	**99,7%**	**1 159 509**	**1 153 762**
Economic classification									
Current payments	**46 495**	**-**	**(2 650)**	**43 845**	**40 947**	**2 898**	**93,4%**	**44 071**	**39 899**
Compensation of employees	36 839	-	(950)	35 889	35 245	644	98,2%	34 352	33 729
Goods and services	9 656	-	(1 700)	7 956	5 702	2 254	71,7%	9 719	6 170
Transfers and subsidies	**1 039 223**	**-**	**1 700**	**1 040 923**	**1 040 776**	**147**	**100,0%**	**1 115 438**	**1 113 863**
Departmental agencies and accounts	92 474	-	-	92 474	92 474	-	100,0%	97 435	97 435
Foreign governments and international organisations	24 233	-	1 700	25 933	25 786	147	99,4%	25 921	24 429
Public corporations and private enterprises	922 516	-	-	922 516	922 516	-	100,0%	991 999	991 999
Households	-	-	-	-	-	-	0,0%	83	-
Total	**1 085 718**	**-**	**(950)**	**1 084 768**	**1 081 722**	**3 046**	**99,7%**	**1 159 509**	**1 153 762**

Notes to the Appropriation Statement for the year ended 31 March 2025

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

Detail of these transactions can be viewed in the note on Annual Appropriation to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	791 617	762 009	29 608	3.74%

The Programme spent R762.01 million from the projected spending of R791.62 million resulting in a net budget underspending of R29.61 million or 3.7% contributed by the following:

- Compensation of Employees: R13.88 million underspending mainly due to unfilled vacancies in the new Ministry of Electricity and Energy following receipt of additional funding for these vacancies through the Adjustment Budget process as well as frozen vacancies following the implementation of cost containment measures by the DPSA and Treasury. On 31 March 2025,
- Goods and services: R14.85 million underspending significantly from the following items:
  - Operating leases: R4.50 million underspending attributable to outstanding invoices from the DPWI for office accommodation leases for March 2025.
  - Computer services: R8.611 million underspending in relation to unspent funds for the backup system and Mining Licensing System (Cadastre system). Funds earmarked for procuring technical advisory and support services for the Cadastre System remained at year end following delays in the appointment of a suitable service provider.
- Transfers to Households: R45 thousand overspending was caused by higher than anticipated turnover of staff during the reporting period and consequent increase in leave gratuity payments. In addition, leave payments totalling R101 thousand was paid on 22 March 2025 which was not included in the final virement approval.
- Payments for capital assets: R963 thousand underspending due to the delayed delivery of procured computer equipment which happened in April 2025. A rollover application has been submitted to Treasury to make the entire balance of R963 thousand available in the 2025/26 financial year.

Notes to the Appropriation Statement for the year ended 31 March 2025

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Minerals and Petroleum Regulation	527 067	521 021	6 046	1.15%

The Programme spent R521.02 million from the projected spending of R527.07 million resulting in a net budget underspending of R6.05 million or 1.1% mainly from the Compensation of employees category under which R4.64 million underspending was recorded due to the implementation of cost containment measures by National Treasury which led to the freezing of vacancies. The Goods and services category contributed R1.36 million to the underspending in this Programme from several items.

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Mining, Minerals and Energy Policy Development	1 181 385	1 176 590	4 795	0.41%

Expenditure in this Programme was close to the planned expenditure with 0.41% underspending. The variance is as a result of planned expenditures related to G20, amongst others for marketing materials, other supporting meetings and consumables.

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Mine Health and Safety Inspectorate	245 248	243 956	1 292	0.53%

Expenditure in this Programme was close to the projected expenditure and the 0.5% variance is attributable to minor underspending across several items within the Goods and services category.

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Mineral and Energy Resources Programmes and Projects	5 051 377	5 041 292	10 085	0.20%

Notes to the Appropriation Statement for the year ended 31 March 2025

The Programme spent R5.041 billion from the projected spending of R5.051 billion, resulting in a net budget underspending of R10.08 million or 0.2%. The unspent budget was mainly under the Goods and services category with R7.362 million underspending due to items listed below:

- Venues and facilities: R3.82 million underspending due to planned workshops and engagements that did not take place as anticipated. Savings from this item were to supplement funding required for hosting the G20 meetings, however, no payments were charged against the vote by the Travel Agent.
- INEP: Non-Grid Service Providers: R575 thousand underspending due to two invoices which were received late in March and therefore fell outside the payments processing period.
- Budget savings were realised under the INEP: Non-grid Oversight, Monitoring and Evaluation project, R648 thousand, due to the lower than anticipated cost charged by the appointed service provider for the monitoring of non-grid connections.
- Transfer payments
- The net-budget underspending of R2.463 million or 0.01% was mainly due to Pumping subsidies to marginal mines of R2.14 million which were not disbursed owing to lack of qualifying applications from mining companies.

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Nuclear Energy Regulation and Management	1 084 768	1 081 722	3 046	0.28%

The Programme spent R1.082 billion on the projected spending of R1.085 billion, resulting in a net budget underspending of R3.046 million or 0.3% mainly under the Goods and services category with R2.25 million underspending. Funding planned for the Nuclear New Build Project Financial model study was not utilised during the year under review as no suitable service provider was identified during the initial request to market. Consequently, as decision was taken to delay the study and allow the finalisation of a new Strategy for nuclear procurement.

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments	**2 404 856**	**2 274 165**	**130 691**	**5.4%**
Compensation of employees	1 129 904	1 109 474	20 430	1.81%
Goods and services	1 274 952	1 164 691	110 261	8.65%
Transfers and subsidies	**6 444 446**	**6 521 189**	**3 257**	**0.1%**
Provinces and municipalities	1 982 136	1 982 136	-	0.0%
Departmental agencies and accounts	871 032	871 032	-	0.0%
Public corporations and private enterprises	3 539 153	3 617 016	(77 863)	-2.2%

Notes to the Appropriation Statement for the year ended 31 March 2025

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Foreign governments and international organisations	48 706	47 541	1 165	2.39%
Households	3 419	3 464	(45)	-1.33%
Payments for capital assets	**32 094**	**31 176**	**918**	**2.9%**
Machinery and equipment	11 963	11 044	919	7.68%
Intangible assets	20 131	20 131	-	0.00%
Payments for financial assets	**66**	**61**	**5**	**8.13%**
Total	**8 881 462**	**8 826 590**	**54 872**	**0,6%**

Compensation of employees (CoE)

For the period under review, a budget underspending of R20.43 million or 1.81% was recorded in this classification due to vacancies which were not filled by year-end. The vacancies were composed of those in the new Ministry of Electricity and Energy for which additional funding was allocated mid-year through the Adjustment Budget process as well as those from frozen positions following the implementation of cost containment measures by the National Treasury and the DPSA.

Goods and services

Planned expenditure in this classification was R1.275 billion while actual expenditure amounted to R1.165 billion as a result of the following:

- INEP: Non-Grid Service Providers: R575 thousand due to two invoices which arrived late in March and therefore fell outside the payments processing deadline. A rollover application in relation to the budget for these invoices has been submitted to Treasury for approval.
- Junior Mining Exploration Fund: R120 million underspending due to the re-classifcation of funds from goods and services to transfers and subsidies relating to the Junior Mining Exploration Fund paid to the IDC to align with the requirements of the 2018 Classification circular (Classification of Transfers and Subsidies versus Goods and Services or Capital assets 2018).
- Nuclear New Build Project: R4.02 million underspending following a decision to defer the Nuclear New Build Funding Model study until such time a new strategy has been developed by the new Department of Electricity and Energy under which the Nuclear Regulation and Management function will fall.
- Travel and subsistence: R827 thousand budget saving due to the implementation of cost containment measures particularly under Programme 3 where meetings were prioritised, virtual platforms preferred and number of delegations limited.

Notes to the Appropriation Statement for the year ended 31 March 2025

- Operating Leases: R5.042 million underspending mainly due to outstanding invoices for DPWI office accommodation leases for March 2025.
- Venues and facilities: R5.8 million underspending. Following communication from Treasury that the Department will not be allocated additional funding for coordinating G20 ETWG meeting, the Department reserved funds for procuring venues where planned G20 ETWG meetings will be held. The process of procuring these venues commenced in March 2025 through the Travel Management Company however, they had not billed the department by year end.
- Computer services: R8.86 million underspending mainly due to the was relating to payments for the backup system and Mining Licensing System (Cadastre System). To ensure the successful implementation of the Mining Licensing System, the Department planned to obtain services for technical advisory and support from a suitably qualified service provider however, due to delays in the appointment of a service provider it led to a budget underspending.
- Consumables stationery: R612 thousand saving due to procurement requests for stationery, cartridges and office supplies that were less than anticipated during the year.

Transfer payments

- The international membership fees item which had a budget balance of R1.16 million due to exchange rate gains relating to membership fees paid to the Association of African Diamonds Producing Countries, generation IV International Forum for nuclear activities and, International Renewable Energy Agency. Pumping subsidies to marginal mines of R2.14 million was not disbursed during the current financial year as there were qualifying applications received from mining companies.
- Other Transfers to Households: R45 thousand overspending caused by higher than anticipated turnover of staff during the reporting period and consequent increase in leave gratuity payments.
- Junior Mining Exploration Fund: R120 million overspending due to the re-classifcation of funds from goods and services to transfers and subsidies relating to the Junior Mining Exploration Fund paid to the IDC to align with the requirements of the 2018 Classification circular (Classification of Transfers and Subsidies versus Goods and Services or Capital assets 2018).

Payments for capital assets

R918 thousand or 3% underspending. The Department procured computer equipment during the 2024/25 financial year to replace outdated and obsolete laptops with delivery anticipated before 31 March 2025. However, delays in delivery resulted in the Department only taking possession of the laptops in April 2025 and subsequent receipt of invoices for payments in the 2025/26 financial year. A rollover application has been submitted to Treasury to make funding of R963 thousand available in the 2025/26 financial year to finalise these payments.

Notes to the Appropriation Statement for the year ended 31 March 2025

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
Integrated National Electrification Programme - Municipalities	1 746 436	1 746 436	-	0.00%
Integrated National Electrification Programme - Eskom	2 196 019	2 196 019	-	0.00%
Energy Efficiency and Demand Side Management Programme	235 700	235 700	-	0.00%
Total	**4 178 155**	**4 178 155**	**-**	**-**

Statement of Financial Performance for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	8 881 462	10 271 218
Departmental revenue	2	53 871	48 961
TOTAL REVENUE		**8 935 333**	**10 320 179**
EXPENDITURE			
Current expenditure		**2 274 165**	**1 821 659**
Compensation of employees	4	1 109 474	1 057 931
Goods and services	5	1 164 691	763 728
Transfers and subsidies		**6 521 189**	**8 050 943**
Transfers and subsidies	7	6 521 189	8 050 943
Expenditure for capital assets		**31 175**	**7 828**
Tangible assets	8	11 044	7 808
Intangible assets	8	20 131	20
Payments for financial assets	6	**61**	**176**
TOTAL EXPENDITURE		**8 826 590**	**9 880 606**
SURPLUS/(DEFICIT) FOR THE YEAR		**108 743**	**439 573**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		54 872	390 612
Annual appropriation	13	54 872	390 612
Departmental revenue and NRF receipts	14	53 871	48 961
SURPLUS/(DEFICIT) FOR THE YEAR		**108 743**	**439 573**

Statement of Financial Position as at 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets		**15 234**	**342 575**
Cash and cash equivalents	9	12 405	341 233
Prepayments and advances	10	-	-
Receivables	11	2 829	1 342
Non-current assets		**2 590**	**2 560**
Investments	12	2 205	2 205
Receivables	11	385	355
TOTAL ASSETS		**17 824**	**345 135**
LIABILITIES			
Current liabilities		**65 187**	**393 143**
Voted funds to be surrendered to the Revenue Fund	13	54 872	390 612
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	4 330	1 367
Payables	15	5 985	1 164
Aid assistance unutilised	3	-	-
TOTAL LIABILITIES		**65 187**	**393 143**
NET ASSETS		**(47 363)**	**(48 008)**

	Note	2024/25 R'000	2023/24 R'000
Represented by:			
Capitalisation reserve		2 205	2 205
Recoverable revenue		1 036	391
Unauthorised expenditure		(50 604)	(50 604)
TOTAL		**(47 363)**	**(48 008)**

Statement of Changes in Net Assets as at 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
Capitalisation reserves			
Opening balance		2 205	2 205
Closing balance		2 205	2 205
Recoverable revenue			
Opening balance		391	513
Transfers:		**645**	**(122)**
Debts revised		(10)	(4)
Debts recovered (included in departmental revenue)		(528)	(349)
Debts raised		1183	231
Closing balance		**1 036**	**391**
Unauthorised expenditure			
Opening balance		(50 604)	(50 604)
Closing Balance		(50 604)	(50 604)
TOTAL		**(47 363)**	**(48 008)**

Cash Flow Statement for the year ended 31 March 2025

		2024/25	2023/24
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**8 935 333**	**10 320 179**
Annual appropriation funds received	1.1	8 881 462	10 271 218
Departmental revenue received	2	53 778	47 562
Interest received	2.3	93	1 399
Net (increase)/decrease in net working capital		3 304	(320)
Surrendered to Revenue Fund		(441 520)	(377 881)
Surrendered to RDP Fund/Donor		-	(4 284)
Current payments		(2 274 165)	(1 821 659)
Payments for financial assets	6	(61)	(176)
Transfers and subsidies paid		(6 521 189)	(8 050 943)
Net cash flow available from operating activities	16	**(298 298)**	**64 916**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(31 175)	(7 828)
(Increase)/decrease in non-current receivables	11	-	(37)
Net cash flow available from investing activities		**(31 175)**	**(7 865)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		645	(122)
Net cash flows from financing activities		**645**	**(122)**
Net increase/(decrease) in cash and cash equivalents		(328 828)	56 929
Cash and cash equivalents at beginning of period		341 233	284 304
Cash and cash equivalents at end of period	17	**12 405**	**341 233**

Accounting Policies for the year ended 31 March 2025

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.	
1.	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	**Going concern** The financial statements have been prepared on a going concern basis.
3.	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4.	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6.	**Comparative information**
6.1	**Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

Accounting Policies for the year ended 31 March 2025

6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7.	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are considered according to the department's debt write-off policy.

Accounting Policies for the year ended 31 March 2025

8.	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
9.	**Aid assistance**
9.1	**Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. CARA Funds are recognised when receivable and measured at the amounts receivable. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

Accounting Policies for the year ended 31 March 2025

9.2	**Aid assistance paid** Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10.	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11.	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.
12.	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13.	**Investments** Investments are recognised in the statement of financial position at cost.
14.	**Financial assets**
14.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

Accounting Policies for the year ended 31 March 2025

15.	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16.	**Capital assets**
16.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible capital assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Accounting Policies for the year ended 31 March 2025

16.4	**Project costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17.	**Provisions and contingents**
17.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.

Accounting Policies for the year ended 31 March 2025

18.	**Unauthorised expenditure** Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised expenditure incurred in the current year.
19.	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
20.	**Irregular expenditure** Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.

Accounting Policies for the year ended 31 March 2025

21.	**Changes in accounting policies, estimates and errors** Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
22.	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
24.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
25.	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
26.	**Inventories** *(Effective from date determined by the Accountant-General)* At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.

Accounting Policies for the year ended 31 March 2025

27.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
28.	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
29.	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

Notes to the Annual Financial Statements for the year ended 31 March 2025

1. Annual Appropriation

1.1 Annual Appropriation

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

	2024/25			2023/24		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	723 450	723 450	-	703 894	703 894	-
Minerals and Petroleum Regulation	533 560	533 560	-	518 702	518 702	-
Mining, Minerals and Energy Policy Development	1 211 185	1 211 185	-	1 076 016	1 076 016	-
Mine Health and Safety Inspectorate	234 440	234 440	-	226 406	226 406	-
Mineral And Energy Resources Programmes and Projects	5 093 109	5 093 109	-	6 586 774	6 586 774	-
Nuclear Energy Regulation and Management	1 085 718	1 085 718	-	1 159 426	1 159 426	-
Total	**8 881 462**	**8 881 462**	**-**	**10 271 218**	**10 271 218**	**-**

All funds requested and received for the period 1 April 2024 to 31 March 2025. Fund requisitions against the NRF is done monthly and received monthly based on the approved NRF drawing schedule. The 2023/24 budget balance of R390.613 million surrendered to NT on 17 September 2024.

2. Departmental revenue

		2024/25	2023/24
	Note	R'000	R'000
Sales of goods and services other than capital assets	2.1	27 223	23 809
Fines, penalties and forfeits	2.2	5 773	4 315
Interest, dividends and rent on land	2.3	20 345	20 438
Transactions in financial assets and liabilities	2.4	530	399
Total		**53 871**	**48 961**

Notes to the Annual Financial Statements for the year ended 31 March 2025

2.1 Sales of goods and services other than capital assets

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services produced by the department		27 223	23 809
Sales by market establishment		243	379
Administrative fees		20 900	17 631
Other sales		6 080	5 799
Total	2	**27 223**	**23 809**

2.2 Fines, penalties and forfeits

	Note	2024/25 R'000	2023/24 R'000
Fines		4 600	3 400
Penalties		1 173	915
Total	2	**5 773**	**4 315**

2.3 Interest, dividends and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest		93	1 399
Rent on land		20 252	19 039
Total	2	**20 345**	**20 438**

2.4 Transactions in financial assets and liabilities

	Note	2024/25 R'000	2023/24 R'000
Receivables		513	275
Other receipts including Recoverable Revenue		17	124
Total	2	**530**	**399**

Notes to the Annual Financial Statements for the year ended 31 March 2025

2.4.1 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

		2024/25	2023/24
	Note	R'000	R'000
	Annex 1H		
Gifts		454	266
Total gifts, donations and sponsorships received in kind		**454**	**266**

2.5 Cash received not recognised (not included in the main note)

	2024/25			
	Opening balance	Amount received	Amount paid to the revenue fund	Closing balance
Name of entity	R'000	R'000	R'000	R'000
South Africa Diamond and Precious Metal Regulator	34	-	(34)	-
South African National Energy Development Institute	-	1 300	(1 300)	-
Total	**34**	**1 300**	**(1 334)**	**-**

	2023/24			
	Opening balance	Amount received	Amount paid to the revenue fund	Closing balance
Name of entity	R'000	R'000	R'000	R'000
South Africa Diamond and Precious Metal Regulator	-	34	-	34
Strategic Fuel Fund	-	2 000 000	(2 000 000)	-
Total	**-**	**2 000 034**	**(2 000 000)**	**34**

Notes to the Annual Financial Statements for the year ended 31 March 2025

3. Aid assistance

	Note	2024/25 R'000	2023/24 R'000
Opening balance		-	4 284
Prior period error			
As restated		-	4 284
Paid during the year		-	(4 284)
Closing balance		**-**	**-**

4. Compensation of employees

4.1 Analysis of balance

	Note	2024/25 R'000	2023/24 R'000
Basic salary		770 068	735 028
Performance award		141	155
Service based		783	594
Compensative/circumstantial		10 123	14 672
Periodic payments		65	133
Other non-pensionable allowances		176 634	164 150
Total		**957 814**	**914 732**

4.2 Social contributions

Employer contributions	Note	2024/25 R'000	2023/24 R'000
Pension		99 130	95 020
Medical		49 231	46 428
Bargaining council		181	146
Insurance		3 118	1 605
Total		**151 660**	**143 199**
Total compensation of employees		**1 109 474**	**1 057 931**
Average number of employees		1 493	1 522

Notes to the Annual Financial Statements for the year ended 31 March 2025

5. Goods and services

	Note	2024/25 R'000	2023/24 R'000
Administrative fees		2 349	3 288
Advertising		3 553	4 698
Minor assets	5.1	634	914
Bursaries (employees)		3 522	3 192
Catering		1 415	1 609
Communication		18 862	13 712
Computer services	5.2	46 830	47 291
Consultants: Business and advisory services		671 458	274 240
Legal services		6 359	24 120
Contractors		3 819	5 616
Audit cost – external	5.3	9 732	9 214
Fleet services		3 385	4 297
Consumables	5.4	11 769	11 870
Operating leases		217 590	179 978
Property payments	5.5	35 259	28 725
Rental and hiring		180	108
Transport provided as part of the departmental activities		75	238
Travel and subsistence	5.6	116 609	115 483
Venues and facilities		3 718	21 979
Training and development		3 816	5 843
Other operating expenditure	5.7	3 756	7 313
Total		**1 164 691**	**763 728**

5.1 Minor assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		**634**	**914**
Machinery and equipment		634	914
Total	5	**634**	**914**

Notes to the Annual Financial Statements for the year ended 31 March 2025

5.2 Computer services

		2024/25	2023/24
	Note	R'000	R'000
SITA computer services		13 236	13 780
External computer service providers		33 594	33 511
Total	5	**46 830**	**47 291**

5.3 Audit cost - external

		2024/25	2023/24
	Note	R'000	R'000
Regularity audits		9 194	9 010
Computer audits		538	204
Total	5	**9 732**	**9 214**

5.4 Consumables

		2024/25	2023/24
	Note	R'000	R'000
Consumable supplies		4 168	4 515
Uniform and clothing		712	1 998
Household supplies		419	683
Building material and supplies		1 519	160
Communication accessories		35	-
IT consumables		989	1 151
Other consumables		494	523
Stationery, printing and office supplies		7 601	7 355
Total	5	**11 769**	**11 870**

5.5 Property payments

		2024/25	2023/24
	Note	R'000	R'000
Municipal services		15 365	12 030
Property management fees		74	57
Property maintenance and repairs		1 188	705
Other		18 632	15 933
Total	5	**35 259**	**28 725**

Notes to the Annual Financial Statements for the year ended 31 March 2025

5.6 Travel and subsistence

	Note	2024/25 R'000	2023/24 R'000
Local		101 845	103 770
Foreign		14 764	11 713
Total	5	**116 609**	**115 483**

5.7 Other operating expenditure

	Note	2024/25 R'000	2023/24 R'000
Professional bodies, membership and subscription fees		422	326
Resettlement costs		395	557
Other		2 939	6 430
Total	5	**3 756**	**7 313**

6. Payments for financial assets

	Note	2024/25 R'000	2023/24 R'000
Debts written off	6.1	61	176
Total		**61**	**176**

6.1 Debts written off

Nature of debts written off	Note	2024/25 R'000	2023/24 R'000
Other debt written off			
Staff Debt		22	99
Irrecoverable Debts		3	29
Damage and losses - Rented vehicle		36	48
Total debt written off	6	**61**	**176**

Notes to the Annual Financial Statements for the year ended 31 March 2025

7. Transfers and subsidies

		2024/25	2023/24
	Note	R'000	R'000
Provinces and municipalities	33	1 982 136	2 256 138
Departmental agencies and accounts	Annex 1B	871 032	808 468
Foreign governments and international organisations	Annex 1E	47 541	35 286
Public corporations and private enterprises	Annex 1D	3 617 016	4 948 517
Households	Annex 1G	3 464	2 534
Total		**6 521 189**	**8 050 943**

7.1 Gifts, donations and sponsorships made in kind (not included in the main note)

		2024/25	2023/24
	Note	R'000	R'000
Gifts	Annex 1J	367	314
Total		**367**	**314**

8. Expenditure for capital assets

		2024/25	2023/24
	Note	R'000	R'000
Tangible capital assets		**11 044**	**7 808**
Buildings and other fixed structures		-	47
Machinery and equipment		11 044	7 761
Intangible capital assets		**20 131**	**20**
Software		20 131	20
Total		**31 175**	**7 828**

		2024/25	2023/24
The following amounts have been included as project costs in Expenditure for capital assets			
Goods and services		20 094	-
Total		**20 094**	**-**

Notes to the Annual Financial Statements for the year ended 31 March 2025

8.1 Analysis of funds utilised to acquire capital assets - Current year

	2024/25		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	**11 044**	**-**	**11 044**
Machinery and equipment	11 044	-	11 044
Intangible capital assets	**20 131**	**-**	**20 131**
Software	20 131	-	20 131
Total	**31 175**	**-**	**31 175**

8.2 Analysis of funds utilised to acquire capital assets - Prior year

	2023/24		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	**7 808**	**-**	**7 808**
Buildings and other fixed structures	47	-	47
Machinery and equipment	7 761	-	7 761
Intangible capital assets	**20**	**-**	**20**
Software	20	-	20
Total	**7 828**	**-**	**7 828**

9. Cash and cash equivalents

		2024/25	2023/24
	Note	R'000	R'000
Consolidated Paymaster General Account		11 731	340 666
Disbursements		-	(13)
Cash on hand		72	72
Investments (Domestic)		602	508
Total		**12 405**	**341 233**

The department has a positive balance for its cash and cash equivalents and does not make use of any borrowing facilities. There are no restrictions on the funds of the department.

Notes to the Annual Financial Statements for the year ended 31 March 2025

10. Prepayments and advances

		2024/25	2023/24
	Note	R'000	R'000
Advances paid (Not expensed)	10.1	-	-
Total		**-**	**-**

Analysis of Total Prepayments and advances			
Current Prepayments and advances		-	-
Total		**-**	**-**

10.1 Advances paid (Not expensed)

		2024/25				
		Amount as at 1 April 2024	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2025
	Note	R'000	R'000	R'000	R'000	R'000
National departments		-	-	-	-	-
Total	10	**-**	**-**	**-**	**-**	**-**

		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
National departments		373	(373)	-	-	-
Total	10	**373**	**(373)**	**-**	**-**	**-**

10.2 Prepayments (Expensed)

	2024/25			
	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Goods and services	25 287	(1 136)		24 151
Total	**25 287**	**(1 136)**	**-**	**24 151**

Notes to the Annual Financial Statements for the year ended 31 March 2025

	2023/24				
	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year prepayments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Goods and services	27 355	(2 068)	-	-	25 287
Total	**27 355**	**(2 068)**	**-**	**-**	**25 287**

11. Receivables

		2024/25			2023/24		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	1 231	-	1 231	809	-	809
Recoverable expenditure	11.2	265	-	265	33	-	33
Staff debt	11.3	1 333	385	1 718	498	355	853
Other receivables	11.4	-	-	-	2	-	2
Total		**2 829**	**385**	**3 214**	**1 342**	**355**	**1 697**

11.1 Claims recoverable

		2024/25	2023/24
	Note	R'000	R'000
National departments		1 231	805
Private enterprises		-	1
Local Government		-	3
Total	11	**1 231**	**809**

11.2 Recoverable expenditure

		2024/25	2023/24
	Note	R'000	R'000
Disallowance Damage & Losses		142	27
Sal: Tax Debt		3	-
Sal: Reversal Control		75	-
Sal: Pension Fund		33	-
Sal: Medical Aid		12	6
Total	11	**265**	**33**

Notes to the Annual Financial Statements for the year ended 31 March 2025

11.3 Staff debt

		2024/25	2023/24
	Note	R'000	R'000
Staff debt		1 718	853
Total	11	**1 718**	**853**

11.4 Other receivables

		2024/25	2023/24
	Note	R'000	R'000
Pension recoverable		-	2
Total	11	**-**	**2**

11.5 Impairment of receivables

		2024/25	2023/24
	Note	R'000	R'000
Estimate of impairment of receivables		622	-
Total		**622**	**-**

The impairment methodology followed considered all balances where the debtor had not made payments to reduce their balance during the financial year.

12. Investments

		2024/25	2023/24
Non-current	Note	R'000	R'000
Shares and other equity			
South African Nuclear Corporation Limited (NECSA)		2 205	2 205
Central Energy Fund (CEF)		-	-
Total		**2 205**	**2 205**
Total non-current investments		**2 205**	**2 205**

Notes to the Annual Financial Statements for the year ended 31 March 2025

Analysis of non-current investments	Note	2024/25 R'000	2023/24 R'000
Opening balance		2 205	2 205
Closing balance		**2 205**	**2 205**

12.1 Impairment of investments

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of investments		-	-
Total		**-**	**-**

The Department holds 2 205 000 shares in its entity, the South African Nuclear Corporation Limited (NECSA). Investments are recorded at cost in terms of the accounting policy and was tested for impairment. Refer to Annexure 2A for the net assets value as at 31 March 2025.

13. Voted funds to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		390 612	328 953
Prior period error			
As restated		390 612	328 953
Transferred from statement of financial performance (as restated)		54 872	390 612
Paid during the year		(390 612)	(328 953)
Closing balance		**54 872**	**390 612**

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

	Note	2024/25 R'000	2023/24 R'000
Opening balance		1 367	1 334
Prior period error			
As restated		1 367	1 334
Transferred from statement of financial performance (as restated)		53 871	48 961
Paid during the year		(50 908)	(48 928)
Closing balance		**4 330**	**1 367**

Notes to the Annual Financial Statements for the year ended 31 March 2025

15. Payables - current

		2024/25	2023/24
	Note	R'000	R'000
Clearing accounts	15.1	273	825
Other payables	15.2	5 712	339
Total		**5 985**	**1 164**

15.1 Clearing accounts

		2024/25	2023/24
	Note	R'000	R'000
Salary- Income Tax		273	719
Salary- Pension Fund		-	68
Salary- Reversal Account		-	4
Money collected from department entities		-	34
Total	15	**273**	**825**

15.2 Other payables

		2024/25	2023/24
Description	Note	R'000	R'000
Disallowance Miscellaneous		5 708	339
Travel and Subsistence: Advances		4	-
Total	15	**5 712**	**339**

16. Net cash flow available from operating activities

		2024/25	2023/24
	Note	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		108 743	439 573
Add back non-cash/cash movements not deemed operating activities		(407 041)	(374 657)
(Increase)/decrease in receivables		(1 517)	1 322
(Increase)/decrease in prepayments and advances		-	382
Increase/(decrease) in payables - current		4 821	(2 024)
Expenditure on capital assets		31 175	7 828
Surrenders to Revenue Fund		(441 520)	(377 881)
Surrenders to RDP Fund/Donors		-	(4 284)
Net cash flow generated by operating activities		**(298 298)**	**64 916**

Notes to the Annual Financial Statements for the year ended 31 March 2025

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

		2024/25	2023/24
	Note	R'000	R'000
Consolidated Paymaster General account		11 731	340 666
Disbursements		-	(13)
Cash on hand		72	72
Cash with commercial banks (Local)		602	508
Total		**12 405**	**341 233**

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

			2024/25	2023/24
Liable to	Nature	Note	R'000	R'000
Other guarantees		Annex 3A	20 000	20 000
Claims against the department		Annex 3B	1 214 931	357 598
Other		Annex 3B	1 123	39 775
Total			**1 236 054**	**417 373**

Other guarantees

A guarantee for NECSA has been issued by a service provider as part of ensuring the entity's ability to continue its planned turnaround strategy and ensuring competitiveness in the market it operates.

Claims against the department

Claims have been laid against the department on various matters relating to claims for damages and breach of contract, whereby the department has elected to defend the matters. The matters are currently ongoing and have not been concluded. As a result, the probability of the outcome of the matters are not yet certain and have therefore been raised as contingent liabilities.

Other

Included in other contingent liabilities are labour relation matters estimated at a value of R1 123 thousand that are at arbitration level. The outcome of the cases were not yet finalised at year end.

Notes to the Annual Financial Statements for the year ended 31 March 2025

19. Capital commitments

	Note	2024/25 R'000	2023/24 R'000
Machinery and equipment		3 208	1 154
Intangible assets		15 269	-
Total		**18 477**	**1 154**

20. Accruals and payables not recognised

20.1 Accruals

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		12 245	1 772	14 017	32 905
Total		**12 245**	**1 772**	**14 017**	**32 905**

		2024/25	2023/24
Listed by programme level	Note	R'000	R'000
Programme 1: Administration		8 529	13 010
Programme 2: Minerals and Petroleum Regulation		1 356	1 860
Programme 3: Mining, Minerals and Energy Policy Development		1 050	13 160
Programme 4: Mine Health and Safety Inspectorate		879	1 437
Programme 5: Mineral and Energy Resources Programmes and Projects		2 079	2 409
Programme 6: Nuclear Energy Regulation and Management		124	1 029
Total		**14 017**	**32 905**

20.2 Payables not recognised

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		-	1 962	1 962	6 266
Total		**-**	**1 962**	**1 962**	**6 266**

Notes to the Annual Financial Statements for the year ended 31 March 2025

		2024/25	2023/24
Listed by programme level	**Note**	**R'000**	**R'000**
Programme 1: Administration		1 962	6 259
Programme 4: Mine Health and Safety Inspectorate		-	6
Programme 6: Nuclear Energy Regulation and Management		-	1
Total		**1 962**	**6 266**

		2024/25	2023/24
Included in the above totals are the following:	**Note**	**R'000**	**R'000**
Confirmed balances with other departments	Annex 5	4 943	7 237
Total		**4 943**	**7 237**

21. Employee benefits

		2024/25	2023/24
	Note	**R'000**	**R'000**
Leave entitlement		55 606	51 069
Service bonus		29 856	28 864
Capped leave		5 552	5 678
Other		158	710
Total		**91 172**	**86 321**

The leave entitlement does not include the leave with credit balances. The leave with credit balances amounts to R842 thousand.

22. Lease commitments

22.1 Operating leases

Notes to the Annual Financial Statements for the year ended 31 March 2025

Operating leases include property leases for buildings occupied by the department, lease of gFleet vehicles as well as photocopiers.

Lease buildings

The department has 10 active leases for office accommodation which are coordinated through the Department of Public Works and Infrastructure (DPWI). The lease period varies from 12 months to 9 years and 11 months. All offices / assets are occupied by the DMRE. Upon the expiry of the initial lease period, the lessee shall have an option of renewing the agreement. The parties will agree on a market related rental, however the annual escalation rate applicable during the secondary lease period shall be limited to the headline inflation or the escalation rate applicable during the initial lease period, whichever is greater. The lessor is responsible for maintenance of and for all repairs and replacement becoming necessary from time to time in or to the roofs and outside walls of the buildings including the maintenance and repair of the structure of the building and all systems, works and installations contained therein. The lessee shall not make any alterations or additions to any of the building premises or any part thereof, without the lessor's consent but the lessor shall not withhold its consent unreasonably to any such alteration or addition.

The following offices are on month to month basis: North West (Klerksdorp & Rustenburg), Free State (Welkom), Eastern Cape (Umthata & East London), Head Office (Trevenna Campus), and Northern Cape (Springbok hopley centre)

GG vehicles

The department has an Intergovernmental vehicle lease agreement with Gfleet. The agreement is subject to review after 36 months unless terminated in accordance with the provisions of the agreement or earlier by party. No escalation clauses have been specified.

Photocopiers

The department leased multi-function printers (MFP) through National Treasury's transversal contract RT3/2022 for a period of 36 months. The lease may be extended after the initial lease period should both parties agree to do. The contract has fixed monthly lease payments as determined in the contract and no escalation have been provided for. No part of this contract was subleased. Any applicable restrictions are those imposed by the RT3/2022 transversal contract, no additional restrictions were added by the department.

Notes to the Annual Financial Statements for the year ended 31 March 2025

23. Accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services other than capital assets		17 671	15 636
Fines, penalties and forfeits		1 250	1 250
Interest, dividends and rent on land		205 379	176 021
Total		**224 300**	**192 907**

Included in the accrued departmental revenue are both debit and credit balances that have been offset to determine the overall balance for the department. The credit balances arise as a result of overpayments received on prospecting fees that are non-refundable and surrendered to the Revenue Fund on a monthly basis.

23.1 Analysis of accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Opening balance		192 907	274 072
Less: amounts received		(24 169)	(22 282)
Add: amounts recorded		55 562	10 313
Less: amounts written off/reversed as irrecoverable		-	(69 196)
Closing balance		**224 300**	**192 907**

The amount of 24,169 million is made of R 20,228 million of prospecting fees and R 3,940 million petroleum fees. The amount of R 55,562 million made up with balances of prospecting fees and petroleum fees raised and adjusted during the year.

23.2 Accrued departmental revenue written off

Nature of losses	Note	2024/25 R'000	2023/24 R'000
Long outstanding prospecting fees		-	69 196
Total		**-**	**69 196**

Notes to the Annual Financial Statements for the year ended 31 March 2025

23.3 Impairment of accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of accrued departmental revenue		218 898	178 439
Total		**218 898**	**178 439**

In line with the approved impairment methodology, the Department assessed all outstanding prospecting and licence fees and resolved to impair the revenue relating to clients who had not made any payments during the current financial year.

The impairment of accrued departmental revenue considered the net of debit and the credit balances. The credit balances on prospecting fees are non-refundable and surrendered to the Revenue Fund on a monthly basis. The impairment is made of R 200 139 million on prospecting fees 1 250 thousand for Environmental fees and R 17 509 million on petroleum fees.

24. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2024/25 R'000	2023/24 R'000
Irregular expenditure - current year		14	-
Fruitless and wasteful expenditure - current year		19	3 048
Total		**33**	**3 048**

One instance of irregular expenditure was identified during the reporting period. The investigation was completed and the condonation process is still underway.

Fruitless and Wasteful expenditure identified from a service provider's invoices that were not paid in time. The matter was submitted to Internal Audit for investigation.

25. Related party transactions

Payments made	Note	2024/25 R'000	2023/24 R'000
Goods and services		408 588	168 559
Total		**408 588**	**168 559**

Notes to the Annual Financial Statements for the year ended 31 March 2025

Other	Note	2024/25 R'000	2023/24 R'000
Guarantees issued/received			
Guarantee issued – NECSA		20 000	20 000
Guarantee issued - CGS		22 500	22 500
Total		**42 500**	**42 500**

Central Energy Fund Group	State Owned Entity of Department
Nuclear Energy Corporation of South Africa Group	State Owned Entity of Department
National Energy Regulator of South Africa	State Owned Entity of Department
National Nuclear Regulator	State Owned Entity of Department
National Radioactive Waste Disposal Institute	State Owned Entity of Department
South African National Energy Development Institute	State Owned Entity of Department
Independent Power Producers Office (IPPO)*	Joint Affiliation
Council for Geoscience	An Entity under control of Minister
Mintek	An Entity under control of Minister
South African Diamond and Metals Regulator	An Entity under control of Minister
Mine Health and Safety Council	An Entity under control of Minister
State Diamond Trader	An Entity under control of Minister
Rehabilitation Trust Account	An Entity under control of Minister

*The Department oversees the technical work done by the IPP Office as it implements on behalf of the DMRE. The IPP Office has managed to stabilise its sources of funding and is less reliant on fiscal transfers. IPPO financial statements will be appended to the Annual Report and subject to its own independent audit.

The IPPO work remains critical in this phase of procurement endeavours to add additional MW into the grid pursuant to energy security owing to the latest development in the energy space in South Africa. A determination will be made at the right time to determine the nature and form of this office going forward.

Notes to the Annual Financial Statements for the year ended 31 March 2025

26. Key management personnel

	Note	2024/25 R'000	2023/24 R'000
Political office bearers (provide detail below)			
Officials:			
Political office bearers		8 410	4 781
Officials:			
Level 15 & 16		24 443	19 658
Level 14		50 551	47 773
Total		**83 404**	**72 212**

Key Management Personnel are officials having the authority and responsibility (level 14 to 16 including political office bearers, and special advisors appointed to the executive authority) for planning, directing, and controlling the activities of the department.

27. Provisions

	Note	2024/25 R'000	2023/24 R'000
Matimba building lease dispute		21 072	-
Total		**21 072**	**-**

Included in Provisions is the matter between the DMRE and DPWI relating to the dispute on the Matimba building lease agreement. The two departments together with the landlord have engaged to resolve the disputed amounts from prior years in the reconciliation prepared by DPWI. The remeasurement process was concluded and both Departments have reached an agreement that the rented space is in accordance with the signed lease agreement. The decision was informed by the consensus from the Landlord, DPWI and DMRE Architects.

DMRE processed a payment of R29.5 million to DPWI in March 2025 to close off the debt amount. The current outstanding interest levied is estimated at R21 million. As a result of the split, the DEE have taken over the Matimba lease and should request DPWI to consider interest waiver.

Notes to the Annual Financial Statements for the year ended 31 March 2025

27.1 Reconciliation of movement in provisions - Current year

	2024/25	
	Matimba building lease dispute	Total provisions
	R'000	R'000
Opening balance	-	-
Increase in provision	50 625	50 625
Settlement of provision	(29 553)	(29 553)
Closing balance	**21 072**	**21 072**

Reconciliation of movement in provisions - Prior year

	2023/24	
	Matimba building lease dispute	Total provisions
	R'000	R'000
Opening balance	-	-
Closing balance	**-**	**-**

28. Non-adjusting events after reporting date

		2024/25
Nature of the event	Note	R'000
Transfer of functions		-
South African National Petroleum Company official launch		-
Total		**-**

Transfer of functions

The President of the Republic of South Africa announced changes to the national executive on 1 July 2024. As part of the changes, the Ministry of Mineral Resources and Energy was separated into two Ministries, being the Minister of Mineral and Petroleum Resources and the Minister of Electricity and Energy. To facilitate the President's decision, the relevant administration and powers and functions entrusted by the specified legislation, and all amendments thereto, were transferred in terms of section 97 of the Constitution of the Republic of South Africa, 1996, from the former Ministers of Mineral Resources and Energy and Public Enterprises, to the newly designated Ministers as set out in the below mentioned Proclamations:

Notes to the Annual Financial Statements for the year ended 31 March 2025

a) Proclamation 179 of 2024 published in the Government Gazette on 30 August 2024 transferring administration and powers and functions under former Mineral Resources and Energy legislation; and

b) Proclamation 176 of 2024 published in the Government Gazette on 27 August 2024 transferring administration and powers and functions under former Public Enterprise legislation.

The two new departments, being the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity and Energy (DEE), were established with effect from 1 April 2025. A Memorandum of Agreement (MoA) between the transferring department (DMRE) and receiving departments (DMPR and DEE) was signed on 1 April 2025, amongst others, to- (a) ensure that the parties comply with their obligations under section 42 of the PFMA, (b) facilitate the transfer of functions and staff from the DMRE to the new DMPR and DEE, and (c) provide for transitional arrangements. The Accounting Officers for DMPR and for DEE have been appointed accordingly (Acting appointment in the case of DEE).

The financial implications of the transfer of functions are still being assessed and are not yet finalised at this stage. The complete financial impact will only be determined upon closure of the audit and finalisation of relevant adjustments within the financial system. Accordingly, no adjustments have been made in these financial statements.

South African National Petroleum Company (SANPC) official launch

The SANPC was officially launched during May 2025 formed after the merger of three of the Central Energy Fund (CEF) subsidiaries, Igas, PetroSA and Strategic Fuel Fund.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	**222**		**-**	**-**	**222**
Heritage assets	222		-	-	222
MACHINERY AND EQUIPMENT	**172 558**		**17 008**	**(16 430)**	**173 135**
Transport assets	6 777		1 859	-	8 636
Computer equipment	102 738		9 942	(13 159)	99 521
Furniture and office equipment	48 170		2 037	(1 897)	48 310
Other machinery and equipment	14 873		3 170	(1 374)	16 669
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**172 779**	**-**	**17 008**	**(16 430)**	**173 357**

Notes to the Annual Financial Statements for the year ended 31 March 2025

Included in the balance for additions to machinery and equipment are assets that have been transferred from the Department of Public Enterprises due to the National Macro Organising of Government (NMOG). These transferred assets were measured at cost as determined based on their original cost as recorded by the Department of Public Enterprises, totalling R6 million. The verification of DPE assets transferred to DMRE took longer than anticipated due to the relocation of staff as part of the NMOG process, that subsequently led to the asset transfer certificate be signed in May 2025.

There were assets also included under disposals that have been transferred to the Department of Higher Education and Training (DHET). This transfer was a result of the redeployment of a political office bearer from DMRE to the DHET, which necessitated the reallocation of resources in line with the shift in departmental responsibilities.

Movable Tangible Capital Assets under investigation

		Number	Value
	Note		R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		17	362
Total		**17**	**362**

29.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	**222**		**-**	**-**	**222**
Heritage assets	222		-	-	222
MACHINERY AND EQUIPMENT	**165 078**		**7 751**	**(271)**	**172 558**
Transport assets	6 207		570	-	6 777
Computer equipment	97 715		5 287	(264)	102 738
Furniture and office equipment	47 225		945	-	48 170
Other machinery and equipment	13 931		949	(7)	14 873
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**165 300**	**-**	**7 751**	**(271)**	**172 780**

Notes to the Annual Financial Statements for the year ended 31 March 2025

29.2 Minor assets

Minor capital assets under investigation

	Note	Number	Value
			R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Machinery and equipment		1	4

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	12 184	38	-	12 222
TOTAL INTANGIBLE CAPITAL ASSETS	**12 184**	**38**	**-**	**12 222**

30.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	12 189	(25)	20	-	12 184
TOTAL INTANGIBLE CAPITAL ASSETS	**12 189**	**(25)**	**20**	**-**	**12 184**

30.1.1 Prior period error

Nature of prior period error	Note		2023/24
			R'000
Relating to 2023/24			(25)
Prior period error adjustment (Refer to note 32)			(25)
Total prior period errors			**(25)**

Notes to the Annual Financial Statements for the year ended 31 March 2025

30.2 Intangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

		Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	Note	R'000	R'000	R'000	R'000
Intangible assets	Annex 7	-	20 094	-	20 094
Total		**-**	**20 094**	**-**	**20 094**

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

		Opening balance 1 April 20XX	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 20YY
	Note	R'000	R'000	R'000	R'000	R'000
Intangible assets		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	54 456	-	-	54 456
Other fixed structures	54 456	-	-	54 456
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**54 456**			**54 456**

Notes to the Annual Financial Statements for the year ended 31 March 2025

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	54 409		47	-	54 456
Other fixed structures	54 409		47	-	54 456
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**54 409**		**47**	**-**	**54 456**

32. Prior period errors

32.1 Correction of prior period errors

		2023/24		
		Amount before error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Revenue:				
Cash received not recognised - Amount received	2	-	2 000 034	2 000 034
Cash received not recognised - Amount paid	2	-	(2 000 000)	(2 000 000)
Net effect		**-**	**34**	**34**

Note 2.5 discloses conduit revenue which reflects cash received by the department from entities, which is subsequently paid over to the National Revenue Fund (NRF). The department is required to disclose the actual amounts received and paid during the reporting period. It was identified that funds received from entities reporting to the department were not previously disclosed in line with the MCS requirements. This amount does not roll up to the main departmental revenue note and as a result it does not impact voted funds to be surrendered.

Notes to the Annual Financial Statements for the year ended 31 March 2025

		2023/24		
		Amount before error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Assets:				
Intangible capital assets	30	12 209	(25)	12 184
Prepayments (Expensed) – Opening	10	26 513	842	27 355
Prepayments (Expensed) – Received in the current year	10	(2 986)	918	(2 068)
Claims recoverable national departments	11	808	(3)	805
Claims recoverable local departments	11	-	3	3
Net effect		**39 530**	**817**	**40 347**

Intangible Capital Assets

It was identified that there was an omission of items purchased in prior years that met the criteria for intangible assets but were not disclosed accordingly. The inclusion of the amounts has resulted in the adjustment of the opening balance for intangible assets by minus R25 000. This adjustment does not have an effect to Voted funds to be surrendered.

Prepayments (Expensed)

The opening balance for prepayments expensed were restated due to the incorrect calculation previously applied in calculating the goods and services received. The opening balance as at 1 April 2023 was restated to R27 million and goods and services received in 2023-24 received was restated to R2 million from R2,9 million. The adjustment does not have an effect on Voted funds to be surrendered.

Claims recoverable

It was identified that there was prior period error of R3 thousand that was misallocated as claims recoverable by the national department, instead of claims recoverable by local government. These adjustments do not influence Voted funds to be surrendered.

Notes to the Annual Financial Statements for the year ended 31 March 2025

33. Statement of conditional grants and other transfers paid to municipalities

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Abaqulusi Municipality	5 518	-	-	5 518	5 518	-	-	15 000	15 000
Alfred Duma Municipality	15 556	-	(4 556)	11 000	11 000	-	-	1 244	1 244
Amahlati Municipality	4 860	-	-	4 860	4 860	-	-	-	-
Ba-Phalaborwa Municipality	4 814	-	(1 926)	2 888	2 888	-	-	19 794	19 794
Beaufort West Municipality	7 310	-	(327)	6 983	6 983	-	-	-	-
Bela Bela Municipality	20 315	-	-	20 315	20 315	-	-	-	-
Bergrievier	614	-	-	614	614	-	-	-	-
Big Five/Hlabisa Loc Municipality	8 777	-	-	8 777	8 777	-	-	2 600	2 600
Bitou Municipality	-	-	-	-	-	-	-	3 774	3 774
Blouberg Municipality	-	-	-	-	-	-	-	33 000	33 000
Blue Crane Route Municipality	4 000	-	(1 200)	2 800	2 800	-	-	4 100	4 100
Breede Valley Municipality	14 620	-	(12 620)	2 000	2 000	-	-	24 238	24 238
Bushbuckridge Municipality	9 093	-	(1 637)	7 456	7 456	-	-	15 000	15 000
Cederberg Municipality	13 469	-		13 469	13 469	-	-	35 000	35 000
Chief Albert Luthuli Municipality	4 410	-	2 200	6 610	6 610	-	-	9 460	9 460
City Of Cape Town Municipality	7 000	-	-	7 000	7 000	-	-	9 000	9 000
City Of Ekurhuleni Municipality	7 000	-	-	7 000	7 000	-	-	8 000	8 000
City Of Johannesburg Municipality	7 000	-	-	7 000	7 000	-	-	-	-
City Of Matlosana Municipality	7 924	-	6 000	13 924	13 924	-	-	5 732	5 732

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
City Of Mbombela Municipality	47 765	-	9 089	56 854	56 854	-	-	35 000	35 000
City Of Tshwane	-	-	-	-	-	-	-	2 000	2 000
Collins Chabane Municipality	19 105	-	-	19 105	19 105	-	-	20 197	20 197
Dawid Kruiper Municipoality	-	-	-	-	-	-	-	16 700	16 700
Dihlabeng Municipality	-	-	-	-	-	-	-	1 250	1 250
Dikgatlong Municipality	-	-	4 589	4 589	4 589	-	-	5 000	5 000
Dipaleseng Municipality	9 503	-	2 681	12 184	12 184	-	-	10 000	10 000
Ditsobohla Municipality	4 000	-	(2 000)	2 000	2 000	-	-	-	-
Dr Ab Xuma Municipality	38 126	-	(3 126)	35 000	35 000	-	-	16 081	16 081
Dr Js Moroka Municipality	1 391	-	-	1 391	1 391	-	-	6 880	6 880
Dr Kenneth Kaunda Municipality	4 000	-	-	4 000	4 000	-	-	-	-
Dr Nkosazana Dlamini Zuma Municipality	5 504		-	5 504	5 504	-	-	7 561	7 561
Drakenstein Municipality	3 340		-	3 340	3 340	-	-	10 000	10 000
Edumbe Municipality	7 753	-	-	7 753	7 753	-	-	18 005	18 005
Elias Motsoaledi Municipality	21 544	-	-	21 544	21 544	-	-	14 400	14 400
Elundini Municipality	12 994	-	(4 000)	8 994	8 994	-	-	15 459	15 459
Emadlangeni Municipality	15 518	-	7 000	22 518	22 518	-	-	30 834	30 834
Emakhazeni Municipality	-	-	-	-	-	-	-	3 335	3 335
Emalahleni (Ec)	44 431	-	-	44 431	44 431	-	-	22 381	22 381
Emalahleni Municipality	26 026	-	3 000	29 026	29 026	-	-	58 455	58 455

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Emfuleni Municipality	5 500	-	539	6 039	6 039	-	-	558	558
Emthanjeni Municipality	-	-	-	-	-	-	-	8 325	8 325
Endumeni Municipality	13 559	-	-	13 559	13 559	-	-	5 000	5 000
Enoch Mgijima Local Municipality	24 027	-	-	24 027	24 027	-	-	-	-
Ephraim Mogale Municipality	614	-	(246)	368	368	-	-	5 600	5 600
Ethekwini Municipality	7 000		-	7 000	7 000	-	-	8 000	8 000
Feta Kgomo Tubatse Municipality	24 122	-	-	24 122	24 122	-	-	52 353	52 353
Frances Baard Municipality	4 000	-	-	4 000	4 000	-	-	-	-
Gamagara Municipality	4 825	-	-	4 825	4 825	-	-	4 000	4 000
Garden Route District Municipality	-	-	-	-	-	-	-	4 000	4 000
Ga-Segonyana Municipality	57 183	-	-	57 183	57 183	-	-	43 025	43 025
George Municipality	-	-	-	-	-	-	-	6 346	6 346
Govan Mbheki Municipality	32 240	-	-	32 240	32 240	-	-	41 080	41 080
Great Kei Municipality	-	-	-	-	-	-	-	5 000	5 000
Greater Giyani Municipality	22 029	-	-	22 029	22 029	-	-	32 220	32 220
Greater Kokstad Municipality	14 620	-	4 089	18 709	18 709	-	-	20 560	20 560
Greater Letaba Municipality	22 170	-	11 000	33 170	33 170	-	-	18 996	18 996
Greater Taung Municipality	6 700	-	-	6 700	6 700	-	-	-	-
Greater Tzaneen Municipality	28 930	-	-	28 930	28 930	-	-	24 968	24 968
Hantam Municipality	6 547	-	-	6 547	6 547	-	-	4 000	4 000
Hassequa Municipality	4 162	-	-	4 162	4 162	-	-	9 300	9 300

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Impendle Municipality	14 773	-	-	14 773	14 773	-	-	-	-
Inkosi Ilangalibalele Municipality	11 851	-	-	11 851	11 851	-	-	18 000	18 000
Intsika Yethu Municipality	8 652	-	-	8 652	8 652	-	-	27 896	27 896
Inxuba Yethemba Municipality	6 322	-	-	6 322	6 322	-	-	5 000	5 000
Jb Marks Municipality	10 243	-	-	10 243	10 243	-	-	22 436	22 436
Jozini Municipality	7 801	-	(1 573)	6 228	6 228	-	-	15 000	15 000
Kagisano Molopo Municipality	4 000	-	-	4 000	4 000	-	-	-	-
Kai !Garib Municipality	7 573	-	-	7 573	7 573	-	-	6 925	6 925
Kareeberg Municipality	4 386	-	-	4 386	4 386	-	-	-	-
Karoo Hoogland	2 768	-	(1 017)	1 751	1 751	-	-	-	-
Khai-Ma Municipality	2 924	-	(971)	1 953	1 953	-	-	-	-
King Sabata Dalindyebo Municipality	7 931	-	-	7 931	7 931	-	-	1 000	1 000
Knysna Municipality	15 760	-	(5 860)	9 900	9 900	-	-	40 000	40 000
Kopanong Municipality	-	-	-	-	-	-	-	14 436	14 436
Kouga Municipality	4 203	-	(1 617)	2 586	2 586	-	-	8 089	8 089
Kou-Kama Municipality	10 462	-	(1 286)	9 176	9 176	-	-	-	-
Kwadukuza Municipality	18 523	-	-	18 523	18 523	-	-	17 800	17 800
Langeberg Municipality	2 925	-	-	2 925	2 925	-	-	460	460
Lekwa Municipality	18 620	-	-	18 620	18 620	-	-	8 500	8 500
Lekwa Teemane Municipality	14 528	-	(764)	13 764	13 764	-	-	-	-
Lepelle-Nkumpi Municipality	5 000	-	(1 800)	3 200	3 200	-	-	2 940	2 940

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Lephalale Municipality	4 000	-	-	4 000	4 000	-	-	-	-
Lesedi Municipality	27 519	-	2 720	30 239	30 239	-	-	28 627	28 627
Letsemeng Municipality	4 000	-	(4 000)	-	-	-	-	4 528	4 528
Madibeng Municipality	25 184	-	8 554	33 738	33 738	-	-	7 500	7 500
Mafikeng Municipality	5 000	-	-	5 000	5 000	-	-	4 292	4 292
Mafube Municipality	23 236	-	(12 548)	10 688	10 688	-	-	420	420
Makhado Municipality	12 506	-	9 089	21 595	21 595	-	-	7 000	7 000
Makhuduthamaga Municipality	12 431	-	(2 061)	10 370	10 370	-	-	21 350	21 350
Mamusa Municipality	-	-	-	-	-	-	-	1 600	1 600
Mandeni Municipality	9 227	-	(7 727)	1 500	1 500	-	-	7 384	7 384
Maphumulo Municipality	10 051	-	-	10 051	10 051	-	-	23 168	23 168
Maruleng Municipality	5 848	-	4 000	9 848	9 848	-	-	-	-
Masilonyana Municipality	21 790	-	(3 507)	18 283	18 283	-	-	-	-
Matatiele Municipality	26 648	-	-	26 648	26 648	-	-	41 000	41 000
Matjhabeng Municipality	26 092	-	7 138	33 230	33 230	-	-	24 100	24 100
Matzikama Municipality	1 851	-	-	1 851	1 851	-	-	8 325	8 325
Mbhashe Municipality	9 029		-	9 029	9 029	-	-	9 142	9 142
Merafong City Municipality	17 768	-	-	17 768	17 768	-	-	25 000	25 000
Metsimaholo Municipality	10 234	-	-	10 234	10 234	-	-	29 780	29 780
Mhlontlo Municipality	13 836	-	-	13 836	13 836	-	-	13 361	13 361
Midvaal Municipality	29 888	-	5 836	35 724	35 724	-	-	21 212	21 212

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Mkhambathini Municipality	11 643	-	-	11 643	11 643	-	-	30 055	30 055
Mkhondo Municipality	35 272	-	236	35 508	35 508	-	-	8 799	8 799
Mnquma Municipality	1 152	-	-	1 152	1 152	-	-	10 700	10 700
Modimolle/Mookgopong Local Municipality	10 231	-	-	10 231	10 231	-	-	6 000	6 000
Mogalakwena Municipality	12 976	-	-	12 976	12 976	-	-	-	-
Mogale City Municipality	-	-	-	-	-	-	-	13 493	13 493
Mohokare Municipality	3 900	-	(3 120)	780	780	-	-		
Molemole Municipality	21 930	-	(1 256)	20 674	20 674	-	-	19 168	19 168
Moqhaka Municipality	-	-	-	-	-	-	-	2 050	2 050
Moses Kotane Municipality	-	-	-	-	-	-	-	1 000	1 000
Mossel Bay Municipality	-	-	-	-	-	-	-	11 000	11 000
Mpofana Municipality	3 917	-	-	3 917	3 917	-	-	33 819	33 819
Msukaligwa Municipality	6 116	-	2 800	8 916	8 916	-	-	13 800	13 800
Msunduzi Municipality	9 971	-	-	9 971	9 971	-	-	15 500	15 500
Mthonjaneni Municipality	8 184	-	(2 811)	5 373	5 373	-	-	13 000	13 000
Mtubatuba Municipality	-	-	-	-	-	-	-	6 760	6 760
Nala Municipality	5 000	-	-	5 000	5 000	-	-	4 280	4 280
Naledi Municipality	26 191	-	-	26 191	26 191	-	-	3 975	3 975
Ndwendwe Municipality	11 477	-	(1 198)	10 279	10 279	-	-	14 500	14 500
Nelson Mandela Bay Municipality	7 000	-	-	7 000	7 000	-	-	9 000	9 000

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Newcastle Municipality	22 344	-	(4 344)	18 000	18 000	-	-	20 550	20 550
Ngqushwa Municipality	7 013	-	-	7 013	7 013	-	-	3 000	3 000
Ngquza Hill Municipality	18 162	-	7 069	25 231	25 231	-	-	5 118	5 118
Ngwathe Municipality	15 585	-	-	15 585	15 585	-	-	4 500	4 500
Nkandla Municipality	10 039	-	-	10 039	10 039	-	-	15 000	15 000
Nkangala Municipality	5 000	-	-	5 000	5 000	-	-	-	-
Nketoana Municipality	7 183	-	(2 443)	4 740	4 740	-	-	-	-
Nkomazi Municipality	3 787	-	-	3 787	3 787	-	-	14 400	14 400
Nongoma Municipality	-	-	-	-	-	-	-	9 000	9 000
Nquthu Municipality	16 474	-	-	16 474	16 474	-	-	14 000	14 000
Ntabankulu Municipality	9 879	-	3 000	12 879	12 879	-	-	6 006	6 006
Nyandeni Municipality	17 850	-	-	17 850	17 850	-	-	21 313	21 313
Okhahlamba Municipality	6 701	-	-	6 701	6 701	-	-	9 000	9 000
Overstrand Municipality	19 334	-	-	19 334	19 334	-	-	28 580	28 580
Phokwane Municipality	10 526	-	(4 210)	6 316	6 316	-	-	15 500	15 500
Phumelela Municipality	4 000	-	-	4 000	4 000	-	-	5 000	5 000
Pixley Ka Seme Municipality	17 832	-	(2 396)	15 436	15 436	-	-	-	-
Polokwane Municipality	12 573	-	(5 029)	7 544	7 544	-	-	21 161	21 161
Port St Johns Municipality	31 277	-	-	31 277	31 277	-	-	24 368	24 368
Prince Albert Municipality	-	-	-	-	-	-	-	490	490
Ramotshere Moila Municipality	2 213	-	(735)	1 478	1 478	-	-	-	-

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rand West City Municipality	50 074	-	-	50 074	50 074	-	-	62 000	62 000
Ray Nkonyeni Municipality	17 021	-	(3 659)	13 362	13 362	-	-	-	-
Raymond Mhlaba Municipality	409	-	-	409	409	-	-	5 900	5 900
Renosterberg Municipality	2 347	-	2 089	4 436	4 436	-	-	-	-
Richmond Municipality	-	-	-	-	-	-	-	8 000	8 000
Rustenburg Municipality	27 423	-	(1 252)	26 171	26 171	-	-	36 000	36 000
Sakhisizwe Municipality	5 140	-	-	5 140	5 140	-	-	12 080	12 080
Saldanha Bay Municipality	23 361	-	(133)	23 228	23 228	-	-	15 524	15 524
Sedibeng Municipality	5 000	-	-	5 000	5 000	-	-	-	-
Senqu Municipality	2 115	-	(846)	1 269	1 269	-	-	-	-
Siyancuma Municipality	-	-	-	-	-	-	-	5 241	5 241
Sol Plaatjie Municipality	5 000	-	4 500	9 500	9 500	-	-	33 104	33 104
Stellenbosch Municipality	10 056	-	4 500	14 556	14 556	-	-	20 000	20 000
Steve Tshwete Municipality	2 400	-	-	2 400	2 400	-	-	23 890	23 890
Sundays River Valley Municipality	4 495	-	2 000	6 495	6 495	-	-	-	-
Swartland Municipality	22 818	-	-	22 818	22 818	-	-	23 658	23 658
Swellendam Municipality	7 975	-	-	7 975	7 975	-	-	-	-
Thaba Chweu Municipality	1 237	-	-	1 237	1 237	-	-	-	-
Thabazimbi Municipality	-	-	-	-	-	-	-	32 800	32 800
Thabo Mofutsanyane Dist Municipality	5 500	-	-	5 500	5 500	-	-	4 000	4 000

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Theewaterskloof Municipality	5 913	-	(1 707)	4 206	4 206	-	-	4 000	4 000
Thembelihle Municipality	2 000	-	-	2 000	2 000	-	-	-	-
Thembisile Municipality	3 587	-	-	3 587	3 587	-	-	30 200	30 200
Thulamela Municipality	18 617	-	-	18 617	18 617	-	-	28 200	28 200
Tokologo Municipality	-	-	-	-	-	-	-	1 960	1 960
Tsantsabane Municipality	13 494	-	(483)	13 011	13 011	-	-	5 000	5 000
Tswelopele Municipality	501	-	-	501	501	-	-	4 000	4 000
Ubuhlebezwe Municipality	4 216	-	(186)	4 030	4 030	-	-	21 863	21 863
Ubuntu Municipality		-	-	-	-	-	-	3 000	3 000
Ulundi Municipality	4 934	-	-	4 934	4 934	-	-	5 800	5 800
Umdoni Municipality	14 487	-	(1 800)	12 687	12 687	-	-	815	815
Umfolozi Municipality	-	-	13 533	13 533	13 533	-	-	8 500	8 500
Umhlabuyalingana Municipality	13 533		(13 533)	-	-	-	-	24 760	24 760
Umhlathuze Local Municipality	15 350	-	(1 940)	13 410	13 410	-	-	18 840	18 840
Umlalazi Municipality	4 021	-	-	4 021	4 021	-	-	3 500	3 500
Umngeni Municipality	14 620	-	-	14 620	14 620	-	-	23 476	23 476
Umshwathi Municipality	2 265	-	-	2 265	2 265	-	-	-	-
Umsinga Municipality	18 629	-	-	18 629	18 629	-	-	20 000	20 000
Umsobomvu Municipality	2 436	-	-	2 436	2 436	-	-	-	-
Umuziwabantu Municipality	-	-	-	-	-	-	-	640	640
Umvoti Municipality	13 811	-	-	13 811	13 811	-	-	12 355	12 355

Notes to the Annual Financial Statements for the year ended 31 March 2025

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Umzimkhulu Municipality	-	-	24 228	24 228	24 228	-	-	600	600
Umzimvubu Municipality	22 728	-	(19 534)	3 194	3 194	-	-	15 850	15 850
Umzumbe Municipality	1 597	-	(1 597)	-	-	-	-	23 506	23 506
Uphongolo Municipality	4 474	-	(898)	3 576	3 576	-	-	3 240	3 240
Walter Sisulu Municipality	10 067	-	-	10 067	10 067	-	-	-	-
Winnie Madikizela-Mandela Municipality	25 362	-	-	25 362	25 362	-	-	16 000	16 000
Witzenberg Municipality	3 500	-	-	3 500	3 500	-	-	900	900
Xhariep District Municipality	-	-	-	-	-	-	-	23 969	23 969
TOTAL	**1 982 136**	**-**	**-**	**1 982 136**	**1 982 136**	**-**	**-**	**2 256 138**	**2 256 138**

- INEP Municipal grant spent 100% of 1 746,436 million allocation in line with section 17(1) of the Division of Revenue Act (DORA).
- EEDSM Municipal grant spent 100% of R235,700 million in line with section 17(1) of the Division of Revenue Act (DORA).

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
NAME OF MUNICIPALITY	DoRA and Other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Energy Efficiency and Demand Side Management (EEDSM)	235 700	-	-	235 700	235 700	-	-	235 700	134 735	100 965	57.2%	224 092	224 092
Integrated National Electrification Programme (INEP)	1 746 436	-	-	1 746 436	1 746 436	-	-	1 746 436	1 123 622	622 814	64.3%	2 032 046	2 032 046
TOTAL	**1 982 136**	**-**	**-**	**1 982 136**	**1 982 136**	**-**	**-**	**1 982 136**	**1 258 357**	**723 779**	**63%**	**2 256 138**	**2 256 138**

- INEP Municipal grant spent 100% of 1 746,436 million allocation in line with section 17(1) of the Division of Revenue Act (DORA).
- EEDSM Municipal grant spent 100% of R235,700 million in line with section 17(1) of the Division of Revenue Act (DORA).

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2024/25						203/24	
	TRANSFER ALLOCATION				TRANSFER			
Departmental Agency or Account	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Chemical Industry SETA	1 084	-	-	1 084	1 084	100,0%	1 160	-
Council for Geoscience	613 649	-	-	613 649	613 649	100,0%	559 458	559 458
Energy and Water SETA	1 084	-	-	1 084	1 084	100,0%	1 160	1 160
Mine Health and Safety Council	4 495	-	-	4 495	4 495	100,0%	4 736	4 736
Mining Qualification Authority	1 085	-	-	1 085	1 085	100,0%	1 160	1 160
National Nuclear Regulator	44 558	-	-	44 558	44 558	100,0%	46 949	46 949
National Radioactive Waste Disposal Institute	47 916	-	-	47 916	47 916	100,0%	50 486	50 486
South African Diamond and Precious Metal Regulator	69 921	-	-	69 921	69 921	100,0%	63 136	63 136
SA National Energy Development Institute	87 240	-	-	87 240	87 240	100,0%	81 383	81 383
TOTAL	**871 032**	**-**	**-**	**871 032**	**871 032**		**809 628**	**808 468**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

	2024/25								2023/24	
	GRANT ALLOCATION				EXPENDITURE					
Name of public corporation / private enterprise	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	% of Available funds transferred	Capital	Current	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Public Corporations										
Transfers										
Eskom (INEP & EEDSM)	2 196 019	-	-	2 196 019	2 196 019	100,0%	2 196 019	-	3 518 356	3 518 356
NECSA	922 516	-	-	922 516	922 516	100,0%	29 228	893 288	991 999	991 999
Mintek	302 455	-	-	302 455	302 455	100,0%	31 511	270 944	318 679	318 679
Industrial Development Corporation	28 628	-	-	28 628	108 628	379,4%	-	108 628	27 398	27 398
Total	**3 449 618**	**-**	**-**	**3 449 618**	**3 529 618**	**100,0%**	**2 256 758**	**1 272 860**	**4 856 432**	**4 856 432**
Private Enterprises										
Transfers										
Petroleum SA	87 398			87 398	87 398	100,0%		87 398	92 085	92 085
Mining Companies	2 137			2 137	-	0,0%	-	-	6 818	-
Total	**89 535**	**-**	**-**	**89 535**	**87 398**	**97,6%**	**-**	**87 398**	**98 903**	**92 085**
TOTAL	**3 539 153**	**-**	**-**	**3 539 153**	**3 617 016**	**99,9%**	**2 256 758**	**1 360 258**	**4 955 335**	**4 948 517**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Foreign government / International organisation	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Association of African Diamond Producing Countries (AADPC)	16 559	-	-	16 559	15 916	96,1%	11 624	-
African Petroleum Producer Organisation (APPO)	4 528	-	-	4 528	4 479	98,9%	9 342	9 345
Generation International Forum (GIF)	813	-	-	813	676	83,1%	870	-
International Atomic Energy Agency (IAEA)- IRRS	25 120	-	-	25 120	25 111	100,0%	25 051	24 429
International Energy Forum (IEF)	436	-	-	436	436	99,9%	397	467
International Partnership for Energy Efficiency Cooperation (IPEEC)	-	-	-	-	-		1 467	-
International Renewable Energy Agency (IRENA)	1 250	-	-	1 250	924	73,9%	1 337	1 045
Total	**48 706**	**-**	**-**	**48 706**	**47 541**		**50 088**	**35 286**
TOTAL	**48 706**	**-**	**-**	**48 706**	**47 541**		**50 088**	**35 286**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave gratuity paid to employees	3 024	-	-	3 024	3 086	102,1%	1 078	2 430
Severance package	34	-	-	34	20	59,9%	791	-
Donations and Gifts	-	-	-	-	122	-	-	104
Claims against the State	361	-	-	361	236	65,3%	438	-
Total	**3 419**	**-**	**-**	**3 419**	**3 464**	**-**	**2 307**	**2 534**
TOTAL	**3 419**	**-**	**-**	**3 419**	**3 464**	**-**	**2 307**	**2 534**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
		R'000	R'000
Received in kind			
Gifts			
International Atomic Energy Agency (IAEA)	Regional Training Course on computer security fundamentals for Nuclear Security held in Rabat, Morocco from 13 to 17 February 2023 - Air tickets, accommodation, incidental cost	-	55
International Atomic Energy Agency (IAEA)	Meeting of National Liason Officers and AFRA National Co-ordinators in ADDIS ABABA from 13 to 17 March 2023 - Air tickets, accommodation, incidental cost	-	25
International Atomic Energy Agency (IAEA)	Nuclear Law Training Course 8 to 20 October 2023 - Transport, accommodation, training, training material	-	32
United Nations Industrial Development Organisation (UNIDO)	UNIDO study tour held in Flanders, Belgium from 6 to 10 November 2023 - Flights, accommodation, daily subsistence allowance, ground transport	-	54
International Atomic Energy Agency (IAEA)	IAEA Interregional Training Course on Funding, Financing, and other Economic Aspects in Nuclear Infrastructure Development held in France from 6 to 13 November 2023 - Flights, accommodation, daily subsistence allowance, ground transport	-	79
International Monetory Fund-United Nations Statistical Institute of Asia and Pacific (IMF-UNSIAP) supported by the Switzerland State Economic Corporation (SECO)	Programme in Capacity Building in the compilation of energy and air quality accounts held in Chiba, Japan from 5 to 15 February 2024	-	21
International Energy Agency (IEA)	Financial assistance towards travel (return air fare) and accommodation for the IEA Africa Energy Efficiency Policy in emerging economies training week held in Nairobi, Kenya from 18 to 21 March 2024.	87	-

Annexures to the Annual Financial Statements for the year ended 31 March 2025

Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
		R'000	R'000
Fletcher School of Climate Policy Lab	Financial assistance towards visa applications, return flight tickets and accommodation cost for training programme held in Boston, Unites States of America in June 2024	114	-
Japan International Cooperation Agency (JICA)	Knowledge Co-creation Programme in Energy Policy, Scholarship Programme for Japan International Cooperation Agency (JICA) from 23 June 2024 to 20 July 2024. Course fees, inclusive of living allowance, breakfast and dinner, accommodation, medical card and return air tickets.	48	-
DANIDA Fellowship Center (DFC) Scholarship Programme	Programme for Organisational Change Management offered by COWI from 12 to 30 August 2024. DFC funded the tuition fees, accommodation, allowance, air tickets, visa and insurance.	145	-
European Union	Critical Raw Material Study of Germany and Belgium from 9 to 13 December 2024. Accommodation, Airfares, local transport, subsistence and travel claim.	60	-
Total gifts		**454**	**266**
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		**454**	**266**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship	2024/25	2023/24
	R'000	R'000
Made in kind		
Gifts		
Purchase of gifts for long service awards	-	12
Consumables for memorial service for a departed employee	2	1
Engraving and branding of Ex-EPSOC members awards / gifts	365	-
Government programme aimed at encouraging and providing required assistance to learners, educators and support staff	-	301
Total gifts	**367**	**314**
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	**367**	**314**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entities' PFMA Schedule type (state year end if not 31 March)	% Held 2024/25	% Held 2024/25	Number of shares held R'000		Cost of investments R'000		Net asset value of investments R'000		Profit/(Loss) for the year R'000		Losses guaranteed
				2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	Yes/No
National / Provincial Public entity												
The South African Nuclear Corporation Limited	Schedule 2	100	100	2 205 000	2 205 000	2 205	2 205	970 169	783 511	139 508	108 696	No
Central Energy Fund Group	Schedule 2	100	100	1	1	-	-	12 131 451	12 364 228	(788 956)	(393 152)	No
TOTAL				**2 205 001**	**2 205 001**	**2 205**	**2 205**	**13 101 620**	**13 147 739**	**(649 448)**	**(284 456)**	

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 2B

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of entity	Nature of business	Cost of investments		Net Asset value of investments		Amounts owing to entities		Amounts owing by entities	
		R'000		R'000		R'000		R'000	
		2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
Controlled entities									
The South African Nuclear Corporation Limited	To develop, utilise and manage nuclear technology for national and regional socio-economic development through: Applied Research & Development (R&D), Commercial application of nuclear associated technology, Contributing to the development of skills in science and technology.	2 205	2 205	970 169	783 511	-	-	-	-
Central Energy Fund Group	Financing and promotion of the acquisition of, research into and exploitation of energy related products and technology	-	-	12 131 451	12 364 228	-	-	-	-
TOTAL		**2,205**	**2,205**	**13,101,620**	**13,147,739**	**-**	**-**	**-**	**-**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2025 - LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2024	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2025	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2025
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Other									
Absa	Necsa	20 000	20 000	-	-	-	20 000	-	-
	Subtotal	20 000	20 000	-	-	-	20 000		
	TOTAL	**20 000**	**20 000**	**-**	**-**	**-**	**20 000**		

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims against the department	357 598	857 333	-	-	1 214 931
Subtotal	**357 598**	**857 333**	**-**	**-**	**1 214 931**
Environmental liability					
Other					
Labour relation cases	510	713	100	-	1 123
Subtotal	510	567	100	-	977
TOTAL	**358 108**	**858 046**	**100**	**-**	**1 216 054**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 4

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Science and Innovation	-	800	-	800	-	800	-	-
Department of Small Business and Development	-	3	-	3	-	3	-	-
Gauteng Department of Health	1 231		1 231		1 231	-	-	-
Subtotal	1231	803	1 231	803	1 231	803	-	-
TOTAL	**1 231**	**803**	**1 231**	**803**	**1 231**	**803**	**-**	**-**

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 5

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of International relations and Cooperation (DIRCO)	122	-	-	-	122	-		
Gauteng Department of Transport(G-FLEET)	2 367	1 399	-	-	2 367	1 399		
Department of Justice and Constitutional Development	2 128	-	-	-	2 128	-		
Department of Public Works and Infrastructure	-	5 832	-	-	-	5 832		
The Presidency	322	-	-	-	322	-		
Department of Agriculture, Land Reform and Rural Development	4	6	-	-	4	6		
Subtotal	**4 943**	**7 237**	**-**	**-**	**4 943**	**7 237**		
Total Departments	**4 943**	**7 237**	**-**	**-**	**4 943**	**7 237**		
TOTAL INTERGOVERNMENT PAYABLES	**4 943**	**7 237**	**-**	**-**	**4 943**	**7 237**		

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 6

INVENTORIES

Inventories for the year ended 31 March 2025	Quantity	Solar Water Geyser Unit R'000	Total R'000
Opening balance	14 287	107 131	107 131
(Less): Disposals – (City Power transfer)	(760)	(5 698)	(5 689)
(Less): Issues	(2 005)	(15 034)	(15 034)
Add/(Less): Adjustments (Unmatched items, individual components) *	(1 679)	(12 589)	(12 589)
Adjustment: Remeasurement		(6 438)	(6 438)
Closing balance	**9 843**	**67 372**	**67 372**

As at 31 March 2025, the inventory balance includes solar water heater (SWH) units procured under the National Solar Water Heater Programme. An independent verification and physical count of the SWH units was conducted across various storage sites during February and March 2025. The exercise was aimed at confirming the existence and condition of the units on hand. The verified quantities and associated values have been used to inform the inventory balances presented in this annexure.

*Adjustments: These are unmatched items and individual components that have been identified for auctioning.

The following sites, SFF, Elundini and Emthanjeni were not counted, the unmatched components were identified for auction.

Not included in the closing balance, are unmatched components made up of 2 730 individual components that were identified and could not be paired into complete units, as well as damaged components made up of 397 components that were not fit for installation. The technical project team will determine usability of the items.

The Department finally recommended that unusable SWH be sold through an auction. An Auctioneer was appointed. The auction advertised to cover six (6) sites. Only 440 loose components that were at Sol Plaatjie Municipality were auctioned. The rest of the sites did not attract buyers. A second round of auction is being prepared by the same company. The advert has been spread wider to associations of SWH, Renewable Energy Associations, plumbers' association and companies that had worked on SWH. It is anticipated that the second round will attract more interest as it has been widely publicised.

The Department continues to assess the feasibility of using unmatched components and disposing of irrecoverably damaged units in line with applicable prescripts.

Annexures to the Annual Financial Statements for the year ended 31 March 2025

			Quantity	Solar Water Geyser Unit	Total
Inventories for the year ended 31 March 2024				R'000	R'000
Opening balance			42 880	321 537	321 537
(Less): Disposals			(16 272)	(122 016)	(122 016)
(Less): Issues			(16 155)	(121 139)	(121 139)
Add/(Less): Adjustments			3 834	28 749	28 749
Closing balance			**14 287**	**107 131**	**107 131**

- The accounting officer approved a transfer of 16 272 Solar Water Heater units to be moved to City Power. The units transferred are deemed installed and the department has fulfilled their responsibilities through the transfer.
- Through an independent assessment, a physical inventory count was conducted across the various storage facilities across the country to ensure accuracy and existence of the geyser system.
- The count identified a total of 3 246 units of which 313 were damaged and 2933 were found to be missing components, and a technical assessment will be conducted by the installation team to determine if there is probability of continued usage or disposal thereof.
- The breakdown of closing inventory is held at various locations.

Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

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

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	-	20 094	-	20 094
Software	-	20 094	-	20 094
TOTAL	**-**	**20 094**	**-**	**20 094**

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-	-
Software	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**

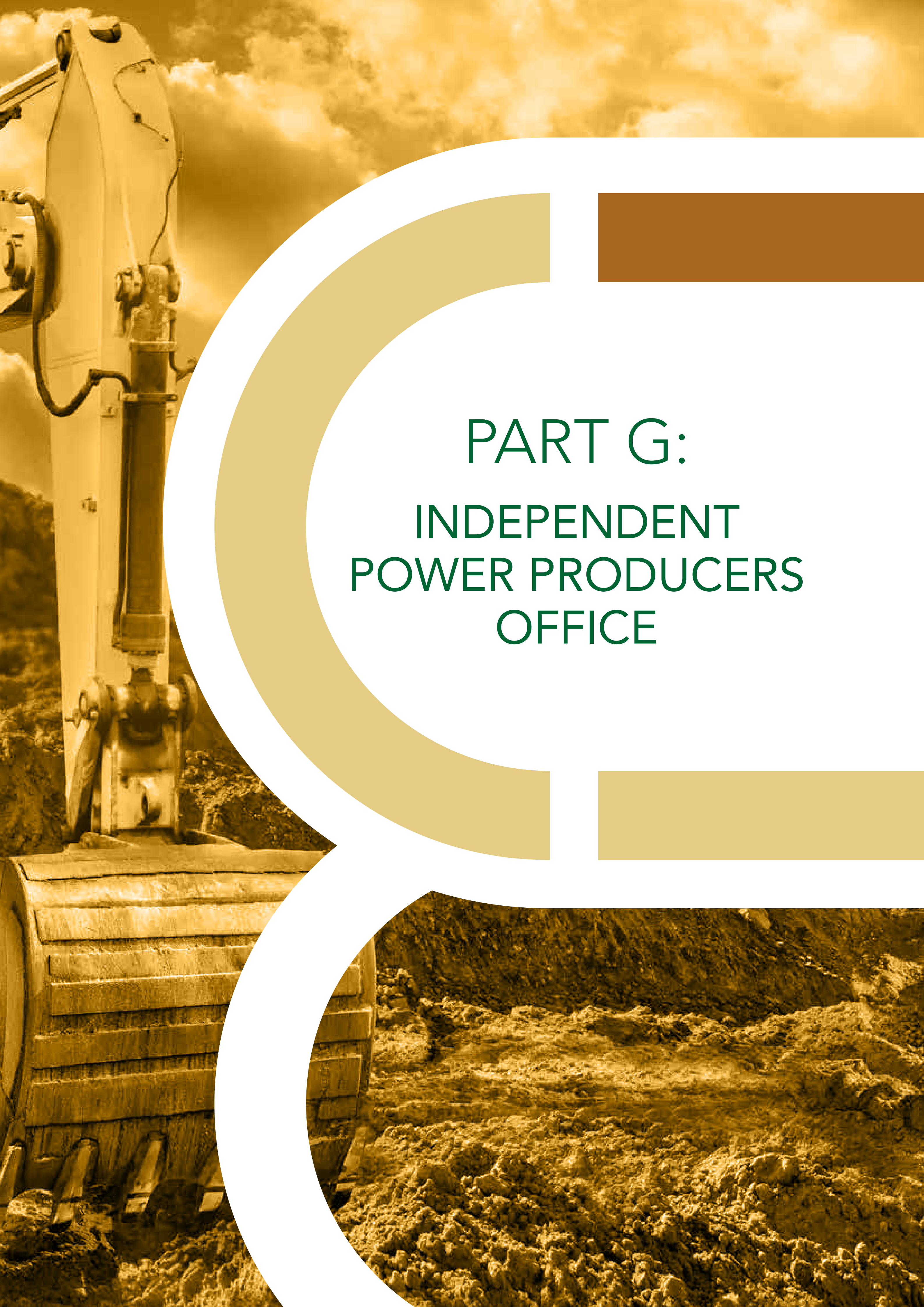
Annexures to the Annual Financial Statements for the year ended 31 March 2025

ANNEXURE 12

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTE 10.1)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
Various Manufacturers	Solar Energy	Training and Warranty Costs	Goods and services	-	25 287	-	(1 136)	-	24 151
Total prepayments				**-**	**25 287**	**-**	**(1 136)**	**-**	**24 151**
TOTAL PREPAYMENTS AND ADVANCES				**-**	**25 287**	**-**	**(1 136)**	**-**	**24 151**

Training for installing solar water heaters is provided as and when installers have been identified per region. Only when training has been provided will the goods and services be considered received. Warranties are effective once installation is complete and on the anniversary of the installation, the warranty is partially received until the duration of the warranty period is complete.



PART G:

INDEPENDENT POWER PRODUCERS OFFICE

The Independent Power Producers Office

Annual Financial Statements for the year ended 31 March 2025

Issued 31 May 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Independent Power Producers Office ("IPP Office") manages the Independent Power Producers Procurement Programmes and related interventions and mandates on behalf of the Department of Mineral Resources and Energy.
Business address	The IPP Office Building 9, Byls Bridge Office Park Cnr Jean & Olievenhoutbosch Ave Centurion 0157
Bankers	Nedbank Limited Standard Bank Limited
Auditors	The Auditor General of South Africa (AGSA) 4 Daventry Street Lynnwood Bridge Office Park Lynnwood Manor Pretoria 0001 PO Box 446 Pretoria 0001
Preparer	The annual financial statements were internally compiled by Dzunani Makgopa CA (SA)
Issued	31 May 2025

Contents

The reports and statements set out below comprise the annual financial statements presented to the Joint Implementation Committee (JIC):

The Joint Implementation Committee (JIC) members have pleasure in submitting their report on the annual financial statements of the Independent Power Producers Office for the year ended 31 March 2025.

1. Members of the Joint Implementation Committee

The JIC consists of a total of three (3) members, being one member from each of the three parties to the Memorandum of Agreement established between the Department of Mineral Resources and Energy (DMRE), National Treasury (NT), and the Development Bank of Southern Africa Limited (DBSA).

The current members are:

Members	Office	Designation
Tumisang Moleke	National Treasury	Chief Director: Public Private Partnerships Unit
Lebogang Seperere*	Development Bank of Southern Africa Limited	Acting Group Executive: Project Preparation Unit
Mthokozisi Mpofu	Department of Mineral Resources and Energy	Chief Director: Electricity Infrastructure

*During the year, Catherine Koffman, the Group Executive of Project Preparation Unit from DBSA resigned as a member of the JIC and was replaced by the Acting Group Executive Lebogang Sperepere on the 01 November 2024.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The accounting policies have been applied consistently compared to the prior year.

The financial results of the IPP Office are fully disclosed on pages 07 to 54. The key financial indicators for the year under review are:

i. Revenue decreased by 61% to R348 million (FY2024:R896 million).

ii. The net profit decreased by 60% to R359 million (FY24:R892 million).

iii. Investment income increased by 56% to R187 million (FY2024:R120 million).

iv. Cash flow generated from operations declined by 77% to R170 million (FY 2024:R731 million).

v. Total assets increased by 16% to R2.5 billion (FY 2024: R2.2 billion).

3. Information presented in terms of section 55(2)(b) of the PFMA

i. Particulars of any financial assistance received from the state and commitments made by the state on behalf of the IPP Office:

- The National Treasury has allocated R214 million to the DMRE's budget earmarked for IPP Office goods and services in respect of the conceptualisation, project preparation, implementation and monitoring activities in furtherance of the rollout of the IPP Procurement Programmes and mandate instructions issued by the DMRE. The full amount of R100 million was utilised by December 31, 2024.

4. Summary of events after the reporting period

i. Adjusting Events After the Reporting Period

Subsequent to the reporting date of 31 March 2025, several events occurred that provided additional evidence concerning conditions existing at year-end. These events have been recognised and disclosed as adjusting events under IAS 10, detailed fully in Note 30 of the financial statements.

a) Economic Development (ED) Penalty Fees:

In April 2025, Economic Development performance reports confirmed ED penalty revenue totalling R21.3 million for FY2025, which has been recognised accordingly. An additional ED penalty of R2.2 million remains disclosed only as per the accounting policy, pending final audit outcomes expected by September 2025.

b) Non-current Assets Held for Sale:

Subsequent to 31 March 2025, management approved the disposal of the entire remaining carrying value of

R78 360 (brought forward from FY2024) at nil value. During FY2025, certain assets with a carrying amount of R26 107 were sold. In addition, management has identified obsolete computer equipment with a carrying value of R61 389 as at 31 March 2025 for disposal via auction within 12 months of year-end; these items were accordingly reclassified as "held for sale." Refer to Notes 3 and 30 for further details.

c) Disposal of Computer Equipment

In May 2025, the Finance and Audit Committee approved the disposal of outdated computer equipment. The carrying amount of the computer equipment amounted to R15,383, comprising of an original cost of R150,348 and accumulated depreciation of R134,965. The asset was derecognised, as disclosed in note 3 (Property, Plant and Equipment). Please refer to notes 3 and 30 for further details.

ii. Non-Adjusting Events After the Reporting Period

a) Departmental Reconfiguration and Appointment of Acting Director-General:

On April 1, 2025, the Department of Mineral Resources and Energy (DMRE) was restructured in accordance with section 7(5)(a) of the Public Service Act of 1994 (as amended). This reconfiguration followed the 2024 Proclamation on the National Macro Organisation of Government (NMOG) by the President of the Republic of South Africa. As a result, the DMRE was divided into two separate departments: the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity Energy (DEE). For more details, please refer to note 30.

As part of the departmental reconfiguration effective 01 April 2025, the Minister of Electricity and Energy appointed Mr Subesh Pillay as the Acting Director-General of the newly established Department of Electricity and Energy (DEE). This appointment is part of the broader structural reform and became effective after the reporting date.

b) Change in Head of IPP Office:

The employment contract of the IPP Office's Head, Bernard Magoro, reached the end of its term on 30 April 2025. An interim Head of IPP Office, Ms Elsa Elizabeth Strydom was subsequently appointed by the Department.

The Joint Implementation Committee members are not aware of any other material event arising since the end of the financial year which will have a significant effect on the operations or the financial position of the IPP Office other than that disclosed in note 30.

c) BW7 Preferred Bidder Announcement

On 22 July 2025, the Department of Electricity and Energy (DEE) announced the appointment of six additional Solar PV projects under REIPPPP Bid Window 7 as Preferred Bidders.

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	3	21 819 897	18 707 120
Intangible assets	4	7 048 586	2 739 040
Right-of-use assets	5	24 561 516	33 059 614
Other financial assets	9	80 000	80 000
Prepayments	8	433 454	-
		53 943 453	**54 585 774**
Current Assets			
Contract assets	6	20 981 671	25 108 829
Trade and other receivables	7	55 407 306	55 663 445
Prepayments	8	1 443 198	2 383 022
Cash and cash equivalents	10	2 389 493 092	2 038 929 415
		2 467 325 267	**2 122 084 711**
Non-current assets held for sale	11	61 389	104 467
Total Assets		**2 521 330 109**	**2 176 774 952**
Equity and Liabilities			
Equity			
Retained income		2 284 959 938	1 926 295 020
Liabilities			
Non-Current Liabilities			
Lease liabilities	5	20 384 923	28 448 517
Provisions	12	659 389	774 616
		21 044 312	**29 223 133**
Current Liabilities			
Lease liabilities	5	8 063 593	7 023 386
Provisions	12	19 857 467	43 034 070
Trade and other payables	13	65 569 924	23 721 605
Contract liabilities	14	150 000	50 000
Deferred income	15	121 684 875	147 427 738
		215 325 859	**221 256 799**
Total Liabilities		**236 370 171**	**250 479 932**
Total Equity and Liabilities		**2 521 330 109**	**2 176 774 952**

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Revenue	16	347 501 121	896 032 798
Other operating income	17	42 419 754	50 448 610
Net gains/(losses) on disposals and scrapping of non-financial assets	18	(55 735)	(44 630)
Net movement in credit loss allowances	22	(6 804 243)	(272 137)
Transaction advisor costs	19	(51 629 757)	(29 514 927)
Employee costs	20&22	(94 364 652)	(84 588 973)
Depreciation, amortisation and impairment expenses	21&22	(15 669 747)	(12 365 356)
Other operating expenses	22	(46 307 853)	(44 065 703)
Operating profit	22	**175 088 888**	**775 629 682**
Investment income	23	186 919 793	120 006 729
Finance costs	24	(3 343 763)	(3 654 367)
Profit for the year		**358 664 918**	**891 982 044**

Statement of Changes in Equity for the year ended 31 March 2025

Figures in Rand	Retained income	Total equity
Balance at 01 April 2023	**1 034 312 976**	**1 034 312 976**
Total comprehensive income for the year	891 982 044	891 982 044
Balance at 01 April 2024	**1 926 295 020**	**1 926 295 020**
Total comprehensive income for the year	358 664 918	358 664 918
Balance at 31 March 2025	**2 284 959 938**	**2 284 959 938**

Statement of Cash Flows for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from operations	25	**170 084 014**	**731 433 638**
		-	-
Net cash from operating activities		**170 084 014**	**731 433 638**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(9 552 560)	(2 719 518)
Proceeds from sale of property, plant and equipment	3	64 115	65 188
Purchases of intangible assets	4	(5 118 185)	(2 807 943)
Prepayments	8	(433 454)	-
Interest income	23	205 858 544	94 825 949
Net cash from investing activities	25	**190 818 460**	**89 363 676**
Cash flows from financing activities			
Cash repayments on lease liabilities	5	(7 023 387)	(6 306 326)
Finance costs	24	(3 315 410)	(3 631 655)
Net cash from financing activities		**(10 338 797)**	**(9 937 981)**
Total cash movement for the year		**350 563 677**	**810 859 333**
Cash and cash equivalents at the beginning of the year		2 038 929 415	1 228 070 082
Cash and cash equivalents at the end of the year	10	**2 389 493 092**	**2 038 929 415**

Corporate information

The Independent Power Producers Office (IPP Office) is an unincorporated and unlisted entity domiciled in South Africa.

The Independent Power Producers Office ("IPP Office"), which manages the Independent Power Producer Procurement Programme (IPPPP) of the Department of Mineral Resources and Energy (DMRE), is operated as a stand-alone unincorporated and unlisted entity with its own management structure and management accounts. It was formed through a tripartite Memorandum of Agreement (MoA) between the DMRE (as programme owner), the National Treasury as represented by the Government Technical Assistance Centre (GTAC) (as the treasury function), and the Development Bank of Southern Africa Limited (DBSA) (as the administrative agent and host of the IPP Office).

The IPP Office is responsible for asset management and ensuring and maintaining adequate insurance cover for all assets and liabilities of the IPP Office. The IPP Office is also responsible for record-keeping, in its own separate set of accounts, of all transactions, including the resulting assets, liabilities, income and expenditure, entered into on its behalf in the execution of its mandate. Control over and accountability for these assets and liabilities is therefore assumed for the purposes of these financial statements to vest in the management of the IPP Office.

These annual financial statements provide financial information of the financial position, performance and cash flow for the IPP Office as a ring- fenced silo or reporting entity. Any further clarification of the entity's legal status or amendments to its role and mandate in the future may impact these judgements accordingly, which may necessitate adjustments to these financial statements.

1. Accounting policies

The accounting policies applied are materially consistent with those of the annual financial statements for prior reporting periods.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards as issued by the International Accounting Standards Board and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements as amended.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the IPP Office's functional currency.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Related parties

The Independent Power Producers Office is an unincorporated entity formed through a tripartite Memorandum of Agreement (MoA) between the DMRE, DBSA and National Treasury GTAC unit. Transactions between the IPP Office and the National Treasury GTAC unit, DMRE and DBSA are considered related party transactions under IAS 24.

1.2 Significant judgements and sources of estimation uncertainty (continued)

Judgement was made to categorise transactions involving DBSA, GTAC, and implicitly the DMRE's oversight as related-party transactions, due to significant financial interdependencies, operational integration, and shared governmental control.

In the current year, these transactions comprised mainly management fees payable by the IPP Office to DBSA and GTAC, as well as the recovery of grant-related expenditures regarding functions prescribed per MoA. The transactions with related parties were conducted on normal commercial terms and conditions similar to those applicable to transactions with independent third parties.

Timing of satisfaction of performance obligations

Determining the timing of satisfaction of performance obligations on revenue from contracts with customers:

Request for Proposal (RFP) tender document sales: Control of the performance obligation transfers at the moment bidders are provided access to the RFP documentation. This decision is based on criteria including IPPO's enforceable right to the fee (received upfront), the bidder's ability to direct the use of the documentation immediately upon access, and the absence of material further deliverables required from IPPO after this access is granted.

Preferred bidder fee revenue: Management concluded that the IPP obtains control of the preferred bidder status when the bidder is officially notified and formally accepts the preferred bidder designation. At this point, IPPO's obligation is substantively complete, and the IPP holds a clearly defined right (the exclusive right to proceed to project implementation), confirming the transfer of control.

Development fee revenue: Management concluded that the moment the IPP has control of the IPPO's service (the standardised contract framework and commercial close support) occurs when the commercial close is successfully completed—evidenced by the execution of the final project agreements (Implementation Agreement, Power Purchase Agreement, and Direct Agreement). Prior to this milestone, IPPO has no enforceable right to payment, and the IPP has not received full benefits from the IPPO's efforts.

Economic development penalty revenue: Judgment is needed to determine the occurrence of economic development performance deductions when the IPP's actual performance falls short of the agreed-upon performance during the reporting period. Estimates are made regarding the amounts and collectability of these penalties based on terms in the Implementation Agreements (IA) and past experiences.

Determination of Transaction Price

Economic development (ED) penalty revenue:

Judgement is exercised in estimating variable consideration which is determined having regard to the IPPs history of incurring economic development penalties with the IPP Office. Management has determined that the amount of variable consideration for IPPs under classification two (2), is estimated using the expected value method where the IPP Office assume a zero probability and limit the ED penalty fee to an expected value of R nil. Thus ED penalty revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Government grants

Critical Judgment – Initial Recognition ("Reasonable Assurance"): Management applied significant judgment when deciding the right moment to recognise government grants, as indicated in IAS 20 (paragraph 7). Grants should only be recognised when there is reasonable assurance that all conditions will be satisfied and the funds will be received. This evaluation involves examining outstanding conditions, considering historical interactions with grantors, and assessing the IPP Office's capability to comply with grant conditions.

As of December 31, 2024, management recognised a grant of R114 million from the National Treasury as deferred income, even though the grant agreement was still awaiting the signature of the Deputy General of DMRE. This decision was based on the likelihood of future execution and previous success in fulfilling similar requirements.

1.2 Significant judgements and sources of estimation uncertainty (continued)

Routine Subsequent Income Recognition: Once reasonable assurance is established, government grant income is recognised in a systematic manner, aligning with the timing of the related costs incurred, in accordance with IAS 20 (paragraph 12). At this stage, further judgment is typically minimal, assuming that the initial conditions remains the same.

Critical judgements in determining lease discount rate

Judgement was exercised in determining the discount rate used to measure lease liabilities. Since the interest rate implicit in the lease was not readily determinable, the IPP Office management applied the incremental borrowing rate in discounting future lease payments to measure the present value of the lease liability at the lease commencement date.

Critical judgements in determining the lease term

Management exercised judgment in determining the lease term, which is the non-cancellable period of the lease contract and does not include periods covered by an option to extend as the IPP Office management is not reasonably certain to exercise the option to extend the lease.

Key sources of estimation uncertainty

Allowance for expected credit losses

The allowance for expected credit loss assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group.

The assumptions include recent debtor experiences, historical collection rates as well as the forward-looking information available at the time of preparation. Actual credit losses in future years may vary.

Impairment of non-financial assets other than indefinite life intangible assets

The IPP Office reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. In the current year, no impairments of property, plant and equipment as well as finite life intangible assets were recognised.

Estimation of useful lives

At the end of each reporting period, the IPP Office management assess the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets.

During the current year, the IPP Office management determined that the useful lives of certain PPE and finite life intangible assets items should be extended based on the condition and expected usage of these assets at year-end. The financial effect of this reassessment will decrease depreciation and amortisation expenses for both the current year and future years.

Estimation of provisions and contingent assets

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 1.9&12.

i. Lease restoration (dismantling) provision

- The IPP Office has a provision for expected costs related to restoring leased premises to their original condition at the end of the lease. The provision includes estimated costs for restoring the leased office building, which is reviewed annually and updated where applicable. Changes in estimated costs are reflected in financial statements by adjusting right-of-use assets and dismantling provisions.

Other provisions and contingent assets

ii. Bonus provisions

- Each year, bonus payments are estimated to be 20% of employee costs.

1.2 Significant judgements and sources of estimation uncertainty (continued)

iii. Contingent assets

- Contingent assets are continually assessed to ensure that developments are properly reflected in the financial statements. In cases where it becomes virtually certain that the inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs. If, however, the inflow of economic benefits has become probable (instead of virtually certain), then it should be disclosed as a contingent asset.

Non-Current Assets Held for Sale

Management has exercised significant judgment in classifying certain non-current assets as held for sale, based on management's commitment to sell the assets and the high probability of sale within the next 12 months. Additionally, the fair value, less the costs to sell, is estimated based on similar auctions of assets in previous reporting periods, which involves significant estimation uncertainty.

1.3 Property, plant and equipment

Recognition and measurement:

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses.

Depreciation

- Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the IPP Office.
- Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term.
- Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Right of Use assets	Straight line	Over expected remaining term of the lease
WIP assets	Straight line	*
Furniture and fixtures	Straight line	5 to 12 years
Security systems	Straight line	8 to 9 years
Computer equipment	Straight line	3 to 13 years
Leasehold improvements	Straight line	Over expected remaining term of the lease

- *Assets under construction (capital work-in-progress) are not depreciated. Depreciation of assets under construction (capital work-in progress) will commence when the asset is available for use and is transferred from capital work-in-progress to the relevant asset category.
- The useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.
- Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for the year is recognised in profit or loss.

Impairments

- Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.3 Property, plant and equipment

Impairment reversals

- The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods and is recognised immediately in profit or loss.

Derecognition

- An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Intangible assets

Recognition and measurement:

An intangible asset is recognised when:

- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are subsequently measured at cost less any accumulated amortisation and impairment losses.

Amortisation

- An amortisation for intangible assets is provided on a straight line basis over assets useful life.
- The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	1 to 12 years
CRM system	Straight line	4 to 9 years

Impairments of finite life intangible assets

- The IPP Office assesses at each end of the reporting period whether there is any indication that an intangible asset may be impaired. If any such indication exists, the IPP Office estimates the recoverable amount of the asset.
- The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss and is recognised immediately in profit or loss.

Impairment reversals

- The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods and is recognised immediately in profit or loss.

Derecognition

- An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. A gain or loss arising from the derecognition of an intangible asset is recognised in profit or loss when the asset is derecognised.

1.5 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

1.5 Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This is the case when;

- The asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets and the sale is considered to be highly probable.
- A sale is considered to be highly probable if the appropriate level of management is committed to a plan to sell the asset and an active programme to locate a buyer and complete the plan has been initiated.
- Furthermore, the asset has been actively marketed for sale at a price that is reasonable in relation to its current fair value.
- Also, the sale is expected to qualify for recognition as a completed sale within one year from the date that it is classified as held for sale.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale.

1.6 Leases

The IPP Office assesses whether a contract is, or contains a lease, at the inception of the contract.

Identification of a contract:

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the IPP Office has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

IPP Office as lessee

Contracts containing leases have separate lease and non-lease components, with consideration allocated to each lease component based on the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

The leases for the office building and printers include both lease and non-lease components. The IPP Office has elected not to segregate the non-lease components for office building lease. However, it has chosen to separate lease and non-lease components for printing lease, resulting in the non-lease components for printers being excluded from the calculation of lease liabilities as they are variable lease payments based on actual monthly usage (and thus not dependent on an index or rate).

Details of leasing arrangements where the IPP Office is a lessee are presented in note 5 Leases (IPP Office building and printing machines as lessee).

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the IPP Office under residual value guarantees;
- the exercise price of purchase options, if the IPP Office is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the IPP Office is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

1.6 Leases (continued)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 5).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 24).

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the IPP Office is a lessee.

Lease liability

The IPP Office remeasures the lease liability, when applicable, in accordance with the following table:

Lease liability re-measurement scenario	Lease liability re-measurement methodology
Change to the lease term rate.	- discounting the revised lease payments using a revised discount
Change in the assessment of whether the IPP Office will exercise a purchase, termination or extension option.	- discounting the revised lease payments using a revised discount rate.
Change to the lease payments as a result of a change in an index or a rate.	- discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
Lease contract has been modified and the lease modification is not accounted for as a separate lease.	- discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Initial recognition

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located,
- when the IPP Office incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

When the IPP Office incurs an obligation for the costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying assets to the condition required by the terms and conditions of the lease, a provision is recognised in the statement of financial position.

The IPP Office is obligated for the costs to dismantle and remove Office building renovations, and to restore the underlying assets to the condition required by the terms and conditions of the lease. The estimated costs have been included in the initial amount of the right-of-use asset and a corresponding provision has been raised.

Subsequent Measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

1.6 Leases (continued)

Depreciation

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.7 Financial instruments

Financial instruments are recognised when the IPP Office becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

Financial instruments held by the IPP Office are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Financial instruments and risk management presents the financial instruments held by the IPP Office based on their specific classifications. The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the IPP Office are presented below:

Financial assets at amortised costs

Recognition and measurement

Financial assets are measured at amortised cost where they are held within a business model whose objective is to hold the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. Such financial assets include trade receivables, contract assets and cash and cash equivalents.

Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Other receivables comprise of receivables that arise outside IPP Office's principal revenue-generating activities such as grant recoveries (National treasury and KfW grant),funds owed by employees, and lately bid guarantees.

Impairment of financial assets

The IPP Office makes use of a provision matrix as a practical expedient to the determination of expected credit losses on contract assets and trade receivables under which the loss allowance is measured at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of a contract asset and trade receivables.

Cash and cash equivalents and sundry receivables excluding bid guarantees are measured at amortised cost in the statement of financial position. The balance at amortised cost is regarded as having a low probability of default. Therefore, the ECL is insignificant.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of contract assets and trade receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Write-off policy

The IPP Office writes off an instrument when there is information indicating that the counter-party is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the counter-party has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the IPP Office's recovery procedures. Any recoveries made are recognised in profit or loss.

1.7 Financial instruments (continued)

Credit risk

Details of credit risk are included in contract assets, trade and other receivables and the financial instruments and risk management note.

Financial liabilities at amortised cost

Recognition and measurement

Financial liabilities are classified as measured at amortised cost. Trade payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest rate method.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

Trade and other payables expose the IPP Office to liquidity risk.

Contract assets

Balances on revenue contracts are presented as contract assets or liabilities in the statement of financial position.

Contract assets represent the IPP Office's entitlement to consideration for goods or services that have already been delivered to a customer, but which depend on fulfilling future performance obligations, not just the passage of time. Contract assets are assessed for impairment in accordance with IFRS 9.

The IPP Office's contract assets primarily relate to the IPP Office's rights to consideration income accrued but not billed at the reporting date for economic development penalty revenue, development revenue, and preferred bidder fee revenue and grant recoveries. The contract assets are transferred to receivables when the rights become unconditional, when the IPP office issues an invoice to the customer, refer to note 6 for details.

Cash and cash equivalents

Cash equivalents are "short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value" and are held for meeting short-term cash commitments rather than for investment purposes. Typically, only investments with original maturities of three months or less qualify. However, longer-dated fixed-term deposits are also classified as cash equivalents if they are redeemable on demand (even if early redemption may incur a penalty) and the principal amount is guaranteed.

1.8 Contract liabilities

Contract liabilities represent prepayments on a contract or the obligation to transfer goods/services to a customer. A contract liability is also- recognised when a right to consideration exists before the entity transfers a good/service.

The IPP Office's contract liabilities primarily relate to the advance consideration received by the IPP office from customers for tender document sales for which revenue is recognised at a point in time when tender documents are transferred to the customer. The advanced consideration is non-refundable.

1.9 Provisions and contingencies

Provisions are recognised when:

- the IPP Office has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation

Provisions are not recognised for future operating costs.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Contingent assets and contingent liabilities are not recognised.

1.10 Lease restoration provision

The IPP Office is required to restore the leased premises of the leased office building to their original condition at the end of the lease term. Such obligation is referred to as 'decommissioning, restoration liability'. A provision is recognised for the present value of the estimated expenditure required to remove the leasehold improvements and restore the office building and premises, the obligation for which the IPP Office incurs as a consequence of having used the office building during the lease term.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. However,if the value is not material per IAS 37 paragraph 45, IPP office recognises the provision at an undiscounted value.

The lease restoration is measured using the cost model:

- changes in the liability are added to, or deducted from, the cost of the related asset in the current period.

The Provision is reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

1.11 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care, are recognised in the period in which the service is rendered and are not discounted. The IPP Office follows a non-cumulative short-term benefit policy where the cost of compensated absences is recorded as an expense when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the IPP Office's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.12 Government grants

The IPP office is supported by grants from the National Treasury (NT) and KfW. The NT grant is intended to compensate the costs of Transaction Advisers for the Second Determination rollout as well as REIPPP Project preparation. The KfW grants, on the other hand, are intended to compensate the costs of Transaction Advisers for Programme studies.

- Government grants are recognised when there is reasonable assurance that the IPP Office will comply with the conditions of the grant and the grant will be received.
- These funds received from the government grants, are initially recognised as deferred income separately in the statement of financial position and are recognised as income in profit or loss on a systematic basis, over the period/s that matches grant income with the related costs that they are intended to compensate. A government grant that becomes receivable as compensation for costs already incurred with no future-related costs is recognised as income of the period in which it becomes receivable.
- The IPP office reports cashflows from grant income as cash generated from operating activities.

1.13 Revenue from contracts with customers

Definitions

IPP - Independent Power Producers

REIPPPP - Renewable Energy Independent Power Producer Procurement Programme

RMIPPPP - Risk Mitigation Independent Power Producer Procurement Programme

The commercial close - refers to the effective date as defined in the Implementation Agreement.

The financial close - is the day when the seller, who is the borrower under the financing agreements, receives confirmation that all conditions necessary for the financing agreements have been met or waived by the lenders.

1.13 Revenue from contracts with customers (continued)

The effective date - refers to the day when the seller notifies the Department that all conditions precedent to financial close under the financing agreements have been fulfilled.

The signature date - refers to the day when all parties involved in the Implementation Agreement have officially signed it.

The IPP Office recognises revenue from the following major sources:

- RFP tender document sales
- Preferred bidders
- Development fees
- Economic development fees
- Monitoring fees

Revenue is measured based on the consideration to which the IPP Office expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The IPP Office recognises revenue when it transfers control of an RFP tender document or IPP Procurement Programme service to a customer.

Tender document sales revenue

Nature of revenue

Prospective bidders pay a non-refundable project registration fee to gain access to the request for proposal (RFP) documentation setting out the tender details and requirements. This fee also entitles the bidder to submit one project at the bid submission date. If the prospective bidder intends to submit more than one project each project must be registered separately and pay the non-refundable fee accordingly.

Performance obligation

- Supplying the bidders with the RFP documentation on the dedicated website. Satisfaction of performance obligation: When the IPP Office releases the RFP documentation on their dedicated website for download by the prospective bidders.

Payment terms

- There are no significant payment terms because all payments must be made immediately to the IPP Office bank account

Timing of revenue recognition

The timing of revenue recognition for RFP tender document sales, is a point in time when access to the RFP documentation setting out the tender details and requirements has been made available to the prospective bidder.

Preferred bidder fee revenue

Nature of revenue

- After receiving bids and evaluating them, bidders provisionally informed of their preferred status will need to pay a preferred bidder fee to the IPP Office (Department of Mineral Resources and Energy).

Performance obligation

- Evaluation process concluded by the IPPO and the announcement of the preferred bidders by the Minister of Mineral Resources and Energy.

Transaction prices

- The preferred bidder fee, paid by each preferred bidder, is subtracted from the development fee that the seller would otherwise pay on commercial/ financial close. The bidder fee revenue is charged per each megawatt of the contracted capacity of the project, and the price per megawatt varies from REIPPP and RMIPPP Programmes.
- The transaction prices for RFPs on the REIPPPP and RMIPPPP:
- R50,000 for each megawatt of the contracted capacity allocated per project under the REIPPP Programme.
- R25 000 for each megawatt of the contracted capacity allocated per each project under the RMIPPP Programme.
- A preferred bidder fee is non-refundable. Thus, if a preferred bidder pays the preferred bidder fee but fails to reach commercial close, they will not receive a refund. Unless the department terminates the procurement process before the commercial closes, the bidder will not lose their fee.

1.13 Revenue from contracts with customers (continued)

Payment terms

- The preferred bidder fee revenue must be paid when the preferred bidder submits their project development undertaking to the department. The revenue amount is not adjusted for any financing component.

Timing of revenue recognition

- A preferred bidder fee is recognised at a point in time when each preferred bidder has received and signed the letter of provisional appointment as preferred bidder.

Development fee revenue

Nature of revenue

- A development fee is payable by successful bidders, which is used to sustain and fund the general activities of the IPP Office (including the ongoing monitoring of projects).

Transaction price

- A development fee, based on a percentage of the total project cost, less the preferred bidder fee.

Payment terms

- Upon reaching the commercial close, the remaining balance of the development fee must be paid within twenty business days from the signature date. Therefore the revenue amount is not adjusted for any significant financing component.
- The signature date mentioned above refers to the date when both parties officially sign the Implementation Agreement. If the bidder doesn't pay the development fee by the twentieth business day after the effective date, the seller has the right to a remedy period of twenty business days to make the payment. If the seller does not pay the development fee within the agreed remedy period, the Department has the right to terminate this agreement for as long as the fee remains unpaid. Usually, payment is expected to be made within 20 days after the Commercial Close.

Performance obligation:

- The IPP Office is responsible for fulfilling the performance obligation of carrying out financial - close procedures for IPPs selected as preferred bidders.

Timing of revenue recognition:

Revenue from development fees is recognised at a point in time on the date when preferred bidders sign the Implementation Agreements on a signature date during financial/commercial close periods.

Economic development penalty revenue

Nature of revenue

- The Independent Power Producers (IPPs) are obligated to commit to economic development performance at the start of each project, as stated in the implementation agreement. Each year, Independent Power Producers (IPPs) are required to submit an economic development performance report in April, following the IPPO financial reporting period, which ends on March 31st. The IPP Office assesses these reports for compliance and penalties/ deductions are imposed when IPPs fail to meet agreed-upon performance metrics, while credits are granted for exceeding these metrics. All IPPs that have incurred penalties are notified by a letter from IPP Office requesting them to confirm if they agree or disagree with the assessment results.

Transaction price and Timing of revenue recognition

The transaction price for ED penalties is determined using the expected value method, with revenue recognition contingent on the likelihood of no significant reversal of cumulative revenue when uncertainties are resolved. The IPP Office applies a measurement constraint, ensuring revenue is recognised only when highly probable to avoid significant reversal using the following two criterias:

Classification Criterion one (1)

- For IPPs with a history of penalties, revenue is estimated and recognised as contract assets before IPPs confirm the penalty fee outlined in the ED penalty notification letter from the IPP Office. Management uses historical data to estimate the expected revenue.

1.13 Revenue from contracts with customers (continued)

Classification Criterion two (2):

- For first-time penalised IPPs, revenue recognition is deferred until the IPP responds to the penalty notification letter from the IPP Office and confirms agreement with the penalty calculated by the IPP Office. If the IPP response disagrees with the ED penalty imposed, the IPP Office discloses the ED penalty revenue and only recognises this revenue after uncertainties are resolved through the independent annual audit reports submitted by the IPP independent auditors to the IPP Office on 30 September, six (6) months after year-end. When ED penalties have been confirmed, an invoice will be issued to the IPP, and the IPP Office will transfer the contract assets to trade receivables.

Payment terms

- There are no significant payment terms because the penalties are payable within 15 working days from the invoice date. If payment is not made within the specified time, the outstanding amount will incur interest at the prescribed rate until the payment is received. The IPP Office generally expects to receive a payment within 15 days of issuing an invoice. Therefore, the revenue amount is not adjusted for any significant financing component.

Monitoring fees

Nature

Sellers involved in the procurement programme, from the RMIPPPP Bid window onwards are required to pay a 5% monitoring fee to cover the IPP Office's costs associated with contract management, monitoring, evaluation and the general administration of the IPP Programme as per the Implementation Agreement (IA).

Performance obligations

The IPP Office's primary obligation is to perform contract management, monitoring, evaluation and the general administration of the IPP Programme.

Transaction price

The transaction price is 5% of Skills Development, Enterprise Development and Socio-Economic Development initiatives, determined based on the committed obligations outlined in the IA.

Revenue Recognition

The monitoring fee revenue is recognised at a point in time when the IPP Office determines the 5% fee payable by each seller on a quarterly basis.

Payment terms

No financing element is recognised as the monitoring fee is payable within twenty (20) Business Days after the end of each Contract Quarter.

1.14 Other income

i. Refinancing Income

Other operating income comprises of fees received from refinancing services provided by IPP Office, through its transaction advisors to the IPPs. To initiate a refinancing process, the seller provides the IPP Office with a proposal. If the refinancing falls through, the parties agree on the compensation for the seller's expenses, including advisor costs. The invoice is issued once the refinancing transaction has reached the financial close.

ii. Bid Guarantees

The IPP Office through its management of the Independent Power Producers Programmes and related interventions. The RFP requires Independent Power Producers (IPPs) to provide bid guarantees upon bid submission and upon being provisionally informed of their Preferred Bidder status. The bid guarantees serve as a protective measure for the DOE to ensure compliance with the terms of the Request for Proposal (RFP) and related contractual obligations.

Initial Bid Guarantee: Each bidder must provide an unconditional, irrevocable bid guarantee of R100,000 per MW of contracted capacity upon bid submission.

1.14 Other income (continued)

Preferred Bidder Guarantee: Upon acceptance of the Preferred Bidder status, each IPP must lodge a new guarantee of R200,000 per MW of contracted capacity within 15 days to officially secure their status as a Preferred Bidder.

Conditions for Forfeiture - The bid guarantees may be forfeited to the IPP Office if the Preferred Bidder fails to:

- Comply with any conditions contained in the letter of appointment as a Preferred Bidder;
- Sign any of the required contracts within the time period specified under the RFP;
- Pay the development fee when prescribed.

1.15 Related parties

Related parties

The IPP Office has identified the DMRE, the National Treasury as represented by (GTAC) and the Development Bank of Southern Africa. Limited (DBSA) as related parties based on being government entities and their functions as per the Memorandum of Agreement (MoA).

Transactions between the related parties comprises of management fees charged by the GTAC, DBSA's management services regarding functions prescribed per MoA and recovery of government grants-related expenses. These transactions are conducted in the ordinary course of IPP Office business at arms' length. The disclosure of the IPP Office's related party transactions and balances for the current year are set out in note 24 of the annual financial statements.

Transactions and functions of the IPP Office's related parties are as follows, as prescribed in the MoA:

- Cash equivalents and short-term investments of the IPP Office are held and administered by the GTAC and the DBSA but in ring- fenced bank accounts used solely for receipt of income and reimbursement of expenditure associated with the IPP Office and incurred by the IPP Office in the execution of its mandate.
- The readily available cash resources held by GTAC and the DBSA on behalf of the IPP Office are classified in these financial statements as cash and cash equivalents (rather than receivables). Where trade receivables or other financial assets arise relating to revenue, other income or amounts receivable associated with the IPP Office, the cash subsequently received is deposited into the ring-fenced bank accounts for future use by the IPP Office, and no other party has any legal claims against such amounts held on behalf of the IPP Office.
- The procurement of assets, goods and services is done through the DBSA (acting as an agent of the IPP Office) on behalf of the IPP Office and payment of suppliers for such items is made from the ring-fenced bank accounts. Notwithstanding their legal form, all related expenditure and asset purchases are in substance under the control of and exclusively for the benefit, use and consumption of the IPP Office and its staff in the execution of its mandate.
- Assets, goods and services (and related expenditure) procured under the legal name of the DBSA are recognised as assets or expenditures of the IPP Office, and where supplier payment is outstanding, the related trade payable is a recognised liability in the financial statements of the IPP Office. Prepayments relating to the procurement of assets, goods and services on behalf of the IPP Office are also recognised as that of the IPP Office. All property, plant and equipment, including leased assets, procured on behalf of the IPP Office is held at the IPP Office's premises.
- The IPP Office reimburses DBSA for employee costs in respect of staff employed by the DBSA to work full-time at the IPP Office, and these costs are recognised as employee costs of the IPP Office.
- Revenue and other income, including finance income, arising from the mandate and activities of the IPP Office and related trade receivables and other financial assets are also recognised in the financial statements of the IPP Office. Finance income and bank charges relating to Bank accounts held by GTAC and the DBSA on behalf of the IPP Office are recognised as income or expenditure of the IPP Office.

1.16 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rand, unless otherwise stated.

1.17 Offsetting

The IPP Office applies offsetting on principle as permitted by an IFRS on the following items of financial statements:

- Gains and losses on the disposal of non-current assets, including investments and operating assets, are reported by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses.
- If applicable, expenditure related to a provision that is recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and reimbursed under a contractual arrangement with a third party is netted against the related reimbursement; and
- Gains and losses arising from a group of similar transactions are reported on a net basis, for example, foreign exchange gains and losses however, these gains and losses are reported separately if they are material.

1.18 Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Notes to the Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The IPP Office has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the IPP Office's accounting periods beginning on or after 01 January 2025 or later periods:

Standard/ Interpretation: Years beginning on or after	Effective date:	Expected impact:
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Not expected to impact results but may result in additional disclosure
Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2026	Unlikely there will be a material impact

Notes to the Annual Financial Statements

3. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
WIP assets	590 262	(458 948)	131 314	854 102	(458 948)	395 154
Furniture and fixtures	6 986 980	(1 418 712)	5 568 268	6 087 439	(262 437)	5 825 002
Security systems	9 216 251	(8 588 327)	627 924	8 419 571	(8 381 791)	37 780
Computer equipment	16 751 405	(7 399 226)	9 352 179	12 011 867	(6 638 012)	5 373 855
Leasehold improvements	8 822 824	(2 682 612)	6 140 212	7 990 532	(915 203)	7 075 329
Total	**42 367 722**	**(20 547 825)**	**21 819 897**	**35 363 511**	**(16 656 391)**	**18 707 120**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Reclassified to NCAHFS	Disposal at nil value	Transfers	Depreciation	Total
WIP assets	395 154	-	-	-	(263 840)	-	131 314
Furniture and fixtures	5 825 002	899 538	-	-	-	(1 156 272)	5 568 268
Security systems	37 780	796 681	-	-	-	(206 537)	627 924
Computer equipment	5 373 855	7 024 048	(61 454)	(15 383)	263 905	(3 232 792)	9 352 179
Leasehold improvements	7 075 329	832 292	-	-	-	(1 767 409)	6 140 212
Balance at the end of the year	**18 707 120**	**9 552 559**	**(61 454)**	**(15 383)**	**65**	**(6 363 010)**	**21 819 897**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Non-current assets held for sale	Reclassified to NCAHFS	Scrapped Assets	Transfers	Depreciation	Total
WIP assets	4 730 336	-	-	-	-	(4 335 182)	-	395 154
Furniture and fixtures	54 699	5 812 656	248	(5 639)	(42)	-	(36 920)	5 825 002
Security systems	854 708	-	-	-	(1 374)	-	(815 554)	37 780
Computer equipment	1 763 525	2 909 655	-	-	(69 740)	2 263 065	(1 492 650)	5 373 855
Leasehold improvements	5 035 152	3 000 000	-	-	-	-	(959 823)	7 075 329
Balance at the end of the year	12 438 420	11 722 311	248	(5 639)	(71 156)	(2 072 117)	(3 304 947)	18 707 120

Figures in Rand	2025	2024

Contractual commitments other than leases

At the reporting date the IPP Office had the following capital commitments:

Computer hardware: assets under construction (WIP assets)	1 051 065	6 181 849
Security systems	-	796 680
Furniture & fixtures	-	1 768 123

Proceeds from disposal of property, plant and equipment - included in operating profit

Furniture and fixtures	65 605	-
IT equipment	-	65 187
	65 605	**65 187**

4. Intangible assets

	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	6 936 517	(1 563 331)	5 373 186	2 938 732	(787 861)	2 150 871
CRM system	4 218 348	(2 542 948)	1 675 400	3 097 948	(2 509 779)	588 169
Total	**11 154 865**	**(4 106 279)**	**7 048 586**	**6 036 680**	**(3 297 640)**	**2 739 040**

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Amortisation	Total
Computer software	2 150 871	3 997 785	(775 470)	5 373 186
CRM	588 169	1 120 400	(33 169)	1 675 400
Balance at the end of the year	**2 739 040**	**5 118 185**	**(808 639)**	**7 048 586**

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Transfers	Amortisation	Total
Computer software	183 737	420 826	2 072 117	(525 809)	2 150 871
CRM	165 852	554 997	-	(132 680)	588 169
Balance at the end of the year	**349 589**	**975 823**	**2 072 117**	**(658 489)**	**2 739 040**

Contractual commitments to purchase intangible assets		
At the reporting date the IPP Office had the following capital commitments:		
Website and CRM Upgrade	-	5 211 727
Computer Software	7 363 083	-

Figures in Rand	2025	2024

5. Leases (IPP office as lessee)

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office building	39 095 414	(14 986 575)	24 108 839	39 095 414	(7 167 492)	31 927 922
Office equipment	2 037 046	(1 584 369)	452 677	2 037 046	(905 354)	1 131 692
Total	**41 132 460**	**(16 570 944)**	**24 561 516**	**41 132 460**	**(8 072 846)**	**33 059 614**

Net carrying amounts of right-of-use assets

Office building	24 108 839	31 927 922
Office equipment	452 677	1 131 692
Total	**24 561 516**	**33 059 614**

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 21).

Office building	7 819 082	7 722 904
Office equipment	679 015	679 015
Total	**8 498 097**	**8 401 919**

5.1 Other disclosures

Interest expense on lease liabilities	3 315 412	3 654 367
Variable lease payments not included in the measurement of lease liabilities included in operating expenses	70 515	32 474
	3 385 927	**3 686 841**

Lease liabilities

The maturity analysis of lease liabilities is as follows:		
Within one year	10 600 959	10 338 798
Two to five years	22 766 297	33 367 256
	33 367 256	43 706 054
Less finance charges component	(4 918 740)	(8 234 151)
Total	**28 448 516**	**35 471 903**
Non-current liabilities	20 384 923	28 448 517
Current liabilities	8 063 593	7 023 386
Balance at the end of the year	**28 448 516**	**35 471 903**

Figures in Rand	2025	2024

Reconciliation of lease liabilities - 2025

	Opening balance	Cashflow - lease repayments	Closing balance
Finance lease liabilities	35 471 903	(7 023 387)	28 448 516
	35 471 903	**(7 023 387)**	**28 448 516**
Balance at the end of the year	**35 471 903**	**(7 023 387)**	**28 448 516**

Reconciliation of lease liabilities - 2024

	Opening balance	Cashflow - lease repayments	Closing balance
Finance lease liabilities	41 778 229	(6 306 326)	35 471 903
	41 778 229	**(6 306 326)**	**35 471 903**
Balance at the end of the year	**41 778 229**	**(6 306 326)**	**35 471 903**

The total payment made towards these leases consisted of two components:

- Repayment of the principal amount of R7.02 million (FY2024:R6.3million) and interest expenses of R3.3 million (FY2024: R3.6 million).

6. Contract assets

	2025	2024
Contract asset	21 329 635	25 509 273
Impairment loss on contract assets	(334 809)	(400 444)
Balance at the end of the year	**20 994 826**	**25 108 829**

Contract assets recognised per classification one (1) IPPO accounting policy at year-end:

In April 2025, the IPP Office received compliance reports from Independent Power Producers (IPPs) regarding their economic development obligations for the 2024 financial year. Upon review of these reports, the IPP Office has identified and recognised economic development performance penalties amounting to R21.3 million. The penalties were recognised in the financial statements as contract assets and corresponding ED Penalty revenue for the current period.

Contract assets disclosed and not recognised per classification two (2) IPPO accounting policy at year-end:

At year-end, contract assets totalling R2.2 million related to Economic Development (ED) penalty fees for first-time penalised IPPs were not recognised but disclosed. These amounts are considered variable consideration under our accounting policy and have been set to zero due to significant uncertainty around their recognition. This uncertainty will be addressed with the submission and review of audit reports, which are due by September 30, 2025. According to the IPP Office accounting policy and IFRS 15.57, revenue has not been recognised because it is not yet highly probable that a significant reversal will not occur.

Figures in Rand	2025	2024
Opening balance - revenue	**25 108 829**	**-**
Cumulative catch up adjustments to revenue - changes in estimate of transaction price	10 168 944	-
Provision raised on new contract asset	-	(400 444)
Transfers of contract assets to receivables	(35 290 928)	-
New contracts assets	21 329 635	25 509 273
Provision raised on new contract asset	(334 809)	-
	20 981 671	**25 108 829**
Current assets	20 981 671	25 108 829

Exposure to credit risk

The IPP Office measures the loss allowance for contract assets by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on contract assets is determined as the lifetime expected credit losses. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The loss allowance provision of contract assets is determined as follows:

	2025	2025	2024	2024
Expected credit loss rate:	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Less than 30 days past due: 1.57% (2024: 1.57%)	21 329 635	(334 809)	25 509 273	(400 444)

7. Trade and other receivables

	2025	2024
Financial instruments:		
Trade receivables	33 371 390	7 891 729
Impairment loss on trade receivables	(6 980 607)	(123 884)
Trade receivables at amortised cost	26 390 783	7 767 845
Other receivables	29 016 523	47 895 600
Total trade and other receivables	**55 407 306**	**55 663 445**
Split between non-current and current portions		
Current assets	55 407 306	55 663 445

Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	55 407 306	55 663 445

Figures in Rand	2025	2024

Exposure to credit risk

Trade receivables inherently expose the IPP Office to credit risk, being the risk that the IPP Office will incur financial loss if customers fail to make payments as they fall due. Refer to Note 28 for details on credit risk management for trade and other receivables.

Trade receivables arise from revenue generated from various revenue streams, such as development fees, economic development penalties, preferred bidder fees and monitoring fees. In 2025, the total trade receivable balance is R33.4 million (FY2024: R7.8 million).

Sundry receivables represent income from sources outside the normal operations of the IPP office. They are not expected to be affected by impairment charges, as the credit risk is deemed insignificant. In 2025, sundry receivables amount to R29 million (FY2024: R47.9 million), from interest accrued on short-term investments and proceeds from the disposal of non-financial assets, amongst others.

The loss allowance provision is determined as follows:

	2025	2025	2024	2024
Expected credit loss rate:	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Low Risk- Trade Receivables				
Not past due: 1.57% (2024: 1.57%)	14 932 507	(234 440)	7 891 729	(123 884)
Less than 30 days past due: 1.57% (2024: 1.57%)	10 992 231	(172 578)	-	-
	25 924 738	**(407 018)**	**7 891 729**	**(123 884)**
High Risk- Trade Receivables				
Not past due: 83.78% (2024 -%)	7 446 532	(6 238 779)	-	-
Total	**33 371 270**	**(6 645 797)**	**7 891 729**	**(123 884)**

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance	**(123 884)**	**(252 191)**
Provision raised on new trade receivables	(6 645 797)	(123 884)
Provisions reversed on settled trade receivables	123 884	252 191
Closing balance	**(6 645 797)**	**(123 884)**

8. Prepayments

Prepayments represent expenses paid in advance and are recognised as assets until the related services are received or the benefits are realised. These are classified into current and non-current portions based on the expected period of realisation.

- The non-current portion includes prepayments for services extending beyond 12 months, such as long-term software licences and IT support contracts

Figures in Rand	2025	2024

- The current portion of prepayments relates to services and benefits expected to be consumed within 12 months after the reporting date.

Non-Current Prepayments		
Prepaid ICT Licences and Support	433 454	-
Total Non-Current Prepayments	**433 454**	**-**
Current Prepayments		
Prepaid Office Rent	5 4220	29 496
Prepaid ICT Licences and Support	936 395	1 784 279
Insurance Premium	501 381	569 247
Total Current Prepayments	**1 443 198**	**2 383 022**

9. Other financial assets

Deposits

The R80 000 is the deposit paid by the IPP Office to the lessor (CVD) at the commencement of the lease for water and utilities, recoverable on the lease termination date.

Non-current assets	80 000	80 000
Current assets	-	-
Balance at the end of the year	**80 000**	**80 000**

10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

Cash and cash equivalents consist of cash on hand and balances with banks, and short-term deposits, as follows:

Cash on hand	3 042	2 246
Bank balances	209 490 050	213 927 169
Short-term deposits	2 180 000 000	1 825 000 000
Balance at the end of the year	**2 389 493 092**	**2 038 929 415**

Short-term investments

- As of March 31, 2025, the IPP Office had R2.18 billion in short-term fixed deposits. The average interest rate for the current year was 7.31% per annum.

Figures in Rand	2025	2024

11. Non-current assets held for sale

Post year-end, management approved a plan to dispose of obsolete computer hardware and furniture items as presented below.

Property, plant and equipment – held for sale

In the current year, the non-current assets classified as held for sale decreased from R104,467 to R61,389. This change is due to the sale of assets with a carrying value of R26,107 and the disposal of remaining assets from the prior year, which had a carrying value of R78,360 but were held for sale at a nil value, resulting in a loss. Additionally, during the current year, new assets with a carrying value of R61,389 were reclassified, bringing the total balance to R61,389.

Non-current assets held for sale

Property, plant and equipment	61 389	104 467

Disposal of assets held for sale

During the year, property, plant and equipment with a carrying amount of R26,107 were disposed in an auction and R64,115 received as proceeds from sale, resulting in net profit of R38,008.

Profit or loss for the year is stated after taking the into account the following items:		
Proceeds from disposal of assets	64 115	65 184
Carrying amount	(26 107)	(38 658)
Profit/(Loss) on sale of non - current assets held for sale	**38 008**	**26 526**

12. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Adjusted during the year	Total
Dismantling provision	221 884	28 351	-	-	250 235
Bonus provision	43 034 070	19 857 467	(40 363 170)	(2 670 900)	19 857 467
Leasehold improvement	552 732	-	(143 578)	-	409 154
Balance at the end of the year	**43 808 686**	**19 885 818**	**(40 506 748)**	**(2 670 900)**	**20 516 856**

Figures in Rand	2025	2024

Reconciliation of provisions - 2024

	Opening balance	Additions	Utilised during the year	Total
Dismantling provision	211 281	10 603	-	221 884
Bonus provision	25 126 353	17 907 717	-	43 034 070
Leasehold improvement	4 990 532	-	(4 437 800)	552 732
Balance at the end of the year	**30 328 166**	**17 918 320**	**(4 437 800)**	**43 808 686**

	2025	2024
Non-current liabilities	659 389	774 616
Current liabilities	19 857 467	43 034 070
Balance at the end of the year	**20 516 856**	**43 808 686**

Non-current liabilities: R659k (FY2024: R775k

Non-current portion on comprise of dismantling provision and leasehold improvement, as follows:

- Dismantling Provision: Increased from R222k to R250k due to an unwinding interest of R28k, in line with IAS 37.
- Leasehold Improvements: Decreased from R553k to R409k, following utilisation of R144k.

Current Liabilities: R19 million (FY2024: R43 million)

The bonus provision decreased from R43 million in FY2024 to R19.9 million in FY2025. The reduction results from payments made in the current year for bonuses relating to the previous three financial years:

- R7.7 million (inclusive of VAT) paid for the FY2022 bonus
- R13.8 million (inclusive of VAT) paid for the FY2023 bonus
- R18.8 million (inclusive of VAT) paid for the FY2024 bonus

13. Trade and other payables

	2025	2024
Financial instruments:		
Trade payables	52 547 121	17 151 926
Other accrued expenses	8 431 172	2 662 354
Non-financial instruments:		
Leave accruals	4 591 631	3 907 325
Balance at the end of the year	**65 569 924**	**23 721 605**

Financial instrument and non-financial instrument components of trade and other payables

	2025	2024
At amortised cost	60 978 293	19 814 280
Non-financial instruments	4 591 631	3 907 325
Balance at the end of the year	**65 569 924**	**23 721 605**

Figures in Rand	2025	2024

14. Contract liabilities

Summary of contract liabilities

RFP tender document sales	150 000	50 000

Reconciliation of contract liabilities

Opening balance	**50 000**	**100 000**
Revenue recognised on delivery of performance obligations	(50 000)	(100 000)
Payments received in advance of delivery of performance obligations	150 000	50 000
Balance at the end of the year	**150 000**	**50 000**

15. Deferred income

I. KfW Grant

- The grant agreement entails support to the IPP Office to improve the Renewable Energy Independent Power Producers Procurement Programme (REIPPPP). The purpose of the grant is to improve the conditions for investments in renewable energies as well as the socioeconomic development associated with the programme.

ii. National Treasury (NT) Grant

- The National Treasury's R100 million budget facility for Project Preparation Support has allocated a grant to cover the costs incurred by the IPP Office for transaction advisor expenses. Refer to note 17 for grant income recognised in statement of profit or loss.
- The National Treasury's R114 million budget facility funds are to be specifically utilised to support goods and services in respect of the conceptualisation, project preparation, implementation and contract monitoring activities (including any other projects as may be agreed to between the IPP Office and the Department) in furtherance of the rollout of the IPP Procurement Programmes and the mandate instructions issued by the Department to the IPP Office.

KfW Grant	7 684 875	11 380 071
National Treasury - Project Preparation Support Grant	114 000 000	136 047 667
Total	**121 684 875**	**147 427 738**

Split between non-current and current portions

Non-current liabilities	-	-
Current liabilities	121 684 875	147 427 738
Total	**121 684 875**	**147 427 738**

Unfulfilled obligations for the Grants:

I. KfW Grant:

- Decommissioning
- Recycling and repurposing of key equipment (re-advert)
- Grid Enablement – Enablement of the Implementation of the REDZ.
- Grid Enablement - GIS Portal

II. National Treasury Grant

The National Treasury's budget facility for Project Preparation Support has allocated a grant to cover the costs incurred by the IPP Office for transaction advisor expenses. Refer to note 17 for grant income recognised in statement of profit or loss.

Figures in Rand	2025	2024

II. National Treasury Grant:

- Independent Transmission Infrastructure Procurement
- Grid-capacity enabling measures
- IPP Procurement and Closures
- Gas-to-Power IPP Programme
- Research, innovation and decommissioning frameworks

16. Revenue

Revenue from contracts with customers

Tender document sales	4 025 214	5 351 000
Economic development penalty fees	33 355 124	25 566 511
Development fees	189 930 280	839 223 558
Preferred bidder fees	118 750 000	25 650 000
Monitoring fees	1 440 503	241 729
Total	**347 501 121**	**896 032 798**

Remaining unsatisfied performance obligations - Development fee revenue

The Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)_Bid Window Six (6):

- Boitumelo Solar Power Plant
- Kutlwano Solar Power Plant
- Good Hope Solar Park
- Ngonyama Solar PV

The Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP) - Bid Window One (1):

- AGV (Globeleq) Projects (Pty) Ltd

The Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP) - Bid Window two (2):

- Oasis Ararat
- Gianfar
- Boitekong
- Mulilo Mercury
- Welverdiend
- Leeuwpoort
- Hartebeesfontein
- Rooikoppies

The Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)_Bid Window Seven (7):

- Onderstepoort Solar 1 Consortium
- Onderstepoort Solar 2 Consortium
- Highveld Solar Consortium
- Vanadium Solar 1 Consortium
- Palladium Solar 1 Consortium
- Copper Solar 1 Consortium
- Middlepunt Solar PV
- Mercury Solar PV 2

Tender document sales revenue

Tender document sales	4 025 214	5 351 000

Figures in Rand	2025	2024

Tender document sales revenue fell by R1.325 million, from R5.351 million in FY2024 to R4.025 million in FY2025. This decline was driven by fewer open tender sales in FY2025. In FY2024, sales benefitted from the simultaneous release of three bid windows: REIPPPP Bid Window 7, BESIPPPP Bid Window 2, and GASIPPPP BW1. In FY 2025, however, only one new RFP was released - BESIPPPP Bid Window 3.

Economic development fees revenue

Economic development penalty fees	33 355 124	25 566 511

Revenue from economic development penalty fees increased by R7.7 million, rising from R25.6 million in FY2024 to R33.35 million in FY2025. This increase is mainly due to:

- R21.3 million recognised from Economic Development (ED) reports for FY2025.
- R1.9 million related to Mulilo's ED penalty, which was previously unrecognised due to uncertainty. The dispute was resolved in FY2025, allowing for its recognition.
- R10.2 million from an increase in ED penalty revenue from FY2024, confirmed by audit reports on September 30, 2024, which indicated a total of R35.7 million versus the initially recognised R25.51 million, leading to a change in accounting estimate.

Development fee revenue

Development fees	189 930 280	839 223 558

Development fees revenue decreased from R839.22 million in FY2024 to R189.93 million in FY2025, a decline of R649.29 million. This decrease is mainly due to delays in achieving commercial close for the BESIPPPP Bid Window 1 and REIPPPP Bid Window 6 projects. In FY2025, only two of the six BW 6 projects (360 MW) as well as four (4) Battery Storage projects reached commercial close.

Preferred bidder fee revenue

Preferred bidder fee revenue	118 750 000	25 650 000

Preferred bidders fee revenue increased by R93.1 million to R118.8 million (with FY2024 being R25 million) due to the increased number of projects announced in FY2025. In FY2024, there were only five preferred bidders announced under BESIPPPP Bid Window one (1),compared to 16 bidders announced in FY2024/25. On December 24, 2024, eight solar PV projects totaling 1,760 MW were announced under REIPPPP Bid Window 7, along with eight projects of 615 MW at substations under BESIPPPP Bid Window 2.

Monitoring fee revenue

Monitoring Fees from Independent Power Producers (IPPs) under Bid Windows 1-4: Revenue from monitoring fees is disclosed as a contingent asset since the requirement to pay monitoring fee to the IPP Office was not included in the original Implementation Agreement (IA) but communicated through a monitoring note. Legal counsel indicated that the IA needs to be amended to include this requirement to prevent potential legal challenges and revenue reversals. Some IPPs under Bid Windows 1-4 have already recorded these fees as contingent liabilities. See Note 30 for details.

Monitoring Fees from IPPs under Risk Mitigation and Bid Window 5 Onwards: The IA includes the requirement to pay monitoring fee to the IPP Office thereby creating a binding contract obligating the bidder to pay the fee and establishes the IPP's right to receive these fees alongside the monitoring note. Therefore revenue from monitoring fees is recognised starting from Risk Mitigation and other newer projects in operation.

Monitoring fees	1 440 503	241 729

Figures in Rand	2025	2024

Timing of revenue recognition

At a point in time		
Tender document sales	4 025 214	5 351 000
Preferred bidder fees	118 750 000	25 650 000
Development fees	189 930 280	839 223 558
Economic development penalties	33 355 124	25 566 511
Monitoring fees	1 440 503	241 729
Total	**347 501 121**	**896 032 798**

Transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the reporting date

2025

	1 year	1 - 2 years
Transaction price allocated to:		
Battery Energy Storage (BESIPPPP) - Bid window one (1)	92 464 342	-
Battery Energy Storage (BESIPPPP) - Bid window two (2)	157 908 181	-
Battery Energy Storage (BESIPPPP) - Bid window three (3)	120 356 123	-
Renewable Energy (REIPPPP) - Bid window six (6)	-	99 203 264
Renewable Energy (REIPPPP) - Bid window seven (7)	-	383 627 871
Total	**370 728 646**	**482 831 135**

Preferred bidders with unsatisfied performance obligations, expected to be completed within one year from reporting date, when they reach commercial close. The transaction price which has been allocated to performance obligations which are unsatisfied or partially unsatisfied at the reporting date are presented above:

- Preferred bidders with unsatisfied performance obligations expected to reach financial close within one year from reporting date
- Preferred bidders with unsatisfied performance obligations, not expected to reach financial close within one year from reporting date.

2024

	1 year
Transaction price allocated to:	
Battery Energy Storage (BESIPPPP) - Bid window one (1)	158 599 954
Renewable Energy (REIPPPP) - Bid window six (6)	192 321 107
	350 921 061

Figures in Rand	Note(s)	2025	2024

17. Other operating income

Other income		262 474	6 534 000
Interest on outstanding development fees		569 748	-
Refinancing income - recoveries		-	3 162 500
Grant income - recoveries		26 587 532	40 752 110
Bid guarantees		15 000 000	-
Total		**42 419 754**	**50 448 610**

Other income: Other income decreased from R6.53 million in FY2024 to R260 000 in FY2025, a decline of R6.27 million due to the non-recurring nature of the income recognised each year.

- In FY2025, the amount consists entirely of settlement proceeds from the Suntech Solar Power South Africa vs. IPPO case, where the court required Suntech to cover wasted costs after rejecting its application. The formal taxation of these legal fees was completed on May 10, 2024.
- The higher income in FY2024, was primarily due to a one-time adjustment of approximately R3.5 million related to prescribed debt that was written off.

Refinancing income: decreased from R3.16 million in FY2024 to nil in FY2025. This decrease is attributable to the fact that none of the four projects undergoing refinancing reached commercial close during FY2025. Consequently, no refinancing income was recognised in the current financial year.

Grant (recovery) income: Grant income decreased from R40.75 million in FY2024 to R26.6 million in FY2025, reflecting a decrease of R16.42 million. The FY2025 grant income comprises R22.05 million recovered from National Treasury (NT) and R3.7 million recovered from KfW. The decrease is primarily due to lower project-related expenditures eligible for grant funding incurred in FY2025 compared to FY2024.

Bid guarantees: The total bid guarantee income recognised in FY2025 is R15 million that was successfully claimed and paid by one REIPPPP BW 05 bidder during this period. The rest of R269.8 million was called from the banks of thirteen other unsuccessful bidders but remained unpaid due to an interdict seeking to halt payment.

As of 31 March 2025, independent legal counsel assessed a high probability of a favourable court ruling regarding the contested R269.8 million. Based on this analysis, management disclosed contingent asset. Refer to Note 30 for further details.

18. Other operating gains (losses)

Gains (losses) on disposals and scrappings of non-financial assets			
Loss on property, plant and equipment written off	3	(93 743)	(71 156)
Gain on disposal of property, plant and equipment held for sale	11	38 008	26 526
Total		**(55 735)**	**(44 630)**

19. Transaction advisor costs

Transaction advisor costs		51 629 757	29 514 927

Transaction adviser costs relate to services provided to the IPP Office to assist with the preparation of the request for proposal (RFP), evaluation and financial close of the IPP procurement programmes.

Figures in Rand	2025	2024
Transaction advisor costs		
Economic development transaction advisors	10 804 214	1 763 631
Financial transaction advisors	11 321 192	9 828 248
Governance transaction advisors	2 963 500	965 500
Legal transaction advisors	17 403 428	8 731 465
Technical transaction advisors	9 137 423	8 226 083
	51 629 757	**29 514 927**

20. Employee costs

Employee costs comprise of the following:

Basic	72 412 552	62 999 985
Leave pay provision	684 306	142 089
Bonus provision	17 186 565	17 907 716
Retirement benefit plans	4 081 229	3 539 183
Total	**94 364 652**	**84 588 973**

21. Depreciation, amortisation and impairment losses

The following items are included within depreciation, amortisation and impairment losses:

Depreciation		
Property, plant and equipment	6 363 010	3 304 947
Right-of-use assets	8 498 097	8 401 919
Total	**14 861 107**	**11 706 866**

Amortisation		
Intangible assets	808 640	658 490
Total depreciation, amortisation and impairment		
Depreciation	14 861 107	11 706 866
Amortisation	808 640	658 490
Total	**15 669 747**	**12 365 356**

22. Operating profit (loss)

Operating profit for the year is stated after taking into account the following disclosable (income)/ expenses into account, amongst others:

Other operating expenses		
Administrative expenses	12 868 897	11 381 276
Legal fees	82 222	-
Intervention expenses	7 261 180	14 704 494
IT expenses	6 491 563	6 360 819
Other general operating expenses	19 603 991	11 619 114
Total	**46 307 853**	**44 065 703**

Figures in Rand	2025	2024
Movement in credit loss allowances		
Net movement in credit loss allowances	6 804 243	272 137

23. Investment income

Investments in financial assets:		
Interest on current and call accounts	31 419 385	36 073 971
Interest on fixed deposits	155 500 408	83 932 758

24. Finance costs

Lease liabilities	3 315 412	3 654 367
Unwinding of discount on provisions and other liabilities	28 351	-
Total finance costs	**3 343 763**	**3 654 367**

Refer to note 5 for details of lease liabilities related to the finance costs.

25. Net cash generated from operating activities

Profit for the year	358 664 918	891 982 044
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	15 669 747	12 365 356
Losses / (Gains) on sale of assets and liabilities	55 735	44 630
Movements in provisions	(143 578)	(2 870 021)
Net impairments and movements in credit loss allowance	6 804 243	272 137
Adjust for items which are presented separately:		
Interest income	(186 919 793)	(120 006 729)
Finance costs	3 343 763	3 654 367
Changes in working capital:		
(Increase) decrease in trade and other receivables	(25 539 336)	(17 325 662)
(Increase) decrease in prepayments	939 824	(572 347)
(Increase) decrease in contract assets	4 179 638	-
Increase (decrease) in trade and other payables	18 671 716	3 699 171
Increase (decrease) in deferred income	(25 742 864)	(39 759 308)
Increase (decrease) in contract liabilities	100 000	(50 000)
	170 084 014	**731 433 638**

Figures in Rand	2025	2024

26. Related parties

Relationships

Government Technical Advisory Centre (GTAC)	Government entity that is also party to the establishment of IPP Office.
Development Bank of Southern Africa (DBSA)	Government entity that is also party to the establishment of IPP Office.
Department of Mineral Resources (DMRE)	Government entity that is also party to the establishment of IPP Office.

Related party balances

Amounts included in Trade receivables (Trade Payables) regarding related parties

Development Bank of Southern Africa	(33 386 821)	(5 797 449)
Government Technical Advisory Centre	-	-

Related party transactions

Administration fees paid to (received from) related parties

Government Technical Advisory Centre	120 000	120 000
Development Bank of Southern Africa	7 938 001	7 560 000
Department of Mineral Resources	-	-

In previous years, the related party transactions were not disclosed in the related parties' note as these amounts represented recoveries of transactions paid by DBSA to third parties on behalf of the IPP Office: These transactions are as follows:

Transactions with Related Parties (Excluding Management Fees)

Development Bank of Southern Africa	118 417 746	59 169 000

Figures in Rand	2025	2024

27. Key management emoluments

Schedule of key management emoluments

2025

	Key management's emoluments	Basic salary Telephone allowance	Leave encashment and others	Perfomance bonus	Contributions paid under medical aid, group life and pension fund scheme	Total
Bernard Magoro	4 166 159	13 200	-	5 147 040	807 192	10 133 591
Richard Fox	1 898 036	13 200	88 823	1 991 218	411 706	4 402 983
Lena Mangondo	2 736 706	66 000	-	2 732 603	359 233	5 894 542
Elizabeth Strydom	2 316 647	13 200	-	1 931 034	220 754	4 481 635
Lelanie Swart	1 318 671	13 200	-	1 162 692	125 657	2 620 220
Cresent Mushwana*	1 794 672	13 200	-	-	305 328	2 113 200
Dzunani Makgopa	1 725 968	13 200	-	1 396 412	280 771	3 416 351
Kim McEwen**	-	-	-	516 274	-	516 274
Shane Prins***	705 486	4 400	200 000	-	94 514	1 004 400
Total	**16 662 345**	**149 600**	**288 823**	**14 877 273**	**2 605 155**	**34 583 196**

*Appointed as at 01 Jan 2024.; **Retired as at 30 Nov 2022 - bonus paid as per policy.; ***Appointed as at 01 Dec 2024.

2024

Key management' emoluments	Basic salary	Expense allowances	Contributions paid under medical, life and pension fund scheme	Total
Services as key management				
Bernard Magoro	3 929 595	-	762 246	4 691 841
Richard Fox	1 871 612	13 200	391 185	2 275 997
Pervelan Govender*	1 018 772	3 876	65 165	1 087 813
Lena Mangondo	2 662 237	66 000	329 220	3 057 457
Louis Moyse****	143 029	1 100	21 830	165 959
Petrus Ngobeni**	129 230	1 100	-	130 330
Elizabeth Strydom	2 185 516	13 200	208 258	2 406 974
Lelanie Swart	1 296 428	13 200	118 544	1 428 172
Cresent Mushwana***	449 301	3 300	75 699	528 300
Dzunani Makgopa**	1 626 758	13 200	266 392	1 906 350
Total	**15 312 478**	**128 176**	**2 238 539**	**17 679 193**

*Resigned 17 July 2023; **Resigned 30 April 2023; ***Started 01 Jan 2024; ****Relinquished acting capacity 30 April 2023

28. Financial instruments and risk management Categories of financial instruments

Categories of financial assets

2025

	Note(s)	Amortised cost	Total
Trade and other receivables	7	55 407 306	55 407 306
Cash and cash equivalents	10	2 389 493 092	2 389 493 092
Contract assets	6	20 981 671	20 981 671
Balance at the end of the year		**2 465 882 069**	**2 465 882 069**

2024

	Note(s)	Amortised cost	Total
Trade and other receivables	7	55 663 445	55 663 445
Cash and cash equivalents	10	2 038 929 415	2 038 929 415
Contract assets	6	25 108 829	25 108 829
Balance at the end of the year		**2 119 701 689**	**2 119 701 689**

Categories of financial liabilities

2025

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	60 978 293	-	60 978 293
Finance lease obligations	5	-	28 448 516	28 448 516
Balance at the end of the year		**60 978 293**	**28 448 516**	**89 426 809**

2024

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	19 814 280	-	19 814 280
Finance lease obligations	5	-	35 471 903	35 471 903
Balance at the end of the year		**19 814 280**	**35 471 903**	**55 286 183**

Capital risk management

The IPP Office's objective when managing capital (which includes lease liabilities, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the IPP Office's ability to continue as a going concern whilst taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

Due to the nature of the entity, the IPP Office does not have any shareholding or equity interest, other than retained income.

Figures in Rand	Note(s)	2025	2024

The capital structure and gearing ratio of the IPP Office at the reporting date was as follows:

Lease liabilities	5	28 448 516	35 471 903
Trade and other payables	13	60 978 293	19 814 280
Total borrowings		**89 426 809**	**55 286 183**
Equity		2 284 959 938	1 926 295 020
Gearing ratio		4 %	3 %

Financial risk management

Overview

The IPP Office is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (interest rate risk).

Credit risk

Credit risk is the risk of financial loss to the IPP Office if a customer or counter-party to a financial instrument fails to meet its contractual obligations.

The IPP Office is exposed to credit risk on trade and other receivables, contract assets, cash and cash equivalents.

- Credit risk for exposures other than those arising on cash and cash equivalents, are managed by only dealing with reliable customers with robust and feasible funding proposals and financial models. Transaction advisors review these proposals for each winning bidder during the bid evaluation stage.
- To assess the feasibility of the funding proposal, bidders provide details on sources and uses of funds, senior debt term sheets, equity letters of support, and shareholding and success payments.
- To assess the robustness of the financial model, bidders submit a banking case approved by external debt providers. Bidders must reference this model in letters of support from lenders. For the sponsor case, backed by equity finance and corporate finance providers, bidders must reference this model in letters of support from those providers.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances:

- Credit loss allowances for expected credit losses are recognised for all debt instruments.
- For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables and contract assets, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management has chosen as an accounting policy, to make use of lifetime expected credit losses. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables and contract assets.
- Cash and cash equivalents are measured at amortised cost in the statement of financial position. The balance at amortised cost is regarded as having a low probability of default, therefore the ECL is insignificant.

The maximum exposure to credit risk is presented in the table below:

		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Other financial assets	9	80 000	-	80 000	80 000	-	80 000
Trade and other receivables	7	62 387 913	(6 980 607)	55 407 306	55 787 329	(123 884)	55 663 445
Contract assets	6	21 329 635	(334 809)	20 994 826	25 509 273	(400 444)	25 108 829
Cash and cash equivalents	10	2 389 493 092	- 2 389 493 092		2 038 929 415	- 2 038 929 415	
Balance at the end of the year		**2 473 290 640**	**(7 315 416)**	**2 465 975 224**	**2 120 306 017**	**(524 328)**	**2 119 781 689**

Liquidity risk

- The IPP Office is exposed to liquidity risk, which is the risk that the IPP Office will encounter difficulties in meeting its obligations as they become due.
- The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table.

2025

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Lease liabilities	5	-	10 600 504	12 165 792	22 766 296	20 384 923
Current liabilities						
Trade and other payables	13	60 978 293	-	-	60 978 293	60 978 293
Lease liabilities	5	10 600 959	-	-	10 600 959	8 063 593
Balance at the end of the year		**(71 579 252)**	**(10 600 504)**	**(12 165 792)**	**(94 345 548)**	**(89 426 809)**

2024

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Lease liabilities	5	-	10 600 959	22 766 297	33 367 256	28 448 517
Current liabilities						
Trade and other payables	13	19 814 280	-	-	19 814 280	19 814 280
Lease liabilities	5	10 338 797	-	-	10 338 797	7 023 386
Balance at the end of the year		**(30 153 077)**	**(10 600 959)**	**(22 766 297)**	**(63 520 333)**	**(55 286 183)**

Market Risk: Interest rate risk

- Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.
- The IPP Office policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-erm investments in order to maintain liquidity, whilst also achieving a satisfactory return for stakeholders.
- There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate profile

The interest rate profile of interest-bearing financial instruments at the end of the reporting period was as follows:

Interest rate sensitivity analysis

- The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2025	2025	2024	2024
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss:				
Short-term investments	13 168 986	13 168 986	108 315 084	86 806 668

29. Contingent assets

i. Preferred bidder guarantees

Nature of contingent asset

- Possible recoveries of forfeited bid guarantees called under contractual penalty clauses when bidders failed to satisfy the commercial- close performance obligation. These recoveries arose from past events (the bidders' non-performance) but their realisation depends on the outcome of court proceedings, which are not wholly within the IPP Office's control.
- Although management, with support of legal counsel, considers recovery to be highly probable, the timing and certainty of eventual cash inflows are contingent upon the resolution of interdict proceedings. Until the courts lift the interdicts and payment by the banks to the IPP Office becomes virtually certain, no asset is recognised.

Estimate of financial effect:

As of March 31, 2025, the total amount under dispute is reliably measured at R269.8 million.

ii. Contingencies relating to monitoring fees

Nature of contingent asset:

The IPP Office aims to enhance private sector participation in power generation whilst contributing to national development objectives. The IPP Office recovers costs primarily through a development fee charged to each seller. However, the development fee does not fully cover long-term contract management costs, and the office seeks to recover some of these costs directly from the sellers. As a result, the IPP Office issued a monitoring note in June 2022 requiring sellers to pay a 5% monitoring fee related to Enterprise Development (ED) and Socio-Economic Development (SED).

At year-end, the IPP Office had the right to collect monitoring fee revenue from the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) Bid Window one (1) to four (4) in terms of the Implementation Agreement (IA) and monitoring note (6); the recognition of monitoring fee income is contingent upon resolution of uncertainties regarding the timing of collection due to legal processes.

Estimate of financial effect:

R33.3 million

30. Events after the reporting period

x. Adjusting Events after the Reporting Period:

a) Economic Development (ED) Penalty Fees

In April 2025, subsequent to year-end but prior to authorisation of the financial statements, the IPP Office received Economic Development (ED) performance reports from Independent Power Producers (IPPs), which confirmed ED penalty revenue totaling R21.3 million for compliance obligations pertaining to FY2025. This amount has been recognised as revenue in FY2025, as the events confirming the revenue existed at the reporting date, thus meeting the criteria for an adjusting event under IAS 10.

Additionally, ED penalty fees of R2.2 million, relating specifically to Adam Solar's ED deductions, were disclosed but not recognised as revenue at year-end due to uncertainty. The recognition of this amount remained constrained pending submission and evaluation of final audit reports, expected by 30 September 2025. Thus, these penalty fees remain disclosed only, pending resolution.

b) Non-current Assets Held for Sale

Subsequent to 31 March 2025, management finalised decisions relating to certain assets that had been classified as Non-Current Assets Held for Sale (NCAHFS) as at year-end. Specifically:

In May 2025, the Board approved the disposal of the entire remaining carrying amount of R 78 360 (brought forward from FY 2024) at nil value. These assets had been held for sale as at 31 March 2025 but were not realised until after year-end.

Also in April 2025, management identified obsolete computer equipment - carrying value R 61 389- that is expected to be sold by public auction within twelve months of year-end. Accordingly, these items were reclassified to "Non-Current Assets Held for Sale" as at 31 March 2025 (see Note 11).

c) Disposal of Computer Equipment

In May 2025, management approved the disposal of outdated computer equipment at nil value. The carrying amount of this equipment was R15,383, comprising an original cost of R150,348 and accumulated depreciation of R134,965 and non-current assets held for sale with a carrying value of R78,358. Since this decision reflects conditions that existed at the reporting date, the carrying value of the computer equipment was derecognised, resulting in a loss of R15,383, as disclosed in Note 3.

xi. Non - Adjusting Events After the Reporting Period

a) Departmental Reconfiguration

Establishment of the Department of Electricity and Energy:

On 1 April 2025, the Department of Mineral Resources and Energy (DMRE), under which IPP Office previously reported under, was officially reconfigured into two separate departments:

- Department of Mineral and Petroleum Resources (DMPR) - responsible for mineral and petroleum resource management.
- Department of Electricity Energy and (DEE) - responsible for electricity supply and energy security.

This reconfiguration was effected through the 2024 Proclamation on the National Macro Organisation of Government (NMOG) by the President and became operational on 1 April 2025, in line with the Public Service Act, 1994 (as amended). As a result, from 1 April 2025, the IPP Office will fall under the Department of Electricity and Energy (DEE).

This is classified as a non-adjusting event after the reporting period in accordance with IAS 10 - Events After the Reporting Period, as the reconfiguration became effective after the reporting date and does not relate to conditions existing as at 31 March 2025. While no adjustments have been made to the financial statements for the year ended 31 March 2025, the change is considered material and is disclosed to ensure clarity regarding future governance and reporting structures.

b) Subsequent Leadership Changes

Appointment of Acting Director-General

As part of the departmental reconfiguration effective 1 April 2025, the Minister of Electricity and Energy appointed Mr Subesh Pillay as the Acting Director-General of the newly established Department of Electricity and Energy (DEE). This appointment is part of the broader structural reform and became effective after the reporting date.

Change in Head of IPP Office

The employment contract of the IPP Office's Head, Bernard Magoro, reached the end of its term on 30 April 2025. An interim Head of IPP Office, Ms Elsa Elizabeth Strydom was subsequently appointed by the Department. While the financial impact of this leadership change is not recognised in the financial statements for the period ended 31 March 2025, it is disclosed as a non-adjusting subsequent event in accordance with IAS 10, due to its potential to affect users' understanding of the future management direction of the IPP Office.

c) BW7 Preferred Bidder Announcement

On the 22nd of July 2025, the Department of Electricity and Energy (DEE) announced the appointment of six additional Solar PV projects under REIPPPP Bid Window 7 as Preferred Bidders.

31. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Joint Implementation Committee believes that the IPP Office has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The Joint Implementation Committee have satisfied themselves that the IPP Office is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Joint Implementation Committee is not aware of any new material changes that may adversely impact the IPP Office. The Joint Implementation Committee is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the IPP Office.

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024
Revenue	**16**	**347 501 121**	**896 032 798**
Transaction advisor costs	**19**	**(51 629 757)**	**(29 514 927)**
Gross profit		**295 871 364**	**866 517 871**
Other operating income	**17**	**42 419 754**	**50 448 610**
Other operating gains (losses)	**18**	**(55 735)**	**(44 630)**
Movement in credit loss allowances	22	(6 804 243)	(272 137)
Expenses (Refer to page 54)		**(156 342 252)**	**(141 020 032)**
Operating profit	**22**	**175 088 888**	**775 629 682**
Investment income	23	186 919 793	120 006 729
Finance costs	24	(3 343 763)	(3 654 367)
Total comprehensive income for the year		**358 664 918**	**891 982 044**

Notes

Notes

Notes

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