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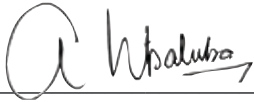
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Part 1: General Information

Submission of the Annual Report to the Executive Authority

To the Minister of Foreign Affairs, Dr Nkosazana Dlamini Zuma; I have the honour of presenting the 2007-08 Annual Report of the Department of Foreign Affairs.



Dr Ayanda Ntsaluba
Director-General:
Department of Foreign Affairs



1.1 Executive Summary by the Director-General



South Africa continued to play a key role in international affairs during the course of 2007-08. Within the context of the priorities of the International Relations, Peace and Security Cluster (IRPS) the Department of Foreign Affairs continued to play its part as a component of the overall efforts of government's reconstruction and development of our country and the entire African continent as well as contributing towards a more people-centred and rules based global system.

In furthering South Africa's foreign policy objectives, the Department continued to focus on the following key priorities:

- Consolidation of the African Agenda;
- Strengthening of South South Co-operation;
- Strengthening of North South Co-operation;
- Participation in the Global System of Governance;
- Strengthening of Political and Economic Relations; and
- Organisational Strengthening.

In addressing these priorities, the Department's foreign policy activities and interventions were guided by the Department's Strategic Plan 2007-2010.

With regards to the African Agenda, the Department remained focused on participating in the African Union processes aimed at the operationalisation and strengthening of the African Union (AU) and its structures. More work was dedicated to our strategic engagements in the AU fora and in SADC as one of the Regional Economic Communities (REC's) which are deemed to be the building blocks of the continental integration process.

The design of the new Parliament was adjudicated after a continent-wide design competition, and construction of the chambers is expected to commence in the next financial year. As a host country to the Pan-African Parliament, South Africa continued to provide the required technical and logistical support to the Parliament during its Bureau meetings as well as its Sessions held in May and October 2007.

Furthermore, South Africa worked closely with the other African countries to ensure that Africa's special developmental challenges as espoused by NEPAD, remained high on the African Agenda, especially during the engagements with the countries and organisations of the North.

At the regional level, South Africa participated in the Regional Integration Task Team with a view of ensuring that trade liberalisation and infrastructure development could be realised. It is within this context that South Africa's participation in the August 2007 SADC summit in Lusaka was geared towards accelerating regional infrastructure development to support deeper regional integration and development, including agreeing on a basis for SADC to declare its Free Trade Area (FTA). In this regard South Africa will continue to work with other member countries to realise the success of the SADC Free Trade Area as the first milestone in the regional economic integration agenda.

During the reporting year, the process of engaging the African Diaspora continued to take centre stage with the view to enhance Africa's capacity to network with, attract and utilise all possible Diaspora resources for the development of both Africa and Africans in the Diaspora. In this regard the working papers for



Director-General of Foreign Affairs Dr Ayanda Ntsaluba

the overall theme and sub themes which served as a basis for the regional consultative meetings were developed and South Africa looks forward to hosting a Diaspora Summit in October 2008.

As part of the preparatory process for this summit South Africa in partnership with the AU hosted a number of regional meetings culminating in the Ministerial we had the honour to host in November 2007.

Over the years as part of diversifying our economic relations, we have expanded our relations with the countries of the South. This work has continued during the period under review with specific focus on Latin America and Asia.

We started laying the foundation for the celebration of 10 years of our diplomatic relations with the Peoples Republic of China; we also had the honour of hosting the 2nd IBSA Summit and look forward also to participating in the 3rd Summit to be hosted in India in October 2008

Overall both politically and economically we continue to see consolidation and growth in our relations with the countries of the South thereby securing better prospects for our country in the context of the ongoing changes in the global economic and political landscapes.

With respect to countries of the North we saw the establishment of a strategic partnership with our main trading partner , the EU; the increased attention we paid to the countries of Eastern Europe and to the further strengthening of relations with the Russian Federation.

In pursuance of the notion that the Multilateral system of governance remains the only hope for addressing current global challenges, South Africa continued to serve as a non-permanent member of the United Nations Security Council, and played an important role in working with other members of the Council in seeking negotiated and over-arching solutions to international conflicts. South Africa consulted extensively with affected states and other African actors with a view to bringing an African input into the resolution of conflicts on the continent and elsewhere in the world. During its first year on the United Nations Security Council, South Africa prioritised African issues and will continue with these and other issues of the developing world in the Council. We also continued to play an active role in the Human Rights Council.

During the reporting year, the Department has worked hard to bring further improvements in both the Human Resources and infrastructure capacity, with a view to strengthen organisational capacity to deliver on our mandate. For this reason, the Department decided to separate the Human Resources Unit from the FSI and created two Branches, namely the Branch: Human Resources and the Branch: Diplomatic Training, Research and Development (DTRD). The Branch: DTRD continued with the cadet programme to attract talented young graduates to the Department. The programme targeted graduates for further training in the Department with the intent of permanently absorbing those who have successfully completed their training and indeed it was a success.

In addressing the infrastructure capacity challenges work continued in building the New Head Office for the Department that will house all officials into one building. Furthermore, the refurbishment of our Missions and Chanceries abroad to better



Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma with former President Nelson Mandela

project our country and people also continued to receive priority.

We continued to improve communication and information technology to ensure that the Department stays abreast of innovation and exploits technological advances to improve both efficiency and effectiveness in our operations.

During the reporting year, the country's representation abroad increased and South Africa now has diplomatic relations with more than 180 countries. It is envisaged that in line with South Africa's responsibility of creating a better Africa and a better world, by the end of the next financial year the country shall have increased its diplomatic missions on the African continent.

The Department continued to take steps to ensure that its financial management systems conform to the regulatory framework governing the public service and, in particular, the Public Finance Management Act (PFMA) requirements.

The Department has again received an unqualified audit report. In this regard, my sincere thanks go to our Corporate Services and Internal Audit teams respectively. Once again, I place on record my profound gratitude to the Audit Committee for their stewardship, support, and the firm yet professional

discharge of their oversight function and for continuing to be a source of inspiration to both myself and the Management of the Department.

Sincere gratitude goes to the Minister Dr Nkosazana Dlamini Zuma, Deputy Minister Aziz Pahad and Deputy Minister Sue van der Merwe for their continuous tireless engagement in shaping and articulating the views and positions of Africa and the entire developing world and ensuring that South Africa continues to make a positive contribution within the global arena. My personal thanks also go to them for creating such an enabling environment for all of us to grow and serve our country.

The Department further appreciates the exceptional support and guidance of the International Relations, Peace and Security Cluster, The Portfolio Committee on Foreign Affairs and the National Council of Provinces as well as the staff at Head Office and in our Missions abroad. I thank you for your contribution to the success of the Department.

Let's all continue together because the year ahead still holds challenges and it is only through intensifying our work that we can continue to make a difference for the sake of positive developments in South Africa, the entire Africa and the wider world.



Deputy Minister of Foreign Affairs
Aziz Pahad



Deputy Minister of Foreign Affairs
Sue van der Merwe

1.2 Report of the Minister of Foreign Affairs

The period under review witnessed South Africa's role in international relations grow further in stature. Accordingly, more and more demands were placed on our country to play a significant role in contributing towards efforts aimed at the creation of a more democratic, peaceful, prosperous continent and a better world.

This is because the world made a historic contribution to the titanic struggle against apartheid for the triumph of justice, peace and freedom. Accordingly, South Africa has taken a conscious decision that it has both a political and moral responsibility to do whatever it can to continue to discharge its internationalist responsibilities.

We were able to discharge these responsibilities primarily because of the support of our President Thabo Mbeki and the entire government and indeed the people of South Africa and our parliament. A special word of appreciation also goes to members of our Department at home and abroad, the International Relations Peace and Security Cluster and other entire sister departments without whose co-operation is essential for our work.

Needless to say, that in accepting the magnitude of these responsibilities, and underpinning our decisions, interventions and actions, we were indeed guided by none other than our Constitution that inculcates democratic principles and a culture

of human rights, peaceful resolution of conflicts as well as principles of international law.

Furthermore, stemming from our own history, we have been driven by a deep desire to strengthen the multilateral system of global governance which is the only hope in addressing challenges affecting humanity today.

We continued to seek consensus to global challenges, believing that genuine dialogue among all players and reconciliation should be the foundations upon which we nurture a more people-centred and inclusive world and strive towards a new world order based on mutual understanding, equality and justice.

Understanding that the future our country is inextricably linked to the future of our continent, we continued with efforts aimed at the political and economic consolidation of the African Agenda. Critical was the need to assist in conflict resolution and post-conflict resolution efforts in various parts of our continent moving from the correct premise that without peace there shall be no sustainable development.

In this regard, we continued to engage with the sister peoples of the Democratic Republic of Congo in efforts aimed at the consolidation of peace and democracy following years of war and conflict. These efforts remain the central objective of the existing Binational Commission between our two countries.

Our efforts to assist the sister people of Burundi to find a lasting peace among the various political protagonists continues unabated. In this regard, we support the work of the Peace-Building Commission with a view to ensuring sustainable peace and development in Burundi.

In respect of Zimbabwe, our country continued to implement the SADC mandate to bring Zanu-PF and the two MDC formations around the table to help extricate their country from its current political and economic challenges understanding that none but the people of Zimbabwe can be the authors of their own destiny! We have no option but to continue to assist the people of Zimbabwe to find a peaceful solution to their challenges.

We remain hopeful that Cote d' Ivoire will ultimately hold its national elections and thus enable the sister peoples of this country to rebuild their lives and to address the challenges of poverty and under-development.

Our country has also been privileged to lead the AU's Post Conflict Reconstruction and Development of the Sudan. We have ourselves on a number of occasions visited Sudan to assess progress in the implementation of the Comprehensive Peace Agreement and post-conflict reconstruction and development efforts.

While there has been significant progress in the implementation of the Comprehensive Peace Agreement, important challenges remain including the failure to implement decisions of the Abiyi Boundaries Commission, slow progress in the redeployment of security forces, the North-South border Demarcation as well as the establishment of electoral institutions for the national elections to be held in 2009. We are concerned that failure to address these issues may impact on the outcome of the referendum scheduled for 2011.

Our work in building, strengthening and consolidating the institutions of our continent organisation, the African Union correctly continued unabated. In this regard we have participated in the various Summits of the organisation as well as Ministerial meetings whose main focus was indeed the need for faster political and economic integration of the continent.

In this regard, while South Africa like the rest of the continent wishes to see a speedy movement towards political and economic integration, we remain of the firm view that regional economic communities should remain the building blocs for such a gigantic continental development.

We continued to host the home of the Pan African Parliament on our shores, acutely aware that the African Union still has to decide on whether this august body of our continent remains consultative or must assume legislative powers.

We are indeed happy to have been party to the African Union decisions to adopt the Common Defence Policy with a view to enhancing our collective defence and security. In this regard, and our

men and women in uniform did our country proud during the launch of the SADC Brigade, our regional bloc for the continental entity.

In addition, the Human and Peoples Rights Court has been established with our Judge Bernard Ngoepe as one of the very first judges, the Protocol on the Rights of Women in Africa and the Declaration on Gender Equality is being implemented, the Protocol on the Court of Justice currently underway whilst the Financial institution will be developed in due course.

An audit of the AU's institutions, human and financial resources has just been completed and will assist in strengthening and improving its efficiency. The discussions on the African Union government are ongoing.

We continued with efforts to ensure socio-economic development of our continent through NEPAD. In this regard, our country was one of the first countries to undergo the peer review process during the year under review. We are happy to report that our country was among the pioneers of the launch of the Pan African Infrastructure Development Fund (PAIDF) in July 2007 with a view to driving and sustaining Africa's infrastructure development in the fields of transport, energy, water and sanitation, and telecommunications.

We led intense and lengthy negotiations that sought to collectively advance the development agenda of the South through pressing for the reform of the UN and for the resumption and conclusion of the Doha Round.

The call for multilateral action for the achievement for the Millennium Development Goals (MDGs) is a key concern that we articulated on behalf of the South. This remains one of our key priorities as South Africa, since the advancement of these internationally agreed development goals is crucial for the promotion of permanent peace and security and laying the foundations for sustainable social and economic development.

Our role in international affairs was further enhanced with South Africa being elected by the general membership of the UN to a non-permanent seat on the UN Security Council. South Africa took up this seat at the beginning of 2007 and has sought to work with all members of the Council in pursuit of sustainable peace and security in all regions of the world.

Our efforts in this regard have also been informed by a desire to serve the interest of the African continent and the developing world in general taking into account the fact that the greater work of the Council focuses on issues of Africa and the developing world. During our presidency of this Council in March 2007, South Africa highlighted the role of women in peace-keeping and also re-introduced the theme of the relationship between the UNSC and regional organisations.

The Presidential Statement at the conclusion of the debate on this relationship urged the Secretary General "in consultation and in co-operation with the relevant regional and sub-regional bodies to resolve conflicts in Africa by using existing

UN capacities as effectively as possible; to support regional early warning and mediation, particularly in Africa as well as requesting the Secretary General to provide a report on specific proposal to better support regional organisations in order to contribute significantly to the common security challenges in the areas of concern and to promote the deepening and broadening of dialogue and corporation between the security council and the peace and security council of the African Union.

We shall indeed continue during the remainder of our term on this council to create synergies between the work of the African Union peace and Security Council and the UN Security Council with the aim of preventing conflicts on the African Continent. We shall also continue to work with all members of the UN General Assembly for the comprehensive reform of the UN, which must include the reform and expansion of the UN Security Council.

During the period under review, we continued to contribute in shaping the International Human Rights agenda. In our ongoing work, we shall continue to embrace the idea that economic, social and cultural rights are inextricably bound to human rights. In this context our country looks forward to its participation in the UN's Review of the World Conference on Racism, Xenophobia and other Related Intolerances (WCAR) which is expected to be held in 2009.

During the reporting period our people, together with the rest of the continent, we joined in the celebration of Africa Day. A series of events and activities were lined-up by government, the private sector and civil society to celebrate Africa Day. Government has taken a decision that we have to popularise the AU anthem, the flag and other symbols of the organisation.

As part of our quest for unity, South Africa, hosted regional consultative and a ministerial meeting in November 2007 in preparation for the 2nd African -Caribbean Diaspora Conference at the level of Heads of State and Government that is scheduled for October this year. This dialogue between Africa and its Diaspora is intended to encourage a common agenda of co-operation that can help to develop the African Continent.

As part of our efforts in forging development partnership with the North, we also participated in the SA-EU troika with a view to strengthen the framework for a dialogue and co-operation that already exist between South Africa and the EU within the context of the Trade, Development and Co-operation (TCDA). During the reporting period, we participated in the G8 summit in Germany both as part of the 5 outreach partners as well as part of the African NEPAD leaders.

Furthermore as part of efforts of strengthening relations between our continent and the EU, we participated in the EU-Africa summit held in Lisbon in December 2007 and adopted the EU strategy for Africa which reflects Africa's priorities.

As part of efforts aimed at strengthening South-South relations

we have continued to consolidate relations with countries of the South through the Non-Aligned Movement and G77 and China as well as the India, Brazil, South Africa (IBSA) Dialogue Forum. In this regard, we were indeed honoured to host the IBSA Heads of State and Government Summit in October 2007.

In pursuit of peace and stability and taking into account that peace is a pre requisite for development, during 2007-2008 year, South Africa has grown increasingly concerned about the situation in the Middle East. We have continued to support the Middle East process by calling on all parties to commit to negotiating a comprehensive, just and lasting peace.

In the past year South Africa has remained committed to the course of international peace and security and will continue to work towards a world that is totally free of all weapons of mass destruction. We continued to participate in the IAEA. We fully recognise the inalienable right of all nations to use nuclear technology for peaceful purposes and the responsibilities that go with it as well as the right of all nations under the NPT.

The challenge for South Africa is to continue to work towards a world where there is dialogue and mutual understanding, where there is equality among nations and equal opportunity to prosper in a more integrated world. We believe we are on course and have it within our reach to achieve our developmental dream.

As we review our work during this period we cannot but remember all those who paid the supreme sacrifice in the creation of a non-racial, non sexist democratic South Africa, among which is Steve Bantu Biko, whose death in detention indeed mobilised the entire world against the system of apartheid. The period under review constitutes the 30th Anniversary of his brutal death in the hands of the apartheid system.

Accordingly it is only correct, proper and befitting that in commemorating Steve Biko's death in detention that we should recall the words of President Mbeki during the lecture on the 30th Anniversary of the death of Steve Biko "In this regard, we may be forgiven for making so bold as to suggest that in remembering this brave patriot we could use this occasion as a metaphor for all that is bitter and all that is sweet in South African history.

"We are surely entitled to feel bitter at the needless snuffing out of the pulsating life of a freedom fighter by small-minded human beings who had arrogated to themselves the absolute right to determine, with impunity, who should qualify to be considered and treated as a human being.

"On the other hand, our souls are surely sweetened by the certain knowledge that the high principles of freedom and equality for which Biko struggled and died have, over time, and because of the determination of our people relentlessly to sustain the struggle for freedom, given birth to the reality of today's free and democratic South Africa" concluded President Mbeki.



the dfa

Department:
Foreign Affairs
REPUBLIC OF SOUTH AFRICA

1.3 Mission Statement

Vision

Our vision is an African continent, which is prosperous, peaceful, democratic, non-racial, non-sexist and united and which contributes to a world that is just an equitable

Mission

We are committed to promoting South Africa's national interests and values, the African Renaissance and the creation of a better world for all.

Strategic Objectives

- Through bilateral and multilateral interactions protect and promote South African national interests and values
- Conduct and co-ordinate South Africa's international relations and promote its foreign policy objectives
- Monitor international developments and advise government on foreign policy and related domestic matters
- Protect South Africa's sovereignty and territorial integrity
- Contribute to the formulation of international law and enhance respect for the provisions thereof
- Promote multilateralism to secure a rules based international system
- Maintain a modern, effective and excellence driven Department
- Provide consular services to South African nationals abroad
- Provide a world class and uniquely South African State Protocol service

Values

The Department of Foreign Affairs adheres to the following values:

- Patriotism
- Loyalty
- Dedication
- Ubuntu
- Equity
- Integrity
- Batho pele

1.4 Legislative Mandate of the Department

According to the South African Constitution the President is ultimately responsible for the foreign policy and international relations of South Africa. It is the prerogative of the President to appoint Heads of Mission, to receive foreign Heads of Mission, to conduct state to state relations and to negotiate and sign all international agreements. International agreements which are not of a technical, administrative or executive nature will only bind the Republic after being approved by Parliament. Parliament also approves ratification or accession of the Republic to multilateral agreements. All international agreements must be tabled in Parliament for information purposes.

The Minister of Foreign Affairs, in accordance with her Cabinet portfolio responsibilities, is entrusted with the formulation, promotion and execution of South Africa's foreign policy and with the daily conduct of South Africa's international relations. The Minister assumes overall responsibility for all aspects of South Africa's international relations in consultation with the President. In practice, the Minister consults The Cabinet and individual Cabinet Ministers on aspects of importance, as well as on aspects that overlap with the priorities and programmes of other Ministries and Departments.

In view of the Ministers overall responsibility, Minister advises the Presidency and Ministers on those international matters in which they should be involved, provides them with strategic information on developments in the international arena, facilitates their participation at international events, and advises them on policy options that they may pursue in the national interests. Other Cabinet Ministers are required to consult the Minister of Foreign Affairs on their international role. From this practice at Cabinet level, which is a Presidential instruction, it follows that there must be a similar interaction between Departments.

To facilitate interaction and collaboration, government has implemented the system of Clusters at both Ministerial and Departmental levels. Important issues of foreign policy and



international relations, the development of sector priorities and the implementation of international relations programmes are the core focus of the clusters. In terms on this mandate, the Department participates in all five clusters and Co-chairs the International Relations, Peace and Security Cluster.

The Parliamentary Portfolio Committee on Foreign Affairs is an important mechanism to ensure oversight and accountability in the formulation and conduct of South Africa's foreign policy and relations.

The Department's overall mandate is to work for the realisation of South Africa's foreign policy objectives. More specifically, the Department's primary mandate is to assist the Minister in carrying out her cabinet and Ministerial responsibilities. The Department conducts its mandate by: monitoring developments in the international environment; communicating government's policy positions; developing and advising government on policy options, mechanisms and avenues for achieving objectives; protecting our sovereignty and territorial integrity, assisting South African citizens abroad; and by assisting partner Departments in navigating complex international dynamics.

South Africa's diplomatic and consular missions help to enhance our international profile, and serve as strategic mechanisms for the achievement of our national interests and for carrying out our mandate. South Africa maintains diplomatic relations with countries and organisations through 119 missions in 99 countries abroad, and through the accreditation of more than 160 countries and organisations resident in South Africa.

Defining South Africa's Foreign Policy

Foreign policy is a multidimensional set of policies, principles, strategies, objectives, and plans that cannot easily be packaged into a neatly described formula. However, it is necessary to consider in broad but clear terms the general orientation of our foreign policy – which serve to define our national values and benchmark our foreign policy decision-making and strategies.

Our Presidents and Foreign Ministers have enunciated the principles underlying South Africa's foreign policy since 1994 in various forums. These include State of the Nation addresses, budget vote speeches, addresses to international and regional bodies such as the United Nations, the African Union and the Non-Aligned Movement, as well as in various foreign policy discussion documents such as those for Heads of Mission Conferences and Strategic Planning initiatives. Despite some significant changes and developments in the global environment, these principles have remained consistent and enduring, and have taken on even greater significance given current international developments.

The following list of South Africa's foreign policy principles is a distillation from the aforesaid speeches, statements and documents on South Africa's foreign policy.

Principles Underpinning South Africa's Foreign Policy

The principles which serve as guidelines in the conduct of our foreign relations include:

- A commitment to the promotion of human rights
- A commitment to the promotion of democracy
- A commitment to justice and international law in the conduct of relations between nations
- A commitment to international peace and to internationally agreed upon mechanisms for the resolution of conflicts
- A commitment to Africa in world affairs, and
- A commitment to economic development through regional and international co-operation in an interdependent (and globalised) world

In addition to the above principles the following tenets have been enunciated as guidelines to instruct our approach to foreign policy:

- Foreign policy is an integrated part of government policy, aimed at promoting security and the quality of life, of all South Africans
- A commitment that South Africa, as a member of the United Nations and as a responsible citizen of the world, will live up



Director-General Dr Ayanda Ntsaluba (centre), flanked by Ms Maud Dlomo of the Foreign Service Institute during a graduation ceremony

- to its obligations in this regard and contribute to a peaceful world
- Commitment to the African Renaissance through the African Union and its programme for Africa's development, namely the New Partnership for Africa's Development.
- Commitment to economic development through regional integration and development in the Southern African Development Community and the Southern African Customs Union.
- Interact with African partners as equals
- Pursue friendly relations with all peoples and nations of the world
- Peace making and conflict prevention should receive priority consideration. Preventive diplomacy and proactive initiatives should be the approach, and monitoring mechanisms with African partners is essential
- Actively engage in efforts to secure international peace and security, promote disarmament, prevent genocide, restrict the proliferation of arms and secure a new world security compact through the United Nations (as the primary global security body), the Non-Aligned Movement, the African Union, the Southern African Development Community, the Commonwealth and other multilateral fora.
- Promote multilateralism to secure a rules-based international system
- Promote the democratisation and reform of the United Nations system and the Bretton Woods Institutions (i.e. International Monetary Fund and World Bank).
- Promote a rules-based international trading regime through the World Trade Organisation.
- Combat racism, sexism, xenophobia and other related intolerances.
- Promote the Agenda of the South through South-South Co-operation and North-South Partnerships.
- Eradication of poverty through the attainment of the Millennium Development Goals by 2015, and through the implementation of the manifestos such as the WTO Doha Development Agenda, the Monterrey Finance for Development, World Conference Against Racism and the World Summit on Sustainable Development.
- Promote sustainable and people-centred development
- Support efforts to alleviate the plight of refugees and children in Africa, and elsewhere, and particularly support the work of the UNHCR
- Promote a positive image of South Africa.
- Safeguard South Africa's territorial integrity and sovereignty.



DFA employees participating in an EWC Wellness Day



The DFA participating at the SABC Careers Fair, Durban

Part 2: Human Capital Management

The reporting year has been challenging and interesting for Human Capital Management in the Department. Of importance was the initiative to develop an integrated Human Capital Management Strategy and the processes engaged to produce the strategy. The intention was to locate Human Resources (HR) as a central enabler for the achievement of foreign policy objectives. The strategy will be implemented over the next three years.

Below are highlights of accomplishments during the reporting year:

1. Employer Branding

The Department participated in the following employer branding initiatives in order to promote the dfa as an employer of choice:

- SABC Career Fair Exhibitions for Grades 10-12;
- Presentations to Institutions of Higher Learning; and
- Magnet Communication's employer branding publications and surveys. Humanities students rated the dfa as the fourth most attractive employer of choice.

2. Recruitment and Selection

The dfa is continuously faced with the challenge of ensuring

that it has the right number of people at the right place with the necessary expertise to promote and advance its foreign policy objectives. In pursuit thereof, the dfa continues to position itself through talent management interventions, as well as embarking on recruitment drives to capacitate itself.

The dfa filled 429 posts in the reporting period (see breakdown in table 6.3 and 6.4 on page 22).

3. Retention and Career Management

In the reporting year the dfa started focusing deeper on other talent management processes like retention and career management. The Retention Strategy has been widely consulted on and will be implemented in the next reporting year. To support the career framework, the dfa commenced designing and developing a web-based Career Centre. The Centre will be launched in the next reporting year.

4. Employment Equity

An Employment Equity Plan was adopted after consultation with stakeholders. Affirmative Action measures from this plan were implemented and monitored through the Employment Equity and Skills Development Committee. Concerted efforts were made to attract and retain women at Senior Management

Service (SMS) level. While women representation at SMS levels remains a challenge, there is improvement in this regard. The dfa is still seized with the challenge of increasing the number of people with disabilities. To address this, various organisations for persons with disabilities were engaged. The representation of Black people has grown in the period under review from 73% to 75% and gender representation from 52% to 53% in total.

5. Organisational Culture

An organisational culture and climate survey was completed. The survey was aimed at assessing staff perspectives on various dimensions of the dfa's culture. A total of 1406 employees responded to the survey which included South African staff (staff at Head Office and at Missions) and Locally Recruited Personnel (staff members employed locally in foreign countries). The findings of the survey were disseminated at Head Office and feedback to Missions will commence in the following reporting period. The development of interventions that will respond to the results of the survey in creating a conducive organisational culture, has commenced.

6. Wellness

The dfa is committed to the wellness of its employees. The dfa continues to implement initiatives to improve the wellness of its employees and family members, notably support for transferred employees, a support programme for spouses, and an annual youth camp for children of employees. Key programmes such as the Voluntary Counselling and Testing were also continued and improved on.

An integrated Wellness Strategy to guide the dfa's activities was implemented. Of importance in the Strategy is the focus on supporting employees and their families at Missions. An Electronic Care System which facilitates assistance to employees and their families at Missions was introduced.

A Knowledge, Attitude, Practice and Beliefs (KAPB) survey that measures employees' awareness of HIV and AIDS, was conducted. Outcomes of the survey allowed the Employee Wellbeing Centre to design and implement appropriate services and interventions, including briefing and counselling sessions for employees and their families.

Wellness Days that are designed to conduct general health assessments and to disseminate information to employees and their families were held.

7. Revision of the Foreign Service Dispensation (FSD)

The negotiations in the Public Service Co-ordinating Bargaining Council (PSCBC) on the revision of the FSD were concluded on 13 March 2008 with the signing of a collective agreement, Resolution 1 of 2008. The agreement was to be implemented with effect from 1 January 2008. The collective agreement is an improvement to Resolution 8 of 2003. The area covered by the new resolution relates to the Cost of Living Allowance calculations, the Child Allowance, the Educational Allowance from the age of four months and clothing allowance for countries that experience severe winters. Negotiations to identify a single medical scheme service provider to cover transferred staff are continuing.

8. Labour Relations

The Labour Relations Policy Framework was adopted after consultations with unions and has been implemented. The policy framework aims at creating a workplace environment where the rights and responsibilities of employees, trade union representatives and management are respected and where there is open and co-operative engagement on workplace matters. Amongst the initiatives that have been implemented was the Town Hall meeting attended by all Head Office staff on 15 November 2007. The Director-General's Phone-In programme was introduced. This initiative created a platform for all employees to raise their concerns and proposals directly with the Director-General.

9. Performance Management and Development System

Performance Management is one of the pillars supporting the dfa's service delivery. There is increased compliance and sensitivity to the Performance Management and Development System (PMDS). During the reporting period performance agreements were aligned to the Business Plans ensuring that the dfa accomplishes its strategic objectives.

Following implementation of PMDS for Locally Recruited Personnel at Missions abroad, a review was conducted during the reporting period and satisfactory progress noted.

10. Training and Development

During the reporting period the Foreign Service Institute (FSI) separated from the Branch: Human Capital Management and merged with the Policy Research and Analysis Unit to become

the Branch: Diplomatic Training, Research and Development. The FSI has been renamed as the Diplomatic Academy.

The Diplomatic Academy obtained full accreditation status from the Public Sector Education and Training Authority and can now confer formal qualifications.

The Diplomatic Academy, in partnership with the United Nations Institute for Training and Research (UNITAR), also offered numerous courses to enhance the capacity of diplomats from other African countries. The dfa also conducted capacity building programmes in the Democratic Republic of the Congo (DRC) and Rwanda.

The Diplomatic Academy continued with capacity building at all stages from the entrance of employees into the Department throughout their career in the dfa.

After various consultations and bench-marking processes, the Department procured a service provider to offer a Master's degree in Diplomacy. Retired South African Ambassadors were appointed to share their knowledge and skills through a Mentorship programme as part of the Knowledge Management Strategy.

Computer-based business simulation applications were developed to enhance the learning experience of the candidates

pursuing the Mission Administration Course (MAC) by applying theoretical and technical knowledge in a simulated mission situation.

The dfa furthermore continued with the Management Development Programmes aimed at Middle and Junior Management.

The Department also continued offering training in identified foreign languages including immersion programmes in French, in co-operation with the Organisation for French Speaking Communities. The Diplomatic Academy introduced translation and interpretation services to support the Department in its foreign interactions.

12. Policy Research Analysis Unit (PRAU)

The dfa engaged with various external research institutes to debate and conduct research and also hosted conferences and seminars with a view to promote an informed understanding of foreign policy.

The dfa researched and made presentations at various forums on strategic topics such as Africa's Future Projects, Security Sector Reform, and Integrated Peace Operations.

Oversight Report

1. Service delivery

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Table 1.1 - Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Foreign Relations	Accredited Countries, International Organizations		Captured in Business Units' Business Plans	Outlined under Programme 2
Consular Services	South African citizens abroad, NGO's, International Organizations, Other Departments and Private Sector		Captured in Business Unit's Business Plans	Outlined under Programme 1
Protocol Services	Presidency, Provinces, Missions Accredited to South Africa		Captured in Business Unit's Business Plans	Outlined under Programme 3

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Binational Commissions Joint National Commissions Conferences Meetings Workshops Internet		Captured in Business Unit's Business Plans	Outlined under Programme 2 & 3

Table 1.3 - Service delivery access strategy

Access Strategy	Actual achievements
Media briefings Official Incoming and Outgoing Visits	Outlined under Programme 3

Table 1.4 - Service information tool

Types of information tool	Actual achievements
Print and electronic media Publications and video material dfa website	Outlined under Programme 3

Table 1.5 - Complaints mechanism

Complaints Mechanism	Actual achievements
Surveys Toll Free Numbers Service rate cards	Adopted National Anti Corruption Fraud Hotline implemented by the Office of the Public Service Commission

2. Expenditure

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel cost by programme, 2007-2008

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
Programme 1	1 181 310	168 481	3 353	12 995	14	76
Programme 2	2 122 812	1 073 244	754	397	50	484
Programme 3	141 547	51 430	20	147	36	23
Total	3 445 669	1 293 155	4 127	13 539	100	278

TABLE 2.2 – Personnel cost

Personnel Cost	Personnel Expenditure (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
Total as per Financial System	1 293 155	38	278
Total	1 293 155	38	278

PERSAL could not provide the figures by salary band, hence the information is provided for the entire system.

The following table provide a summary per programme (Table 2.3), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2007-2008

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Programme 1	112 393	9	8 145	0.60	2 483	0.2	6 810	0.5
Programme 2	553 272	43	852	0.06	2 643	0.2	33 192	2.6
Programme 3	33 880	3	3 188	0.25	898	0.06	1 940	0.1
Total	699 545	54	12 185	0.95	6 024	0.50	41 942	3.2

3. Employment and Vacancies

The following tables summarise the number of posts in 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 (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments has identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, 31 March 2008

Programme	Number of posts as at 31 March 08	Number of posts filled	Vacancy Rate %	Number of posts filled additional to the establishment
Programme 1	1015	945	6.9	0
Programme 2	1319	1089	17.4	0
Programme 3	310	183	41	0
Total	2644	2217	16.1	0

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2008

Salary band	Number of posts as at 31 March 08	Number of posts filled	Vacancy Rate %	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	120	84	30	0
Skilled (Levels 3-5)	354	326	7.9	0
Highly skilled production (Levels 6-8)	714	576	19.3	0
Highly skilled supervision (Levels 9-12)	1194	987	17.3	0
Senior management (Levels 13-16)	259	241	6.9	0
Political Office Bearers	3	3	0	0
Total	2644	2217	16.1	0

TABLE 3.3 – Employment and vacancies by critical occupations as at 31 March 2008

Critical occupations	Number of posts as at 31 March 08	Number of posts filled	Vacancy Rate %	Number of posts filled additional to the establishment
Heads of Missions	121	113	6.6	0
Diplomatic Corps	616	512	16.9	0
Senior Management	146	121	17.1	0
Total	883	746	15.5	0

4. Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation.

The following table (Table 4.1) 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 4.1 – Job Evaluation, 1 April 2007 to 31 March 2008

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	120	59	49.2	59	100	0	0
Skilled (Levels 3-5)	354	78	22	78	100	0	0
Highly skilled production (Levels 6-8)	714	33	4.6	2	6.1	0	0
Highly skilled supervision (Levels 9-12)	1194	71	5.9	2	2.8	0	0
Senior Management Service Band A	193	13	6.7	0	0	0	0
Senior Management Service Band B	53	0	0	0	0	0	0
Senior Management Service Band C	12	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	2641	254	9.6	141	55.5	0	0

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

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2007 to 31 March 2008

Beneficiaries	African	Indian	Coloured	White	Total
Female	32	1	2	0	35
Male	57	0	1	2	60
Total	89	1	3	2	95

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

TABLE 4.3 – Employees whose salary levels exceed the grade determined by job evaluation, 1 April 2007 to 31 March 2008 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation if any
N/A	None	N/A	N/A	N/A
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2007/ 08				0
Percentage of total employment				0

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 (Table 5.1) and by critical occupations (Table 5.2).

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2007 to 31 March 2008

Salary Band	Number of employees per band as on 1 April 2007	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Lower skilled (Levels 1-2)	169	8	29	16.38
Skilled (Levels 3-5)	216	58	39	14.23
Highly skilled production(Levels 6-8)	540	133	78	11.58
Highly skilled supervision(Levels 9-12)	911	76	46	5
Senior Management Service	237	5	19	8
Political Office Bearers	3	0	0	0
Total	2076	280	211	9

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2007 to 31 March 2008

Occupation:	Number of employees per occupation as on 1 April 2007	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Heads of Mission	104	6	5	4.5
Diplomatic Corps	487	0	12	2.5
Senior Management	122	5	1	0.8
Total	713	11	18	2.5

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3 – Identify the major reasons for staff members leaving the department

Termination Type	Number	% of total
Death	8	3.8
Resignation	67	31.7
Expiry of contract	82	38.8
Dismissal – operational changes	0	0
Dismissal – misconduct	5	2.4
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	0.5
Retirement (incl. Early and Medical Retire)	10	5.2
Transfers to other Public Service Departments	37	17.1
Voluntary Severance Package	1	0.5
Total	211	100
Total number of employees who left as a % of the total employment (2217) as at 31 March 2006		9

During the period under review, 211 employees left the Department due to various reasons as reflected in the table 5.3 above and the majority of these employees were from the highly skilled production category (i.e. Levels 6-8). However, the Department recruited 280 employees on various levels to provide from the required human resources to fulfil the core business of Foreign Affairs. The net turnover of the Department translates into a gain of 3.32%.

Table 5.4 – Promotions by critical occupation

Occupation:	Employees as at 1 April 2007	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Heads of Mission	104	0	0	68	65.4
Diplomatic Corps	487	1	0.2	376	77.2
Senior Management	122	17	13.9	94	77
Total	713	18	2.5	538	75.5

Table 5.5 – Promotions by salary band

Salary Band	Employees as at 1 April 2007	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	169	0	0	93	55.02
Skilled (Levels 3-5)	216	2	0.9	168	77.8
Highly skilled production (Levels 6-8)	544	58	10.7	345	63.4
Highly skilled supervision (Levels 9-12)	913	71	7.8	468	51.3
Senior management (Levels 13-16)	244	18	7.6	132	54.1
Political Office Bearers	3	0	0	0	0
Total	2086	149	7.14	1206	57.8

6. Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2008

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearers	0	0	1	0	1	0	0	1	3
Legislators, senior officials and managers	277	14	32	93	155	13	17	57	658
Professionals	84	7	4	14	63	2	4	23	201
Technicians and associate professionals	128	23	20	123	147	9	23	138	611
Clerks	89	3	2	9	287	20	7	92	509
Service and sales workers	52	4	0	5	31	2	1	1	96
Plant and machine operators and assemblers	21	1	0	0	1	0	0	0	23
Elementary Occupation	43	0	0	0	71	0	0	2	116
Total	694	52	59	244	756	46	52	314	2217

Employees with disabilities	9	1	1	12	7	1	0	3	34
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6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearer	0	0	1	0	1	0	0	1	3
Top Management	7	0	3	0	0	0	0	0	10
Senior Management	95	9	14	36	55	4	2	16	231
Professionally qualified and experienced specialists and mid-management	116	17	18	153	86	9	16	116	531
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	316	19	23	52	384	27	33	178	1032
Semi-skilled and discretionary decision making	128	7	0	3	179	6	1	2	326
Unskilled and defined decision making	32	0	0	0	51	0	0	1	84
Total	694	52	59	244	756	46	52	314	2217

6.3 Recruitment for the period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	1	0	0	1	1	0	0	5
Professionally qualified and experienced specialists and mid-management	31	1	2	3	27	2	0	10	76
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	58	2	5	9	46	2	7	4	133
Semi-skilled and discretionary decision making	9	1	0	0	45	3	0	0	58
Unskilled and defined decision making	3	0	0	0	5	0	0	0	8
Total	103	5	7	12	124	8	7	14	280

6.4 Promotions for the period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	1	0	0	0	0	0	3
Senior Management	3	1	3	4	4	0	0	0	15
Professionally qualified and experienced specialists and mid-management	22	3	3	9	20	3	2	9	71
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	14	0	0	0	34	1	1	8	58
Semi-skilled and discretionary decision making	0	0	0	0	2	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	41	4	7	13	60	4	3	17	149

6.5 Terminations for the period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	1	0	0	3
Senior Management	7	2	0	1	5	1	0	0	16
Professionally qualified and experienced specialists and mid-management	8	1	1	3	5	1	0	2	21
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	43	1	1	9	32	1	2	14	103
Semi-skilled and discretionary decision making	11	1	0	0	26	0	0	1	39
Unskilled and defined decision making	15	0	0	0	14	0	0	0	29
Total	85	5	2	13	83	4	2	17	211

6.6 Skills development for the period 1 April 2007 to 31 March 2008

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	293	10	26	86	285	28	15	120	863
Professionals	10	1	0	1	20	0	0	4	36
Technicians and associate professionals	26	1	0	2	37	1	1	6	74
Clerks	253	14	0	20	434	14	1	37	773
Service and sales workers	94	1	0	4	57	1	3	0	160
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	15	0	0	0	48	0	0	0	63
Total	691	27	26	113	881	44	20	167	1969

7. 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, and disability (Table 7.1), salary bands (table 7.2) and critical occupations (Table 7.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2007 to 31 March 2008

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per Beneficiary (R'000)
African					
Male	108	691	16	1728	16
Female	95	756	13	1528	16
Indian					
Male	17	59	29	4218	25
Female	16	52	31	213	13
Coloured					
Male	17	52	33	166	10
Female	8	46	17	1477	18
White					
Male	80	244	33	1497	19
Female	109	314	35	1552	14
Total	450	2214	20	12,379	28

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2007 to 31 March 2008

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of beneficiaries within salary band	Total Cost (R'000)	Average cost per Beneficiary
Lower skilled (Levels 1-2)	37	202	18.3	81 062	2 190
Skilled (Levels 3-5)	16	320	5	67 207	4 200
Highly skilled production (Levels 6-8)	96	405	23.7	591 223	6 158
Highly skilled supervision (Levels 9-12)	259	911	28.4	3 993 673	15 419
Total	408	1838	22.2	4 733 165	11 600

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2007 to 31 March 2008

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees as at 31 March 06	% of beneficiaries within occupation	Total Cost (R'000)	Average cost per employee (R'000)
Heads of Mission	13	113	11.50	554	43
Diplomatic Corps	46	512	9	1 538	33
Senior Management	29	121	24	1 307	45
Total	88	746	11.8	3 400	38

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee (R'000)	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees as at 31 March 08	% of beneficiaries within band			
Band A	25	178	14	926	37	0.07
Band B	13	56	23	637	11	0.05
Band C	3	9	33.3	204	68	0.016
Band D	1	1	100	94	94	0.007
Total	42	244	17.2	1 861	62	0.14

8. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of Branches. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2007 to 31 March 2008, per Branches

BRANCHES	1 April 2007		31 March 2008		Change	
	Number	% of total	Number	% of total	Number	% change
Africa Bilateral	775	34.64	812	33.35	37	4.77
Africa Multilateral	0	0	106	4.35	106	106
Asia & Middle East	476	21.28	539	22.14	63	13.24
Americas and Caribbean	319	14.26	330	13.55	11	3.45
Europe	561	25.08	608	24.97	47	8.38
Multilateral	106	4.74	40	1.64	-66	-62.26
Total	2237	100	2435	100	198	8.85

TABLE 8.2 – Foreign Workers, 31 March 2008 – Bonuses paid to Locally recruited personnel (LRP) employed in missions abroad

BRANCHES	31 March 2008	
	Expenditure (R'000)	% of total
Africa Bilateral	1142	16.05
Africa Multilateral	233	3.27
Asia & Middle East	1308	18.38
Americas and Caribbean	1978	27.79
Europe	2100	29.51
Multilateral	356	5.00
Total	7117	100

9. Leave utilisation for the period 1 January 2007 to 31 December 2007

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 (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2007 to 31 December 2007

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	360	88.6	48	3.7	8	59
Skilled (Levels 3-5)	1340.5	87.6	179	13.9	7	272
Highly skilled production (Levels 6-8)	3144	77.5	388	30	8	1 336
Highly skilled supervision (Levels 9-12)	3874	62.8	584	45.1	7	3 173
Senior management (Levels 13-16)	605	85.45	94	7.3	6	1 251
Total	9323.5	78.5	1293	100	7	6 091

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2007 to 31 December 2007

Salary Band	Total days taken	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	138	100	5	27.8	28	27
Skilled (Levels 3-5)	339	100	6	33.3	57	135
Highly skilled production (Levels 6-8)	123	100	6	33.3	21	108
Highly skilled supervision (Levels 9-12)	16	100	1	5.6	16	31
Senior management (Levels 13-16)	616	100	18	100	34	301
Total	1 232	100	36	0	34	602

Table 9.3 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 9.3 – Annual Leave, 1 January 2007 to 31 December 2007

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	1 027	17
Skilled Levels 3-5)	4 545	26
Highly skilled production (Levels 6-8)	10 002	23
Highly skilled supervision (Levels 9-12)	1 964	38
Senior management (Levels 13-16)	4 422	39
Total	21 960	19

TABLE 9.4 – Capped leave, 1 January 2007 to 31 December 2007

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2007
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	13	2	55
Highly skilled production (Levels 6-8)	244	6	47
Highly skilled supervision(Levels 9-12)	772	8	60
Senior management (Levels 13-16)	82	9	91
Total	1111	7	60

TABLE 9.5 – Leave payouts for the leave period 1 January 2007 to 31 December 2007

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

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay out for 2004/05 due to non-utilisation of leave for the previous cycle	66.3	77	861
Capped leave pay outs on termination of service for 2004/05	920	125	7 360
Current leave pay out on termination of service for 2004/05	168	35	4 800
Total	1154.3	237	4870

10. HIV/AIDS & Health Promotion Programmes

TABLE 10.1 – 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
None	<ul style="list-style-type: none"> - Education and Awareness - Condom distribution

TABLE 10.2 – 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 provisions contained in Part V1 E of Chapter 1 of the Public Service Regulations, 2001? If so provide his \ her name and position	X		Ms Given Mashigo Director: Employee Wellbeing
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	X		There is a dedicated Directorate comprising of 6 employees. The annual budget of R3 523 702 has been allocated. (Including Personnel expenditure)
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	X		Health & Wellness promotion. Management of HIV/Aids. Disability Management. Education & Training on Wellness issues. Marketing of the programme.

4. Has the department established (a) committee(s) as contemplated in Part V 1 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	X		Committee Members: Mr D Du Bisson (Union), Mr Colani (Union), Ms H Le Roux (Disability Forum), Ms R Mark (Gender Office), Ms S Chauke (Peer Educator), Ms P Seoposengwe (Peer Educator), Ms D Ellen (Peer Educator), Ms T Malepane (Peer Educator), Ms F Human (Peer Educator), Mr T Sandi (Peer Educator), Ambassador Lehoko (Management)
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	X		Recruitment & Selection Policy Incapacity Guidelines HIV/Aids Policy Employee Health & Wellness Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV- positive from discrimination? If so, list the key elements of these measures	X		Development of a HIV/ Aids Policy Awareness & sensitisation sessions
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved	X		We conduct annual on-site Voluntary Counselling and Testing. Sixty one (61) employees tested in 2007/2008, one (1) of the employees tested positive.
8. Has the department developed measures \ indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures \ indicators	X		Conducted the KAP Survey Business Plan reviews (Mid-term & Annual) Usage of condoms Evaluation forms

11. Labour Relations

The following collective agreements were entered into with trade unions within the department.

TABLE 11.1 – Collective agreements, 1 April 2007 to 31 March 2008

Subject Matter	Date
None	

TABLE 11.2 – Disciplinary action for the period 1 April 2007 to 31 March 2008

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	10	3	1	2	3	0	1	2	22

TABLE 11.3 – Misconduct and disciplinary hearings finalised, 1 April 2007 to 31 March 2008

Outcomes of disciplinary hearings	Number	% of total
Written warning	3	14
Final written warning	6	27
Not Guilty	0	0
Demotion	0	0
Suspension without Pay	2	9
Dismissal	2	9
Case withdrawn	2	9
Resigned / Retired	7	32
Total	22	100

TABLE 11.4 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Gross Negligence/ Negligence	1	3
Insubordination	2	6
Assault/Fighting	2	6
Absenteeism	4	11
Abuse of State Property	1	3
Sleeping on Duty / Alcohol abuse	2	6
Unbecoming conduct / Bringing the Department into Disrepute	7	19
Theft/Forgery/Misrepresentation	8	22
Failure to follow procedures	7	19
Abuse of Diplomatic Privileges	2	6
TOTAL	36	100

TABLE 11.5 – Grievances lodged for the period 1 April 2007 to 31 March 2008

	Number	% of Total
Number of grievances resolved	16	76
Number of grievances not resolved	5	24
Total number of grievances lodged	21	100

TABLE 11.6 – Disputes lodged with Councils for the period 1 April 2007 to 31 March 2008

	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	5	38
Number of disputes pending	6	46
Number of disputes settled	2	15
Total number of disputes lodged	13	100

TABLE 11.7 – Strike actions for the period 1 April 2007 to 31 March 2008

Total number of person working days lost	181
Total cost (R'000) of working days lost	59 435.05
Amount (R'000) recovered as a result of no work no pay	57 333.94

TABLE 11.8 – Precautionary suspensions for the period 1 April 2007 to 31 March 2008

Number of people suspended	5
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	96
Cost (R'000) of suspensions	67 791.77

12. Skills development

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

12.1 Training needs identified 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Number of employees as at 1 April 2007	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	483	0	383	0	383
	Male	630	0	332	0	332
Professionals	Female	26	13	21	0	34
	Male	22	12	21	0	33
Technicians and associate professionals	Female	12	0	21	0	21
	Male	18	0	28	0	28
Clerks	Female	436	0	481	3	484
	Male	192	0	222	3	225
Service and sales workers	Female	60	0	47	46	93
	Male	70	0	110	46	156
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	6	0	0	0	0
	Male	30	0	0	0	0
Elementary occupations	Female	51	0	0	58	58
	Male	37	0	0	15	15
Gender Sub Totals	Female	1 074	13	953	107	1 073
	Male	999	12	713	64	789
Total		2073	25	1 666	171	1 862

12.2 Training provided 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Number of employees as at 1 April 2007	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	483	0	448	0	448
	Male	630	0	415	0	415
Professionals	Female	26	10	14	0	24
	Male	22	5	7	0	12
Technicians and associate professionals	Female	12	0	45	0	45
	Male	18	0	29	0	29
Clerks	Female	436	0	450	36	486
	Male	192	0	234	53	287
Service and sales workers	Female	60	0	61	0	61
	Male	70	0	99	0	99
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	6	0	0	0	0
	Male	30	0	0	0	0
Elementary occupations	Female	51	0	18	30	48
	Male	37	0	5	10	15
Gender Sub Totals	Female	1 074	10	1 036	66	1 112
	Male	999	5	789	63	857
Total		2 073	15	1 825	129	1 969

13. Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2007 to 31 March 2008

Nature of injury on duty	Number	% of total
Required basic medical attention only	10	100%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	10	100%

14. Utilisation of Consultants

Table 14. 1: Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
South African Quality Institute BCC36-07/08	Not specified	2/08/2007 until completion	199 500.00
Tony Manning BCC33-07/08. Facilitation & Development of Human Capital Management Strategy	Not specified	2/08/2007 until completion	180 120.00
TLN Human Performance System BCC79-07/08. Review the qualifications of the Foreign Service Institute	1 Consultant	Not specified	125 799.00
Experiential Technologies BCC74-07/08/DFA16-07/08, Development of a Customised Business Simulation	Not specified	Not specified	1 083 456.00
PAX Africa BCC100-07/08/DFA11-07/08	Not specified	10/03/2008 until completion	1 230 323.00
ICAS – Conducting the HIV and Aids KAP Survey	1 Consultant	2 months	70 866.69
Education Training and Counselling	3 Counsellors	3 days	25 705.68
HealthInSite	Not specified	12 months	91 341.00
Leap @ Life	Not specified	Not specified	5 700.00
Enhancement of Asset Management function Ngubane & Co	Not specified	90 days	1 245 945.00
TOTAL			4 258 756.37

Table 14.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
South African Quality Institute BCC36-07/08	0.0	0.0	Not specified
Tony Manning BCC33-07/08. Facilitation & Development of Human Capital Management Strategy	0.0	0.0	Not specified
TLN Human Performance System BCC79-07/08. Review the qualifications of the Foreign Service Institute	30	30	Not specified
Experiental Technologies BCC74-07/08/DFA16-07/08, Development of a Customised Business Simulation	75	75	Not specified
PAX Africa BCC100-07/08/DFA11-07/08	0.0	0.0	Not specified
ICAS – Conducting the HIV and Aids KAP Survey	0.0	0.0	Not specified
Education Training and Counselling	0.0	0.0	Not specified
HealthInSite	0.0	0.0	Not specified
Leap @ Life	0.0	0.0	Not specified
Enhancement of asset management function Ngubane & Co	100	100	5 Consultant

Table 14.3: Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None	None	None	-
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

Table 14.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None	None	None	-

Programme purpose and measurable objectives



The new DFA Head Office under construction, Pretoria

Part 3: Programme Performance

	2007/2008			2008/2009	2009/2010
MTEF allocations	R4,119,063			R4,340,708	R5,162,615
Actual Expenditure	Current payments	Transfers	Capital payments	Total	
	R2,674,723	R666,865	R728,145	R4,069,733	
Statutory amounts	–			–	–
Responsible minister	Minister of Foreign Affairs: Dr Nkosazana Dlamini Zuma				
Administering department	Department of Foreign Affairs				
Accounting officer	Director-General of Foreign Affairs: Dr A Ntsaluba				

Aim of the vote

The Department of Foreign Affairs is responsible for the formulation, co-ordination, implementation and management of South Africa's foreign policy and international relations programmes throughout the world.

Programme 1: Administration

Purpose: Conduct the overall policy development and management of the Department.

Programme 2: Foreign Relations

Purpose: Promote relations with foreign countries, and participate in international organisations and institutions, in pursuit of South Africa's national values and foreign policy objectives.

Measurable objective: To promote South Africa's foreign

policy internationally and within multilateral institutions, through effective diplomatic interventions to strengthen foreign relations.

Programme 3: Public Diplomacy and Protocol

Purpose: Promote an understanding, both domestically and internationally, of South Africa's role and position in international relations, and provide protocol services.

Measurable objective: To project a positive image of South Africa by marketing the Department's programmes and



Programme 1: Administration

Programme 1: Administration

providing protocol services.

Programme 4: International Transfers

Purpose: Provide for the payment of membership fees to international organisations, transfer payments.

Measurable objective: To contribute to multilateral development co-operation.

STRATEGIC OVERVIEW AND KEY DEVELOPMENTS: 2002/03 – 2008/09

The Department of Foreign Affairs (DFA) continued to implement its strategic priorities as informed by the foreign policy objectives of the South African Government, and outlined in the Programme of the International Relations, Peace and Security Cluster. The broad priorities of the International Relations, Peace and Security Cluster are:

- Consolidating the African Agenda
- South-South Co-operation
- North-South Dialogue
- Global Governance and
- Strengthening Bilateral Relations.

AIM: The programme conducts the overall policy development and management of the Department. It provides for policy formulation by the Minister, the Deputy Ministers, the Director-General, and other members of the Department's management. Other functions include organising the Department; rendering streamlined and co-ordinated administrative office support and parliamentary services; managing Departmental personnel and finances; determining working methods and procedures; exercising internal control; and providing the internal audit function. The programme also includes providing consular and agency services in Pretoria and abroad, and purchasing vehicles for the Department. The provision of secure, economical, representative housing and office accommodation to all staff members abroad (including partner Departments) and maintenance thereof is also accommodated within this programme.

Corporate Services identified the following seven strategic objectives for providing excellent support services to the line objectives of the Department:

1. Enhance the corporate governance model.
2. Acquire a new head office building in Pretoria.

3. Modernise the Department's Information Communication Technology and ensure its optimum use.
4. Provide cost-effective infrastructure accommodation and to support the Department's work.
5. Provide consular services to South African citizens abroad.
6. Implement financial system reforms in line with the PFMA.
7. Intensify compliance with MISS and security policy requirements.
8. Efficient Management of Supply Chain requirements

MANAGEMENT OF THE DEPARTMENT'S PROPERTY PORTFOLIO

The property portfolio managed by the Department is divided into two areas of focus, namely the international portfolio and the local portfolio.

During the reporting year the dfa developed and commenced with the implementation of a property acquisition strategy that will guide the acquisition of foreign properties for the next three years. The Department acquired land in Riyadh for a Chancery and Official Residence, identified a property in New York and purchased a Chancery in Brussels. Construction of new Chanceries and Official Residences in Addis Ababa, Abuja and Maseru progressed well.

The dfa valued all its land and buildings and updated its Fixed Asset Register.

Public Private Partnerships (PPP)

The dfa's project to acquire property for a suitable and sustainable working environment for its total Head Office staff complement, continued during the reporting year.

Following a Request for Qualification process and Request for Proposals phases, the Department identified two consortia for final consideration. The Department subsequently selected its Preferred and Reserved Bidder after a Best and Final Offer process.

The Department engaged with and negotiated the project documentation with the Preferred Bidder. Draft agreements were submitted to National Treasury for review. Guidance was received on certain commercial positions. It is anticipated that final documents will be submitted to National Treasury early during the next financial year.

As a parallel process and in order to fix the construction cost in a buoyant construction industry, the Department entered into an Early Works Agreement to commence with the construction of the facility. As at the end of the financial year all bulk excavations had been completed, the basement constructed and work on the superstructure progressed. It is anticipated that construction will be completed during March 2009.

Lease payments

The Department negotiated a lease agreement with a motor manufacturer to provide vehicles for Heads of Mission on a financial lease basis. In line with the PFMA, approval was granted by National Treasury for the Department to enter into such a financial lease.

Funding facilities were obtained from a financial institution on a bi-annual payment basis. A total of 14 units were ordered during 2007.

CONSULAR SERVICES

The Department continued to innovate and implement measures to adequately deal with matters relating to South African citizens who travel, work, study and live abroad and who require consular assistance.

Development of Consular Management Software (CMS)

The Consular Management System (CMS) Project continued with documenting, reviewing and refining processes and procedures to enhance service delivery. Development and user acceptance testing on four processes (Registration of South African Citizens Abroad (ROSA), Miscellaneous Case Management, Detainees/ Prisoners and Process Work) were completed. Following the pilot in October and November in Washington and London, involving 12 missions, workshops and training sessions were held at the Eskom Convention Centre in Midrand from January to March. A total of 266 officers (transferred officials and locally recruited personnel) were trained in preparation for the launch of the CMS. This was a first for the Department to formally involve the locally recruited personnel in such training interventions.

Consular Support rendered to South African citizens abroad

The Governments of Nigeria, Togo, Equatorial Guinea and Cameroon assisted South Africa to locate the wreckage of a missing South African light aircraft. The remains of the two pilots were repatriated to South Africa after the South African Police Services (SAPS) positively identified the mortal remains through Disaster Victim Identification (DVI) processes.

In addition, the Department facilitated assistance to the Cameroon Government with the identification of the mortal remains of passengers of a Kenya Airways aircraft that crashed in May. Seven South African citizens and two individuals permanently residing in South Africa died in the crash. Teams of forensic experts from the SAPS and Department of Health were sent to the scene to assist with the examination of the mortal remains and collection of DNA samples to enable the authorities to complete the identification through the DVI processes. Officials at the Embassy in Cameroon and Head Office assisted family members and next-of-kin.

The dfa further assisted, together with the Department of Social Development, in returning children born to mothers imprisoned abroad; citizens (and their families) detained or imprisoned abroad; in the return of mortal remains of citizens from abroad; distressed citizens' abroad (and their families in South Africa); in cases of service of process, evidence on commission, maintenance orders and requests for mutual legal assistance; in determining the whereabouts of citizens abroad; with social welfare cases (cases involving abductions and adoptions); in dealing with swindles, false documents; other fraudulent activities; and with extradition cases.

Legalisation Services

The dfa continued with legalising documents through verification of signatures for usage abroad (authentication). During the reporting year 21 611 documents were legalised which signifies an increase of 10.27% on the previous financial year.

INFORMATION COMMUNICATION TECHNOLOGY

Master Systems Plan (MSP)

The implementation of the MSP, which commenced in February 2005, continued during the reporting year and will be reviewed in the 2008/09 financial year. The following projects were implemented during the reporting year:

- Voice over Internet Protocol (VoIP) global network
The Project has been 90% complete with the following six technical Hubs gone live, namely: Pretoria, Brasilia, Washington, London, Vienna and Singapore. The VoIP Project completion status per Region is as follows: Head Office 100%, Africa 90%, Asia 84%, Americas 88% and Europe 89%.
- Windows 2003 Advanced Server
The implementation of the Windows 2003 Advanced Server is 90% complete and the completion status per Region is the same as the VoIP rollout.
- Data Warehouse / Business Intelligence (BI)
This project entails providing an executive Business decision and analysis tool. The BI System was deployed to Human Resources and Finance and User Training/usage and stabilisation have been achieved. The focus is now on Locally Recruited Personnel (LRP) enhancement and System maintenance.
- Business Process Management (BPM)
The BPM focuses on two Business Units: Diplomatic Immunities and Privileges (DIAP) and Consular Agency Services (CAS). The DIAP Interim Solution has been implemented whilst the complete DIAP solution is being developed. The Consular Management System (CMS) for CAS has been rolled out as follows: Legalisation, Emergency Management and ROSA. Piloting of the CMS took place in November. Training on the CMS for all Missions took place from January to March. Preparation is underway for the "Launch of Detainees".

Seat Management Services (SMS)

The SMS Tender makes provision for the procurement of ICT equipment. The purpose of this contract is to standardise ICT equipment across the Department. The rollout has been completed and new requests are processed as normal procurement of ICT equipment.

Microsoft Operations Framework (MOF)

This Project involves the rollout of the Service Management functions (SMF) in line with Information Technology Infrastructure Library (ITIL) which is in keeping with best practices. The following six SMFs have been rolled out with all processes being incorporated into the new Call Management System for the Service Desk, namely: Service Level Management; Service Desk; Incident Management; Change Management; Release Management; Security Management.

Project Management Office (PMO)

The PMO was established and contributed to standardise project methodology, centralising of all ICT Projects, proper project governance, Financial monitoring and control and improved communications.

Special Events Support

Support to all special events which includes Head of Mission, Presidential and Ministerial visits and Conferences are dealt with on an ongoing basis.

Training and development

The following training exercises were undertaken by ICT staff: CCNA, ITIL and skills transfer.

FINANCIAL MANAGEMENT

Mission Financial System

During the reporting year, the dfa continued with the development of a financial system for the missions that would enable it to meet its reporting obligations as required by the PFMA. The dfa implemented a foreign currency system as an interim measure whilst the Mission Accounting System (MAS) was being developed. The latter system was completed and pilot testing as well as the roll-out of the software will take place during the new financial year.

Receivables

The dfa continued with its efforts to manage its debt portfolio especially with regard to partner departments. The Department developed a new set of procedures for the payment of official delegations abroad which were communicated to the Provincial Governments specifically targeting the Provincial International Relations personnel as well as the Chief Financial Officers in the Premiers' Offices. These were also discussed at the Chief Financial Officers' forum chaired by National Treasury. The latter agreed to issue a practice note on the procedures to be followed for payment of

official delegations visiting abroad. The Department also continued with the debt collection processes, including monthly reconciliations of partner departments' debt. This yielded a 70% recovery of the financial year's debt. Memoranda of Understanding (MOUs) were discussed with various departments and it is expected that these MOUs will be formalised early in the financial year.

Strategic Allocation of Resources

The budget process in the dfa continued to be an inclusive process and inputs aligned to the strategic priorities of the department were received, consolidated and submitted to National Treasury as required by the PFMA and the National Treasury MTEF guidelines. The budget allocation process by the Accounting Officer, with the guidance of the Chief Financial Officer, was made in accordance with the business plans of the various units in the Department.

For budget monitoring purposes, expenditure reports and analysis thereof were signed by the Accounting Officer and submitted to National Treasury as required by the PFMA. Within the Department, responsibility managers were provided with the monthly expenditure reports for monitoring and management of their budgets. The Department continued with the mid-term budget review sessions with all missions and Head Office as a mechanism of ensuring that units operate within their allocated budget and also to ensure that sound financial management principles required in terms of the PFMA were complied with.

For efficient cash flow management, the annual cash flow projections were prepared, reviewed and monitored throughout the year. The Department continued to monitor the efficiency of the transfer of funds to missions abroad by the appointed banks as well as by the South African Reserve Bank.

SUPPLY CHAIN MANAGEMENT

During the reporting year the dfa focussed on the development of supply chain management related policies and procedures as well as enhancing asset management.

Policies, Processes and Procedures

The Public Finance Management Act (PFMA) requires the Accounting Officer of the Department to ensure that the dfa has an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

The dfa developed a supply chain management policy and related procedures as well as the terms of reference for departmental bid adjudication committees. This has enhanced the understanding of supply chain management practices by bid committee members and officials across the Department. Concerted effort was also



directed in providing training to bid committee members and identified business units.

Asset Management

The need for continuous enhancement of its asset management function was identified and an asset management strategy developed. The strategy resulted in a number of initiatives, including the establishment of the Directorate Assets and Records Management within the Chief Directorate: Supply Chain Management.

To enhance the accuracy and completeness of the asset register the Department embarked on a special project for enhancing the integrity of the asset register. This included finalisation of the asset management policy and procedures, verification of assets and updating the asset register and valuation of high value assets which either retain or increase in value. A phased approach has been adopted for the valuation of assets and will continue for the next three years. The valuation of assets that are of strategic importance (e.g. buildings and works of art) has commenced.

The dfa also developed an Asset Management Strategy for the multi-year period 2008-09 to 2010-11 to deal with strategic acquisitions and disposals, maintenance of properties and continued valuation of high value assets.



President Thabo Mbeki welcoming Mozambican President Armando Guebuza for the South Africa-Mozambique Heads of State Economic Bilateral Commission, Pretoria

President Thabo Mbeki with French President Nicholas Sarkozy greeting Deputy Minister of Foreign Affairs Sue van der Merwe and other deputies during his State Visit to South Africa

Programme 2: Foreign Relations

AIM: This programme promotes relations with foreign countries and facilitates the Department's participation in international organisations and institutions, in pursuit of South Africa's national values and foreign policy objectives. While all the objectives apply to all regions, the emphasis may differ depending on current circumstances or anticipated developments in a particular region.

CONSOLIDATION OF THE AFRICAN AGENDA

The consolidation of the African Agenda remains a key priority in respect of South Africa's foreign policy. In this regard, South Africa has remained engaged in the African Union (AU) processes during the reporting year.

South Africa's strategic engagements in AU fora, have contributed to the rationalisation and harmonisation of Regional Economic Communities (RECs) deemed to be the building blocks of the continental integration process through economic and political integration, leading to the eventual establishment of the Union Government of sovereign States.

South Africa hosted a Brainstorming Retreat of African Ministers of Foreign Affairs in May 2007. The outcomes of the Retreat formed the basis for discussions at the meeting of the AU Assembly of Heads of State and Government held in Ghana from 1 – 3 July 2007, convened under the theme, "Grand Debate on the Union Government of Africa", with a view to provide a clear vision for the future of the AU and the framework for continental integration. The meeting adopted the Accra Declaration which outlines the acceleration of economic and political integration of the continent.

South Africa was also instrumental in the decision taken to call for the conducting of an audit to assess the composition and function of the Executive Council, the AU Commission and all other organs of the AU. A High Level Panel was constituted with Dr F. Ginwala and Dr E. Maloka from South Africa being appointed in various capacities. The findings and recommendations of the panel were submitted to the AU Summit held in January 2008 for consideration.

South Africa continued to support the strengthening of the AU and its organs by submitting position papers to the relevant AU

organs through the dfa on the financial management system of the AU and in particular the AU budget.

In respect of direct involvement in the AU, South Africa deployed two officials from the Department of Defence to the AU's Peace and Security Directorate. South Africa participated and provided logistical, financial and technical support to AU Member States at an AU workshop held in Lesotho in December 2007 aimed at popularising the African Charter on Democracy, Elections and Governance.

South Africa continuously reviews the participation of South African nationals in AU structures. During the reporting period the filling of an Agriculture Attaché post at the AU by a South African was approved. Judge Bernard Ngoepe is currently serving as a judge in the African Court on Human and People's Rights.

South Africa, as host country to the Pan-African Parliament, provided the required technical and logistical support to the Parliament during its Bureau meetings as well as its Sessions held in May and October 2007. The design of the new Parliament was adjudicated after a continent-wide design competition. The winning design came from a Durban-based South African company. Construction is expected to commence in 2008.

African Union - African Diaspora Regional Consultative Conferences were held in London, New York, the Bahamas, Paris and Addis Ababa. A senior officials and civil society conference was held in South Africa in November 2007. The Ministerial Meeting of the Diaspora, attended by Ministers of Foreign Affairs from Africa, CARICOM and Latin American States, was successfully hosted at Gallagher Estate, Johannesburg in November 2007. The meeting discussed in detail the Programme of Action to be presented at the Summit to be held in South Africa in 2008.

Promote the Implementation of the New Partnership for Africa's Development (NEPAD)

South Africa continued to support the NEPAD agenda aimed at national, regional and continent-wide holistic socio-economic renewal.

Nationally, the implementation of NEPAD remained a priority. Its implementation was monitored through the IRPS Cluster mechanism. The dfa co-hosted the NEPAD Projects Conference: Strengthening Partnerships for Implementation, together with the DTI, NEPAD Business Foundation and the NEPAD Secretariat, in October 2007.

Regionally, NEPAD implementation gained momentum and remained linked to the RISDP.

Continently, South Africa worked closely with the other African countries to ensure that Africa's special developmental challenges as espoused by NEPAD remained high on the African Agenda.

South Africa participated in the discussions undertaken at the NEPAD Heads of State and Government Implementation Committee (HSGIC) in July 2007 and January 2008. During the reporting period, South Africa worked towards integrating NEPAD in AU structures and processes.

The African Renaissance and International Co-operation Fund continued to be employed by South Africa as a catalyst for development projects in several African countries.

South Africa participated in the 7th and 8th African Peer Review Mechanism Forums in July 2007 and January 2008 respectively. The dfa provided support to the Presidency and the DPSA during South Africa's Peer Review.

Internationally, South Africa promoted NEPAD at various forums. South Africa played a fundamental role in solidifying NEPAD Global Partnerships within the realm of North-South and South-South co-operation. South Africa called for effective UN system support of NEPAD during the 62nd Session of UNGA in September 2007. In addition, NEPAD was highlighted in interactions, inter alia, with G8, OECD, EU-Africa negotiations and the Tokyo International Conference on Africa's Development (TICAD) Regional and Ministerial Meetings as well as the first China-Africa Ministers Political Consultations in September 2007.

Promote Regional Integration and Development through SADC and SACU

The dfa, through the Regional Economic Integration Task Team, contributed to South Africa's participation in the SADC Ministerial Task Force on Regional Economic Integration as well as in other SADC structures to ensure that trade liberalisation and infrastructure development were approved. South Africa participated in the August 2007 SADC Summit in Lusaka which focussed on strategies to accelerate regional infrastructure development to support deeper regional integration and development, including agreeing on a basis for SADC to declare its Free Trade Area (FTA) in August 2008. South Africa agreed to host the Project Preparation Development Fund (PPDF) which would eventually lead to a SADC Development Fund.

Negotiations on the SADC-EU Economic Partnership Agreements (EPA) took place during the reporting period and will continue during the next reporting period.

Within the context of strengthening and restructuring SADC, South Africa supported the creation of an additional post of

Deputy Executive Secretary responsible for regional integration, following a job evaluation process.

South Africa supported the abolishment of the Integrated Committee of Ministers (ICM) in favour of Sectoral Committees of Ministers.

In contributing towards peace, security and stability in the region, the SADC Brigade was launched on 17 August 2007 during the Summit in Lusaka. The Brigade consists of military, police and civilian components from all SADC member states, including South Africa.

In terms of SADC's political agenda, the situations in Lesotho, the DRC and Zimbabwe remained the key issues considered by the region. An Extraordinary Summit of the Heads of State and Government of SADC met in Tanzania on 29 March 2007 to discuss the political, economic and security situation in the region, with special focus on these three countries. It was during this Summit that President Mbeki was mandated to facilitate the dialogue between the various parties in Zimbabwe and report to the SADC Troika accordingly.

Peace Missions

The dfa participated in the proceedings of the National Office for the Coordination of Peace Missions (NOCPM) regarding peace missions in the DRC (MONUC), the Sudan (UNAMID) and Burundi (ONUB).

Through participation in AU Summits, the UNSC and bilateral engagements, the NOCPM continued to support the implementation of AU decisions and peace processes.

South Africa commissioned a research institution to prepare a paper on best practices and lessons learnt during South Africa's participation in peace missions. A draft White Paper on South Africa's participation in international peace missions has been completed and is due to be considered by Cabinet during the third quarter of 2008.

Peace Building

In support of peace building and democratisation processes on the continent, the dfa provided technical and logistical support to the South African-facilitated Burundi Peace Process.

Post-conflict Reconstruction and Development

South Africa contributed to efforts towards making sustainable peace a reality on the Continent by pursuing reconstruction and development imperatives together with international

cooperating partners and within the multilateral framework of the AU and UN.

South Africa continued to participate in the AU Ministerial Committee on Post Conflict Reconstruction and Development in Sudan which has undertaken a number of activities which include, amongst others, continuous engagement with all domestic and international stakeholders regarding the implementation of the Comprehensive Peace Agreement.

STRENGTHEN SOUTH-SOUTH CO-OPERATION

Active engagement in the NAM and G77 and China

South Africa continued to play a prominent role in advancing the development agenda of the South and strengthening South-South co-operation through active participation in groupings of the South.

Among other priorities, South Africa's foreign policy seeks to promote international community support for the efforts of developing countries to expand South-South co-operation, with a special focus on the needs of Africa. South Africa therefore continued to contribute towards the advancement of the development agenda of the South through active participation in groupings of the South, such as the Non-Aligned Movement and Group of 77 and China to promote, inter alia, the African Agenda, work towards the attainment of the UN Millennium Development Goals, advocate the reform of the United Nations and its organs and promote and protect human rights.

The dfa continued to promote the developing and strengthening of interdependence among developing countries through exchanging technical, financial and institutional knowledge for the solution of development challenges and problems.

Minister Dr Nkosazana Dlamini Zuma participated in various NAM and G77 and China meetings, amongst others, in New York on the margins of the 62nd session of the UN General Assembly. The dfa participated in meetings in New York and Geneva and contributed towards the development of group positions on key development-related issues on the agendas of the main organs, subsidiary bodies, programmes and funds of the United Nations.

Participation in the United Nations Conference on Trade and Development (UNCTAD)

The Department convened regular meetings of the Expanded UN Working Group, a sub-committee of the Global Governance Committee, as part of the process of co-ordinating South Africa's preparations for participation in the UNCTAD XII Conference which was scheduled to be held in Accra, Ghana from 20 to 25 April 2008.



IAEA Ambassador Abdul Minty in conversation with IAEA Director-General Mohamed ElBaradei during the opening of the 51st General Conference of the IAEA, Vienna



President Thabo Mbeki and German Chancellor Dr Angela Merkel at the G8 Summit, Heiligendamm

NORTH-SOUTH DIALOGUE

Engagement with the Commonwealth

South Africa, including through participation in the London meetings of the Commonwealth's Board of Governors and Executive Committee on which it serves, remained a leading advocate within the Commonwealth for the African Agenda and the full implementation of mandates in that regard.

In November 2007 President Mbeki led the South African delegation that attended the Commonwealth Heads of Government Meeting (CHOGM) in Kampala, Uganda. The dfa facilitated the participation of several South African Cabinet Ministers in relevant ministerial meetings. Commonwealth Foreign Ministers also met on the margins of the 62nd session of UNGA.

Strengthen relations with the G8 to advance the African Agenda

In the context of promoting South Africa's relations with countries and institutions of the North, South Africa actively engaged with the G8 to galvanise support for Africa and in particular, NEPAD. South Africa participated in the G8 Summit in Heiligendamm, held under the German Presidency where various commitments were made to support Africa. In particular, the G8 committed an amount of US\$ 60 billion to strengthen health systems in Africa and for the

treatment of infectious diseases. More significantly however, the Summit adopted a Declaration of, "Growth and Responsibility in Africa" which spells out detailed sets of interventions to support the continent. Another significant outcome of the Summit was the establishment of the so-called Heiligendamm Dialogue Process as a two-year high level dialogue process that brings together the G8, South Africa, Brazil, China, India and Mexico to generate consensus on the issues of energy, innovation, investment and development, with special regard to Africa.

South Africa also continued to engage in the various negotiations taking place in the World Intellectual Property Organization (WIPO), especially in light of its increasing importance in the promotion and growth of knowledge economies. South Africa continues to promote the importance of ensuring that the evolving global system of governance of intellectual property adequately reflects the interests of developing countries and responds to their development needs.

PARTICIPATE IN THE GLOBAL SYSTEM OF GOVERNANCE

Participation as a non-permanent member of the UNSC

As a non-permanent member of the United Nations Security Council, South Africa focused on African issues that are on



Council's support for the Ouagadougou Agreement between the Ivorian parties. This was significant as it sent a signal that the Council is supportive of home grown peace agreements. In Sudan, South Africa was heavily involved in ultimately successful efforts to secure the deployment of a hybrid AU/ UN peacekeeping operation, whilst in Rwanda it succeeded in persuading the Council to lift some of the residual sanctions. South Africa became one of the first developing countries to lead a Security Council delegation to Africa and was instrumental in arranging a joint meeting between the African Union's Peace and Security Council and the UN Security Council in Addis Ababa.

South Africa pursued its discussions launched during its presidency of the UNSC on ways to strengthen the relationship between the UN and regional organisations – and in particular the African Union - in the maintenance of international peace and security. South Africa was successful in convincing the Security Council to request the Secretary-General to prepare a report setting out options for sharing the responsibilities associated with peacekeeping between the UN and regional organisations, which would provide the platform for follow up discussions and actions in 2008 and beyond. South Africa also promoted two other key thematic issues, namely gender and, the non-proliferation of small arms and light weapons.

South Africa was appointed the lead nation in the Security Council on Timor-Leste and in this capacity was responsible for drafting Council resolutions and statements on Timor-Leste and leading a Council mission to that country. South Africa sent its own team to monitor the Timorese elections and also made constructive interventions and advanced principled positions on the Middle East Peace Process, Iran, Lebanon, Myanmar and Kosovo.

Disarmament, Non-Proliferation and Arms Control

In the area of nuclear disarmament and non-proliferation, South Africa participated in meetings of the International Atomic Energy Agency (IAEA), including the annual General Conference of the IAEA, the IAEA Board of Governors meetings and various technical meetings. The most important issues considered by the IAEA Board included the implementation of Nuclear Non-Proliferation Treaty (NPT) safeguards in the Islamic Republic of Iran and in the Democratic People's Republic of Korea (DPRK). Other important activities included new proposals related to the nuclear fuel cycle and the IAEA's technical co-operation programme.

South African nuclear experts participated in various IAEA technical and expert meetings that hold potential benefits not only for the nuclear industry in South Africa, but also for accelerated economic growth on the African continent in the context of NEPAD.

the agenda of the Security Council in line with its foreign policy objectives to support conflict resolution, reconciliation, reconstruction and development activities on the African continent.

South Africa, in recognition that membership of the Security Council confers global responsibilities, also participated actively in all the non-African issues on the Council's agenda.

South Africa also sought to help improve the working methods of the Security Council, including its transparency and accountability vis-à-vis the wider United Nations membership by consulting with all interested parties and conducting briefing sessions on the work of the Security Council to the African Group, Non-Alignment Movement, the media and civil society. In this regard, Minister Dr Nkosazana Dlamini Zuma chaired a roundtable discussion with think-tanks and civil society as part of an outreach programme on South Africa's membership of the Security Council.

During the reporting period, the Security Council discussed and reacted to developments in Sudan, Somalia, Western Sahara, Liberia, Guinea Bissau, Côte d'Ivoire, the Great Lakes region and cross border issues in West Africa. South Africa directly and positively influenced a number of Council resolutions and presidential statements on these issues. In the case of Côte d'Ivoire, South Africa took the initiative to secure the Security

South Africa participated in meetings of the Biological and Toxins Weapons Convention (BTWC), including the first intersessional meetings based on the outcome of the Sixth Review Conference of the Convention.

South Africa continued to participate in global efforts aimed at addressing the issue of cluster munitions “that cause unacceptable harm to civilians”. In accordance with the Oslo Declaration, states committed themselves to negotiating a legally binding international instrument to prohibit such munitions by 2008. At the same time, South Africa participates in the Group of Governmental Experts deliberations of High Contracting Parties to the Certain Conventional Weapons Convention (CCW), which has been mandated “to negotiate urgently a proposal to address the humanitarian impact of cluster munitions”. South Africa continued to participate in conventional weapons treaty regimes deliberations, such as the Meeting of High Contracting Parties to the CCW, the Meeting of States Parties to the Anti-Personnel Mine Ban Treaty and in its intersessional work programme.

Chairing of Nuclear Suppliers Group

One of the highlights for South Africa was the hosting of the Nuclear Suppliers Group (NSG) Plenary Meeting in Cape Town during April 2007. As Chair of the NSG, South Africa together with the other members of the NSG Troika conducted a number of outreach meetings with non-NSG partners.

Maximise the effectiveness of the UN presence in South Africa

Preparations are under way for an evaluation, conducted jointly by Government and the United Nations Evaluation Group (UNEG) of the impact of the presence of the UN in South Africa. This will be the first time that an evaluation is conducted at the country level on a system-wide basis. The overall objective of South Africa’s foreign policy, namely to work towards “a better South Africa”, within “a better Africa” and “a better world” will be used as the conceptual framework for the evaluation.

Reform of the UN system in order to strengthen multilateralism

During September 2007, South Africa, Sweden, Thailand and Chile (Four Nations Initiative [4NI]) presented 32 recommendations to members of the General Assembly. The recommendations are aimed at contributing to the debate on promoting enhanced transparency and accountability in the activities of the United Nations Secretariat, as well as making it more responsive to the needs of its membership. The initiative was well received

and formed the basis of further informal debates initiated by the President of the General Assembly in furthering the debate on Management and Secretariat reform.

Adherence to and Promotion of International Law

International law continues to inform the strategic priorities and policies of the Department. In this context the Office of the Chief State Law Adviser (International Law [IL]) continued to provide legal advice and support to the Government on all aspects of international law as well as to provide advice to the Department on South African law. During the reporting period the Legal Office attended to, inter alia, the amendment of the 2001 Diplomatic Immunities and Privileges Act as well as various aspects relating to the International Criminal Court, the law of the sea, climate change and terrorism.

South Africa, as a party to the Rome Statute establishing the International Criminal Court (ICC), continues to be involved in the processes relating to the ICC such as the elaboration of a definition for the crime of aggression which was identified but not defined in the Rome Statute. The Legal Office coordinated South Africa’s approach with regard to and participated in negotiations aimed at defining the crime of aggression.

South Africa is in the process of preparing its claim for an extended continental shelf in accordance with the UN Convention on the Law of the Sea. A successful claim will significantly increase the surface area of South Africa’s territory. The Legal Office represented and will continue to represent the Department on the Steering Committee of the South African Project involved in the drafting of the submission documents to be submitted to the United Nations in 2009.

The dfa, more specifically the Legal Office, has been reconfirmed by Cabinet as the custodian of the official South African Treaty Register. The Treaty and Information Management Section (TIMS) in the Legal Office, has also commenced with the process of registering international agreements to which South Africa is a party with the UN in fulfillment of the obligation that South Africa has under the UN Charter.

Promotion of SA candidacies for election to international organisations

A database, reflecting appropriate information to enable all stakeholders to take informed and co-ordinated decisions on candidatures has been established. The database is updated and maintained on a continuous basis.

South Africa, including South African experts, have been elected

to serve on a number of bodies, functional and expert committees of the United Nations.

Identify initiatives in the field of socio-economic development

South Africa's participation at the Commission for Social Development in February 2008 led to the inclusion of employment issues into the United Nations system. The Comprehensive Social Security Conference for Poverty Reduction and Sustainable Livelihoods in Africa held in Cape Town during March 2008 adopted the Cape Town Declaration, outlining a plan to set up an African Network and Centre of Excellence, in order to advance the objective of expanding social security in Africa.

Humanitarian Assistance

South Africa contributed in providing humanitarian assistance globally, with a particular focus on the African continent. South Africa continued to contribute to the United Nations' Central Emergency Response Fund (CERF) aimed at providing immediate relief in case of disasters. South Africa currently serves as the vice-chair to the CERF Advisory Group. South Africa's firm support of the ideals of CERF is emphasized by the fact that South Africa, as an emerging economy, is the 27th largest contributor and one of the few countries of the South that contributes.

South Africa participated in the debate on the reform of the Food and Agriculture Organization (FAO) aimed at making FAO more effective in dealing with food security issues and to ensure that the UN system could better address the humanitarian needs of the vulnerable. South Africa continued to promote the African Agenda, and in particular Africa's own agriculture policy, the Comprehensive African Agriculture Development Programme (CAADP) which is seen as a critical element in implementing NEPAD and in attaining the Millennium Development Goal of reducing food insecurity in Africa by 2015.

Human Rights and the implementation of Humanitarian Law

The dfa co-hosted the Seventh Regional International Committee of the Red Cross (ICRC), Seminar on the implementation of International Humanitarian Law during June 2007. By co-hosting this Seminar with the ICRC South Africa sought to encourage African countries to consider acceding to and locally integrating International Humanitarian Law instruments. The Department also facilitated discussion on the Draft Tripartite Agreement on the Voluntary Return of Rwandan Refugees.

South Africa facilitated the visit of the Special Rapporteur on the Rights to Adequate Housing to South Africa during April

2007. The Special Rapporteur acknowledged the progress made by South Africa since 1994 in the realisation of the right to adequate housing and other related rights (water, sanitation, access to land), paying particular attention to the situation of the vulnerable groups in society (women, children and persons with disabilities).

South Africa hosted the 4th World Congress of Rural Women in Durban from 20-25 April 2007 which provided a platform to share concrete experiences in addressing challenges facing rural women including globalization, trade, sustainable development as well as the impact of public policies on rural women.

The dfa, together with the Department of Defence, commenced preparation for South Africa's ratification of the Optional Protocol to the United Nations Convention on the Rights of the Child on the Involvement of Children in Armed Conflict. This follows approval by Cabinet that South Africa becomes a state party to the Optional Protocol. The Optional Protocol outlaws compulsory recruitment of children under the age of 18 by both government and non-governmental forces, and appeals for the curbing of voluntary recruitment of children under the age of 18.

South Africa ratified the Convention on the Rights of Persons with Disabilities and its Optional Protocol on 30 November 2007. The Convention endeavours to ensure that persons with disabilities receive the necessary protection and assistance to enable them to fully and equally enjoy human rights.

Environment

South Africa continued to contribute to the accomplishment of the Millennium Development Goals (MDGs), in particular poverty reduction, through participating in the various United Nations Conventions for the environment such as, the UNCCD (desertification), UNFCCC (Climate Change) and the CBD (biodiversity-covering all fauna and flora).

During the Conference of the Parties (COP14) of the UN Convention on Illegal Trade in Endangered Species of Wild Fauna and Flora (CITES), South Africa together with its SADC partners obtained international approval to trade in elephant tusks with Japan as the only trading partner.

South Africa participated in the 13th Conference of the Parties (COP 13) to the United Nations Framework Convention on Climate Change and the 3rd Meeting of the Parties (COP/MOP 3) of the Kyoto Protocol held from 3 to 15 December 2007 in Bali, Indonesia. Agreement was reached on a roadmap for negotiations, termed the Bali Roadmap, which sets the framework, and the end date of 2009, for negotiations towards strengthening the climate regime after 2012.



President Thabo Mbeki hosting Lesotho Prime Minister Pakalitha Mosisili during his Official Visit, Cape Town

BILATERAL RELATIONS

AFRICA

The consolidation of the African Agenda is a key strategic focus of the dfa in advancing South Africa's political and economic interests. During the reporting year, the focus of South Africa's foreign policy started to shift from conflict resolution and post conflict reconstruction and development to institution-building, infrastructure development and consolidating trade and investment.

South Africa's relations with its African counterparts was manifested through structured bilateral mechanisms, the exchange of high level visits as well as the finalisation and implementation of bilateral agreements in various fields, including trade, investment, mining, and infrastructure.

SOUTHERN AFRICA

Malawi

South Africa and Malawi signed the Joint Commission for Co-operation (JCC) in May in Durban during the African Union Foreign Affairs Ministerial Retreat. The main objective of the Commission is to encourage and promote co-operation between the two countries in the fields of agriculture, trade, industry, mining, tourism, energy, health, communication, and transport.

Botswana

The 6th Session of the SA-Botswana Joint Permanent Commission on Defence and Security (JPCDS) was held in Maung, Botswana in October. The JPCDS focused on security issues including cross-border crime, drug trafficking, money laundering and border control.

The 2nd Session of the SA-Botswana Joint Permanent Commission for Co-operation (JPCC) was held in Pretoria in November. The JPCC meeting dealt with the implementation and finalisation of agreements in the areas of Home Affairs, Local Government, Foreign Affairs, Trade and Industry, Water Affairs and Forestry, and Environmental Affairs and Tourism.

Lesotho

In June, the Prime Minister Mr Phakalitha Mosisili, paid an official visit to South Africa during which the following three bilateral agreements were signed: the Free Movement of Citizens, the Co-operation in the Area of Correctional Service, and Prevention of Wild Fires. During the visit, Prime Minister Mosisili and Deputy President Mlambo Ngcuka participated in the SA-Lesotho Business Forum, where trade and investment opportunities were discussed.

Swaziland

Bilateral co-operation in the areas of agriculture, water, tourism,



Deputy President Phumzile Mlambo-Ngcuka meeting with Swaziland Deputy Prime Minister Constance Simelane



Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma and her Angolan counterpart, Minister João de Miranda, at the opening session of the Joint Commission of Cooperation

immigration, and spatial development initiatives continued.

The two countries agreed to collaborate on important issues such as financing of emerging farmers and participation of women in commercial agriculture.

Zimbabwe

South Africa continued its role as Facilitator to the SADC-mandated mediation process on Zimbabwe. The Presidential Task Team, supported by the Department, met with ZANU-PF and the two MDC factions on a continuous basis to resolve the challenges facing that country. The internal role players reached agreement on a number of issues which culminated in the passing of Constitutional Amendment No. 18. The Constitutional amendments dealt with security and media legislation, inter alia, Access to Information and Protection of Privacy Act, Public Order and Security Act and the Broadcasting Services Act.

The mediation efforts resulted in the holding of peaceful, transparent and credible harmonised presidential, parliamentary, senatorial and council elections on 29 March 2008. A multi sectoral and multi party South African delegation participated in the SADC Electoral Observer Mission (SEOM) that monitored the elections.

The third session of the Joint Permanent Commission on Defence and Security (JPCDS) between South Africa and Zimbabwe was

held in Vanderbijlpark, South Africa in November.

Mozambique

A Heads of State Economic Bilateral Forum meeting was held in September 2007 in Pretoria. Two bilateral agreements, namely the Avoidance of Double Taxation Agreement and the Agreement on the One Stop Border Post were signed during the meeting. The One Stop Border Post is intended to expedite the flow of people, and commercial goods as well as to ease the traffic flow between the two countries.

Tanzania

The SA-Tanzania Presidential Economic Commission (PEC) took place in April in Dar Es Salaam where agreements in the areas of Transport and Home Affairs were signed.

Angola

The Director-General, Dr Ayanda Ntsaluba, led a delegation of Senior Officials to Luanda in October for the Senior Officials' meeting to prepare for a Ministerial Session of the Joint Commission of Co-operation (JCC) which was held in November.

Minister Dr Nkosazana Dlamini Zuma led the South African delegation to the JCC meeting and was accompanied by the Minister of Minerals and Energy and the Deputy Minister of Home Affairs. Three agreements in the fields of Petroleum, Tourism and

a Declaration of Intent on the Movement of People between the two countries were signed.

Namibia

A Namibian delegation led by the Minister of Defence attended the Joint Co-operation on Defence meeting in Durban in September where issues of defence, security and migration were discussed.

The President of Namibia visited South Africa in October to attend the Heads of States Economic Bilateral meeting.

Democratic Republic of Congo (DRC)

In June, President Joseph Kabila paid his first state visit to South Africa since his election as President of the DRC during which he addressed a Joint Sitting of Parliament.

The 4th Session of the Bi-National Commission (BNC) was held in August in Kinshasa during which three agreements were signed. These were the Memorandum of Understanding on Development and Co-operation in Transport Related Matters, the Protocol on Hospital Services and the Joint Declaration of Intent concerning Support and Assistance to the Democratic Republic of Congo in the reform of the Armed Forces.

EAST AFRICA

Rwanda

South Africa's focus in Rwanda remained in the area of post conflict reconstruction and development programmes concentrating mainly on Capacity and Institution Building. In this regard, the South African Management and Development Institute is finalising the training and development programme of the Rwanda Public Sector which is funded by the Canadian Government.

The South African Police Services were engaged in the Capacity and Institution Building Programme with the Rwanda National Police.

A Mid-Term Review Mechanism Session was held in December on the progress of different working groups and to draft a programme of action in preparation for a meeting of the Joint Commission of Co-operation.

Madagascar

South Africa continued its negotiations with Madagascar with a view to finalise agreements regarding general co-operation, mining, mineral beneficiation and agriculture.

Following the destruction caused by the devastating cyclones

in Madagascar during February and March 2008 Government made a donation towards humanitarian assistance.

Mauritius

As a major trading partner, South Africa maintained strong bilateral relations with Mauritius. President Mbeki visited Mauritius in March as guest of honour at Mauritius's 40th Independence Anniversary.

Seychelles

South Africa, through the ARF contributed to the rehabilitation of infrastructure after the 2004 tsunami.

Kenya

Following the post-election violence that erupted after the disputed December 2007 Presidential elections, South Africa encouraged all parties to work towards a sustainable Grand Coalition Government. It also urged all stakeholders to ensure the success of the Grand Coalition Government during the next five years and for the successful conclusion of the Kenyan National Dialogue and Reconciliation negotiations.

South Africa supported the efforts of the Independent Review Commission, headed by South African Judge Johann Kriegler, as well as the Truth Justice and Reconciliation Commission, Commission of Inquiry on Post Election Violence and the Inter Ethnic Relations Commission and acknowledged the necessity for political will by all parties to ensure much needed reconciliation between the people of Kenya.

Eritrea/Ethiopia

South Africa supported the demarcation by the Eritrea-Ethiopia Boundary Commission and urged both parties to accept this decision as final and binding. South Africa encouraged the parties to engage each other to restore bilateral relations.

South Africa and Ethiopia launched a Joint Ministerial Commission (JMC) in March through which relations between the two countries were further consolidated. During the launch of the JMC a Memorandum of Understanding on Industrial and Technical Co-operation and a Reciprocal Promotion and Protection of Investment Agreement were signed.

WEST AND CENTRAL AFRICA

Sierra Leone

South Africa continued to maintain and strengthen relations with the new Sierra Leonean Government led by President Ernest Bai Koroma, which was inaugurated in November 2007.

South Africa continued to support the consolidation of peace and security in Sierra Leone and reconstruction efforts.

Republic of Guinea

South Africa is committed to assisting Guinea in addressing its socio-economic challenges. In this regard, South Africa was involved in several projects such as electricity stabilisation, the building of the Kindia Museum, waste management in the City of Conakry, rice donation and in the Trilateral Project between South Africa, Vietnam and Guinea on the production of rice and vegetables.

Nigeria

General elections took place in the Federal Republic of Nigeria on 21 April 2007. The ruling People's Democratic Party (PDP), under the leadership of Alhaji Musa Umaru Yar'Adua, won. South Africa hosted President Elect Alhaji Umaru Yar'Adua for bilateral discussions with President Thabo Mbeki. Agreement was reached to convene the 7th session of the South Africa-Nigeria Bi-National Commission (BNC). Following this visit, President Mbeki attended the inauguration of President Yar'Adua.

Vice-President Goodluck Jonathan paid a working visit to South Africa during which he met Deputy President Phumzile Mlambo-Ngcuka.

The Special Implementation Committee (SIC) preceding the South Africa-Nigeria BNC took place in November 2007 during which Senior Officials of both countries discussed progress on implementation of projects within the various working groups that were agreed to at the 6th Session of the BNC held in Durban in 2004. Discussions were conducted within seven Working Groups, namely: Foreign Affairs and Co-operation, Trade and Industry, Social and Technical, Minerals and Energy, Defence Sub-Committee, Agriculture and Public Enterprise and Infrastructure.

Ghana

The inaugural session of the Joint Co-operation Commission (JCC) between South Africa and the Republic of Ghana led by Minister Dr Nkosazana Dlamini Zuma and her counterpart Minister Nana Akufo-Addo, took place in May 2007.

South Africa and Ghana agreed to strengthen bilateral, economic and political relations in various areas including immigration, mining and energy, agriculture, tourism, justice, defence, arts and culture, and science and technology.

Guinea-Bissau

Prime Minister Martino Dafa Cabi visited South Africa in August 2007 and held discussions with Deputy President Mlambo Ngcuka on strengthening bilateral political, economic and trade relations. Following this visit, a Minerals and Energy team visited Guinea-Bissau to explore areas of co-operation

on technical support, the exchange of expertise and geological mapping.

A resident Mission was opened in Guinea-Bissau in March 2008, while interaction with the Honorary Consul in The Gambia continues to be conducted from the Mission in Dakar.

Senegal

A Senior Officials' Meeting was held in October 2007 in Dakar to prepare for the Inaugural Session of the Joint Commission for Bilateral Co-operation with Senegal. Several sectoral agreements were negotiated for signature in the foreseeable future.

Mali

Minister Essop Pahad, accompanied by Deputy Minister Ntombazana Botha, visited Mali in February 2008 for discussions with the Ahmed Baba Institute of Higher Learning and Islamic Research in Timbuktu that will culminate in an exhibition of the ancient Timbuktu manuscripts at Iziko Museum, Cape Town in August 2008.

A Senior Officials' Meeting was held in Pretoria in March 2008 during which several sectoral agreements were negotiated for signature in the foreseeable future.

Benin

South Africa opened an Embassy in Benin in 2007. Relations between the two countries have been steadily strengthening. South Africa sent its first Ambassador to Benin during February 2008.

Niger

South Africa opened an Embassy in Niamey, Niger in March 2008. This development has assisted in strengthening bilateral relations between the two countries.

Cote D'Ivoire

President Gbagbo paid a working visit to South Africa in March 2008 for discussions with President Mbeki. Bilateral relations between both countries are steadily expanding.

Equatorial Guinea

Minister Dr Nkosazana Dlamini Zuma held bilateral discussions with her counterpart from Equatorial Guinea, Minister Bile in Pretoria in 2007. Following on their discussions, a delegation of Senior Officials visited Equatorial Guinea to discuss areas of co-operation in preparation for the launch of the Joint Bilateral Commission for Co-operation. Negotiations commenced on the following draft agreements: Protocol on Technical Co-operation and Diplomatic Consultation; Energy and Mineral Resources; Agriculture and Economy, Commerce and Business Promotion.

Republic of Congo

A meeting of Senior Officials took place in Pretoria in August 2007 to prepare for the session of the Permanent Joint Commission for Co-operation. The Defence Co-operation Agreement was signed by Minister Lekota and his counter-part, Minister Yvon Ndolou. Negotiations continued on draft agreements on Police Co-operation, Sports, and a National Youth Commission.

Republic of Gabon

South African Airways launched flight routes between Libreville and Johannesburg in September 2007, in terms of a Bilateral Air Services Agreement. A meeting of Senior Officials took place in October 2007. Discussions focussed on political and economic relations. A Memorandum of Understanding on Economic Co-operation and Draft Agreement on Health Co-operation were discussed in October 2007. Gabon also accepted South Africa's offer to revitalise a cattle project in that country.

Sao Tome and Principe

Consultative meetings were held between South Africa and Sao Tome and Principe in Sao Tome during November 2007 during which political and economic relations were discussed. South Africa continued its involvement in partnership programmes primarily around capacity-building programmes.

NORTH AFRICA

Algeria

During the reporting period bilateral, economic and trade relations continued to expand. South Africa also consolidated its multilateral co-operation with Algeria especially on the issue of the illegal occupation of the Western Sahara. South Africa furthermore maintained close contact with three important African Union institutions based in Algiers namely the African Energy Commission, the Centre for the Study and Research on Terrorism and the Pan African Youth Movement.

South African athletes participated in the All Africa Games hosted by Algeria in July 2007.

Egypt

Bilateral relations were further strengthened when Minister Dr Nkosazana Dlamini Zuma visited Cairo in February 2008 for the Ministerial component of the 7th Joint Bilateral Commission during which she held talks with her counterpart Minister Ahmed Aboul Gheit, including strengthening the African Agenda. She also met the Minister of Trade and Industry, Engineer Rashid Mohamed Rashid, in an effort to strengthen bilateral commercial ties.

Several other high-level visits and cultural exchanges took place between the two countries.



Saharawi Arab Democratic Republic (SADR)

South Africa appointed its Ambassador-designate to Algeria and SADR, as a Ministerial Envoy to the 12th Congress of the Polisario Front in Tifriti, Western Sahara.

The African Renaissance Fund Advisory Council approved funding for the following projects in the SADR for 2007 – 2010:

- Humanitarian landmine removal
- Humanitarian assistance
- Youth Sport Development Project.

Mauritania

During the year under review South Africa opened an Embassy in Nouakchott, Mauritania.

The Minister of Minerals and Energy, Ms Buyelwa Sonjica, visited Mauritania in 2007 for the inauguration ceremony of the first democratically elected President of Mauritania, Sidi Cheikh Abdallahi.

The Minister of Petroleum and Mining of the Islamic Republic of Mauritania, Mr Mohamed El Moctar Ould Mohamed El Hacen visited South Africa in November 2007 and co-operation agreements on Mining and Mineral Resources and Petroleum and Energy were signed.



President Thabo Mbeki being welcomed by his Vietnamese counterpart, President Minh Triet, during his State Visit to Hanoi

Deputy President Phumzile Mlambo-Ngcuka with New Zealand Minister of Foreign Affairs Winston Peters during his working visit to South Africa



Minister of Foreign Affairs Nkosazana Dlamini Zuma with Kuwaiti Deputy Prime Minister and Minister of Foreign Affairs Sheikh Mohamed Sabah Al-Salem Al-Sabah during bilateral talk, Cape Town

Tunisia

During the reporting period, co-operation was strengthened in the field of health. Sixty-five Tunisian health professionals were recruited and deployed in various provinces in South Africa.

In March 2008 the Tunisian President, HE Zine El-Abidine Ben Ali, paid a private visit to South Africa.

Libya

Several high-level visits took place in 2007 including the visit of the Special Envoy of Colonel Qadhafi to President Mbeki in May, the Under Secretary for Education, Dr Abadalkaber Mohammed Al-Fakhri, at the invitation of the Deputy Minister of Education, Mr Enver Surty. Minister Lekota, visited Libya in October to hold talks with his counterpart and to attend an arms show in Tripoli.

In preparation for the July 2007 AU Summit, Deputy Minister Pahad held discussions with the Libyan Foreign Minister, Mr Abd-al-Rahman Mohamed Shalgham.

Morocco

The dfa appointed a senior official as Charge d'Affaires to the Kingdom of Morocco.

ASIA AND THE MIDDLE EAST

SOUTH ASIA, SOUTH-EAST ASIA, AUSTRALASIA AND THE PACIFIC ISLANDS

During the reporting year, bilateral relations were strengthened through several high-level visits, structured bilateral meetings, co-operation in terms of skills development through ASGISA/ JIPSA programmes and growing trade relations, which saw an increase of 20% to nearly R90 billion with the region.

State visits by President Mbeki to Vietnam (May), President Sellapan Ramanathan of Singapore (April) and President Susilo Bambang Yudhoyono of Indonesia (March) to South Africa strengthened relations with these Asian states.

During President Mbeki's visit, an agreement on visa exemption for diplomatic and official passport holders was signed between South Africa and Vietnam paving the way for increased visits between the two countries. The Vietnam visit also resulted in a trilateral co-operation project among South Africa, Vietnam and the Republic of Guinea for improving rice production in the latter thus ensuring greater food security in that country.

The visit by the President of Singapore resulted in the launch of

the Straits Chemicals Project in Coega worth R5.8billion, which is Singapore's largest single investment in South Africa.

Structured bilateral meetings included the inaugural South Africa-Vietnam Partnership Forum in Hanoi (May) as well as the inaugural Joint Commission with Indonesia (February).

India is by far South Africa's most important political and trading partner in South Asia. In 2007, total bilateral trade amounted to R22 billion, an increase of 33% on 2006. The emphasis in bilateral relations is on economic growth and job creation in South Africa as well as trade and investment opportunities, particularly in pharmaceuticals, ICT, the film industry, energy and textiles. The reporting year saw a major increase in Indian automobiles into the South African market.

The seventh session of the India-South Africa Joint Ministerial Commission was held in Pretoria (February) during which three agreements were signed namely the Exemption of Visa Requirements for Holders of Diplomatic and Official Passports, the Programme of Co-operation in Science and Technology, and the Agreement on Co-operation in the Field of Customs.

India is one of South Africa's major partners in skills development within the framework of ASGISA/JIPSA programmes. In 2007, India provided 100 Indian Technical and Economic Co-operation slots to South African officials. Furthermore, 123 young South African graduates were provided the opportunity to develop their skills at various Indian institutions, particularly in the fields of IT and tourism.

A new era for diplomatic relations with Afghanistan was heralded when South Africa's High Commissioner to Islamabad presented his credentials to President Karzai.

The first South African High Commissioner was appointed to Sri Lanka in February.

Australia continued to be South Africa's dominant bilateral partner in the South Pacific region. Total two-way trade increased by 10% to over R20 billion in 2007. During the period under review, Australia provided ten scholarships and five fellowships to South African applicants as a contribution towards ASGISA/JIPSA programmes.

During the visit by New Zealand's Foreign Minister to South Africa in February, Minister Dr Nkosazana Dlamini Zuma announced that South Africa would be opening its High Commission in Wellington.

CENTRAL AND EAST ASIA

Greater China

The South Africa-China Strategic Partnership reached a critical

milestone in 2008, marking a decade since the formalisation of bilateral relations since the adoption of the "One China Policy." During this decade, the two countries have developed comprehensive relations as evidenced by the Bi-national Commission (BNC) and Strategic Dialogue, development and multilateral co-operation as well as increased trade and two-way foreign direct investment (FDI). During the reporting year, South Africa was China's key trade partner in Africa, accounting for 20,8 % of China's trade with Africa. Chinese FDI into South Africa is approximately US\$ 6 billion, while South Africa FDI into China is US\$2 billion.

South Africa launched the commemoration of the 10th Anniversary of Diplomatic Relations which will be marked through a joint celebrations programme.

During the reporting year and in line with Cabinet's decision to market South Africa abroad and strengthen its economic diplomacy, a number of activities were undertaken, including high-level political visits and journalist exchange programmes. During the reporting year, preparations were initiated for South Africa's participation in the Shanghai World Expo in 2010. The Expo will afford South Africa the opportunity to showcase the country abroad. The Shanghai Expo is expected to attract over 70 million people from all over the world. South Africa's participation in the Expo will be facilitated through an intergovernmental process in collaboration with civil society to ensure that the desired objectives are achieved.

Structured bilateral meetings were held including the Bi-national Commission and the Strategic Dialogue.

At the multilateral level, both countries played a pivotal role at the United Nations Security Council (UNSC) to advance the interests of developing countries by supporting and adopting positions that promote the objective of creating a just and equal world.

The two countries cooperated through the Forum for China-Africa Co-operation, which was instrumental in supporting infrastructure projects and debt cancellation in support of the African Agenda.

In order to close the trade deficit between the two countries, which is in favour of China, South Africa and China agreed on the Partnership for Growth and Development (PGD), whose main thrust is to increase the value of South African exports to China and establish balanced bilateral investment flows in terms of both quantum and kind.

Taiwan

Within the context of the "One China Policy", the 5th session of the South Africa/Taiwan Dialogue Forum was held at official's level in South Africa (November). The Forum serves as a vehicle for technical co-operation in the fields of trade and investment,

health, science and technology education, telecommunications, and arts and culture co-operation.

Japan

South Africa's engagement with Japan was focussed on addressing the major issues of concern to Africa under the themes of boosting economic growth, ensuring human security and addressing environmental issues. During preparations for the TICAD IV Summit, South African negotiators sought to ensure that the Yokohama Plan of Action addresses these issues.

South Africa realised that the G8 and its 2008 Chair, Japan, provides crucial opportunities for influencing informal deliberations that shape the global agenda. Africa's challenges cannot be addressed without building an understanding with Japan. The Embassy in Japan was instrumental in establishing a mechanism to discuss and align the South African position on TICAD IV Agenda items with the positions of the rest of Africa through the African Diplomatic Corps in Tokyo.

The Embassy also marketed South Africa in Japan by coordinating a SADC Week at JICA in Yokohama (March).

During the reporting year, economic diplomacy continued to be pursued and strengthened. Emphasis was placed on supporting JIPSA and ASGISA.

The Koreas

Republic of Korea

The Republic of Korea (ROK) remained an important trading partner of South Africa within the East Asian region. ROK assisted in the fields of human resources development and capacity-building. Korea is South Africa's 4th largest trading partner in Asia and South Africa is Korea's largest trading partner in Africa.

Relations were further strengthened with an official visit by Deputy President Phumzile Mlambo-Ngcuka (May). The objective of the Deputy President's visit was to obtain institutional support for JIPSA and co-operation in the fields of ICT, science and technology and human resource development as well as to discuss South Korea's economic development and the 2002 Korea-Japan World Cup experience.

Negotiations on a draft Memorandum of Understanding (MOU) were initiated to establish a South Africa-Korea Information and Communication Technologies Co-operation Centre (ITCC) in South Africa. Negotiations on an MOU on Arrangement on Technical Training continued.

Democratic Peoples Republic of Korea

Bilateral relations with the Democratic People's Republic of Korea were strengthened during 2007. Minister of Sports and

Recreation, M Stofile, visited the DPRK (July). This visit was reciprocated by his counterpart Mr Mun Jae Dok to South Africa (August). Negotiations on a draft agreement on Co-operation in the Field of Sport and Recreation were initiated as well as on co-operation in the field of Arts and Culture.

Central Asia

Republic of Kazakhstan

Bilateral relations with the Republic of Kazakhstan were strengthened through structured Foreign Office Consultations in Astana under the co-chairmanship of the Deputy Director-General Asia and Middle East and the Deputy Minister of Foreign Affairs of Kazakhstan (July). During these consultations a framework for the relocation of the Embassy to the new capital, Astana was reached.

The Kyrgyz Republic

Bilateral relations with the Kyrgyz Republic were strengthened by an official visit to Bishkek by the Deputy Director-General Asia and Middle East (July).

MIDDLE EAST

The importance of improved relations between South Africa and the Arab world was acknowledged when Minister Dr Nkosazana Dlamini Zuma and the Secretary-General of the League of Arab States (LAS), Amre Moussa, concluded an agreement in Cairo in February allowing the LAS to open a Mission in Pretoria.

Gulf States

Relations with countries in the Gulf region have improved significantly since 1994. The region is the source of most of South Africa's crude oil and many countries are major investors in the South African economy with an inward investment of about R20 billion during the reporting year.

Relations with the Gulf region were also developed in the defence and security fields. Gulf nationals attended several training programmes offered by either the South African Police Service or the South African National Defence Force, while South African Defence Attachés were placed in Abu Dhabi and Riyadh respectively. Several defence-related visits were exchanged, primarily with the United Arab Emirates (UAE), Oman and Qatar. South Africa participated in the Tenth International Aerospace Exhibition in Dubai in November as well as the Doha International Maritime Defence Exhibition and Conference in March.

The Deputy Prime Minister and Minister of Foreign Affairs of Kuwait visited South Africa in February to consider further investment opportunities.

A number of South African Premiers, accompanied by business delegations, visited the Gulf region.



Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma with her American counterpart Condoleezza Rice during bilateral discussions, Washington

Minister of Education, Naledi Pandor, visited Oman in an effort to strengthen relations with the Sultanate.

The Second Meeting of the Joint Trade and Investment Committee with Yemen took place in Sana'a in March.

Tourism promotion was another key objective and some thirty South African companies participated in the Arabian Travel Market, the largest of its kind in the Middle East, in May. Tourism promotion workshops were also organised in collaboration with South African Tourism in Dubai and Jeddah in February. Decisions by Gulf airlines to increase the frequencies of their flights to South Africa will also contribute to higher levels of tourism from the region.

The dfa facilitated a number of media visits from Kuwait, the UAE and Saudi Arabia.

Levant

During the period under review, South Africa's bilateral relations with the Levant were further strengthened.

South Africa co-hosted the National Day of Solidarity with the Palestinian People in November. The keynote address at the occasion was delivered by the Minister of Intelligence, Mr Ronnie Kasrils. The South African Government also hosted

the United Nations Africa Meeting on the Question of Palestine as well as the Civil Society Forum on the Question of Palestine in May.

Twice during the reporting period Special Envoys of the Palestinian National Authority (PNA) President Mahmoud Abbas met with President Mbeki, Minister Dr Nkosazana Dlamini Zuma and Ministers Ronnie Kasrils and Pallo Jordan in South Africa.

On the margins of the 62nd session of the United Nations General Assembly, President Mbeki held meetings with the President of the Palestinian National Authority, Mr Mahmoud Abbas and Israeli Vice Prime Minister and Minister of Foreign Affairs, Dr Tzipi Livni.

Minister Dr Nkosazana Dlamini Zuma addressed the Middle East Peace Conference in Annapolis in November. South Africa also participated in the International Donor Conference for the Palestinian State, held in Paris in December.

In line with the Paris Club commitment to ease the debt burden of the Iraqi government, South Africa announced that it would cancel 80% of the debt of the Iraqi government to South Africa's Export Credit Insurance Corporation (ECIC).

South Africa's commitment to consolidating bilateral relations



Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma With Cuban Minister of Foreign Investment and Economic Co-operation Marta Lomas Morales during the 5th Session of the SA-Cuba Joint Commission



Minister of Social Development Dr Zola Skweyiya, supported by Deputy Minister of Foreign Affairs Aziz Pahad, during discussion with US Secretary of Health and Human Services Dr Mike Leavitt

with Syria and the promotion of a peaceful resolution of the Middle East conflict led to the exchange of several high-level visits including that of Minister of Education, Naledi Pandor, and Deputy Minister Aziz Pahad, that visited Syria (April). The Syrian Minister of Information, Dr Mohsen Bilal, also visited South Africa in August.

The building of local capacity for research and effective delivery in the continuing battle against communicable diseases through the USA Presidential Emergency Programme for AIDS Relief (PEPFAR) received augmented commitment. South Africa is one of the PEPFAR's 15 focus countries.

THE AMERICAS

NORTH AMERICA

Bilateral relations with the countries of North America remained strong with co-operation expanding on matters of common interest and mutual benefit. Ongoing interaction with the developed countries of North America have served to highlight the important role in supporting key initiatives of national importance, such as NEPAD and the fight against communicable and infectious diseases, including HIV and AIDS.

United States of America (USA)

High-level Government-to-Government interactions intensified over the reporting period. The SA-USA Annual Bilateral Forum was held in June and assessed the progress made on bilateral co-operation activities and identified areas for further co-operation enhancement.

Total trade between the two countries increased steadily in recent years with SA holding an increasing trade surplus since 1999. Total trade with the USA amounted to USD 3.5 billion during 2007.

South Africa and the USA developed a joint work programme to address a broad range of FTA and other trade and investment related issues and sought to conclude trade and investment enhancing agreements.

With regard to military-to-military co-operation, SA and the USA continued bilateral interaction regarding military medicine research within the PHIDISA programme and the African Contingency Operations Training Assistance programme (ACOTA), which is aimed at enhancing South Africa's peacekeeping and humanitarian assistance intervention capabilities. Emphasis was placed on achieving enhanced capacity, as well as the creation of the necessary mechanisms to facilitate the implementation of such ability throughout Africa.

Canada

The Fourth Annual Consultations (AC) between SA and Canada took place at Senior Officials' level in Ottawa in May. The AC is the primary forum in which issues of mutual interest and concern receive specific focus on an annual basis. It also serves to direct and focus all areas of co-operation. Back-to-back discussions on Official Development Assistance between the Treasury, the Canadian International Development Agency and relevant Departments also took place.

Investment figures increased as a result of the Bombardier investment of US\$ 1, 65 billion in the Gautrain. Mining investment also continued to show positive growth, with the Canadian Natural Resources Department estimating cumulative Canadian investment at R 8, 8 billion.

LATIN AMERICA AND THE CARRIBEAN

Latin America

Bilateral relations with Latin America and the Caribbean continued advancing the development agenda of the South and strengthening of co-operation amongst developing countries through active participation in groupings of the South at regional, inter-regional and multilateral levels.

In the bilateral sphere a wide range of contacts and exchanges took place. Brazil also remained a significant player in the multilateral context. The IBSA Dialogue Forum provided a multilateral mechanism for institutionalised engagement.

Increased co-operation in a number of fields continued with like-minded countries of the Southern Cone of Latin America such as Chile, Uruguay and Argentina.

Following discussions between Minister Dr Nkosazana Dlamini Zuma and her Chilean counterpart, Minister Alejandro Foxley held in Santiago in March, South Africa and Chile agreed to expand economic and trade links.

The Caribbean

South Africa's endeavoured, in conjunction with the African Union (AU), to strengthen co-operation between Africa and the African Diaspora in the Caribbean which gave added impetus to relations, both bilaterally, as well as at a multilateral level. A Regional Diaspora Conference was hosted in Barbados in preparation of the 2nd AU-CARICOM Diaspora Conference to be hosted by South Africa.

The 5th Joint Bilateral Commission between South Africa and Cuba was held in Cape Town in November. Negotiations aimed at the cancellation by South Africa of Cuba's outstanding debt continued during the reporting period.

Minister Makhenkesi Stofile and Deputy Minister Pahad attended the final of the Cricket World Cup 2007 in Barbados. South Africa rendered security assistance during this tournament.

Minister Ronnie Kasrils paid a visit to Cuba and Jamaica.

The Foreign Minister of Suriname paid a visit to South Africa during which the Suriname Diplomatic Mission was opened.

Humanitarian assistance was rendered to Bolivia and Haiti.

EUROPE

The African Agenda remained central to the work of the dfa as it relates to the interaction with Europe. To meet this objective, bilateral mechanisms, high-level visits, multilateral fora and activities of Missions such as Africa Group meetings, Africa Day celebrations and mobilisation of the Africa Diaspora were utilised. Several joint conflict prevention and peace keeping operations were carried out and several trilateral co-operation agreements in the field of Post Conflict Reconstruction and Development (PCRD) were implemented.

Western Europe

Support for NEPAD was placed on the agenda of a series of structured bilateral interactions, including the SA/Belgium Joint Commission, the South African/Swedish Bi-national, the South Africa/France Forum for Political Dialogue as well as during the visits by UK Prime Minister Tony Blair in June, Irish Prime Minister Bertie Ahern in January and that of Minister Dr Nkosazana Dlamini Zuma to Switzerland in March.

The African Agenda as well as the reform of the United Nations were also promoted by the President, Deputy President, the Minister and other principals to G8 and EU countries during visits to France (April and October), Portugal (December), Germany (April and October), Italy and Sweden (October) and with French President Nicolas Sarkozy during his State Visit in February.

South Africa's objectives were similarly promoted during structured bilaterals with Belgium (October), Sweden (October), France (February) as well as Dutch Deputy Minister Timmermans (February).

South Africa hosted a Preparatory Seminar on Minerals and Conflict in June in preparation for a thematic debate on this topic initiated by Belgium during their chairship of the UNSC.

Several government delegations visited France and Germany to study best practices on how these countries organised the 1998

and 2006 FIFA Soccer World Cups and the 2008 IRB Rugby World Cup, in particular how to promote tourism on a sustainable basis.

The visit to SA by Dutch Interior Minister Ter Horst in February led to the development of a Memorandum of Understanding on co-operation.

Co-operation between South Africa as host of the 2010 World Cup and the UK as host of the 2012 Olympic Games continued during the reporting period with reciprocal visits and exchanges. The UK agreed to fund assistance for sustainable training grounds and facilities.

Trade statistics and tourism arrivals climbed to new highs due to continued efforts by South African Missions in Europe. EU and EU Member States collectively emerged as the largest contributors to ODA in SA and on the Continent in general. Significant offers of support for JIPSA were obtained and utilised, e.g. Germany, the Italian working group on JIPSA and the training by the French nuclear company AREVA of South African engineering graduates in project management at post-graduate level. Major initiatives in this regard have been agreed upon and implementation started from the Netherlands, Belgium, and Flemish Regional Government, in the areas of port training, diamond beneficiation and middle management best practices. JIPSA projects with both the UK and Ireland are ongoing, including training in the printing industry by Independent Newspapers and programmes implemented by the Royal Agriculture College to train fifty emerging farmers from South Africa.

A series of structured bilaterals were held with various countries at Senior Official's level focused on support and co-operation in the field of Post-Conflict Reconstruction and Development.

The dfa supported relevant line-function departments and sectors of South Africa's cultural industries during their participation in international film festivals and other major art and culture events, including the annual Cannes International Festival (May) and the World Music Market (January). South Africa was guest participant in the Ghent Festival (June) as well as in the Vakantiebeurs in Utrecht (January).

SA Ministers and civil society participated in the commemoration of the SS Mendi and of OR Tambo (October) in the UK.

Central and Eastern Europe

Bilateral political consultations between South Africa and Bulgaria took place in March at Deputy Minister level. The Director-General, Dr A Ntsaluba, paid a visit to Romania in March where he reopened the Embassy in Bucharest.

The Third and Fourth South African/Russian ITEC Intersessionals took place in Sochi (July) and in Moscow (February) respectively where outstanding issues and challenges to co-operation were discussed.

Russian First Deputy Prime Minister Ivanov, accompanied by the Ministers for Natural Resources and for Transport, paid a courtesy call on President Mbeki during March. Discussions were also held with Deputy President Mlambo Ngcuka, Minister Lekota, Minister Sonjica and Deputy Minister Pahad during which co-operation between the two countries in the fields of science and technology and defence matters were further consolidated.

KwaZulu-Natal Premier, Mr Ndebele, accompanied by a business delegation visited Moscow and the Krasnodar region to discuss regional and future economic co-operation. KwaZulu-Natal MEC for Finance and Economic Affairs, Dr Z. Mkhize, accompanied by a business delegation, also held business seminars in St Petersburg and Krasnodar in the Russian Federation.

The Belarusian/South African Intergovernmental Committee on Trade and Economic Co-operation was inaugurated in Minsk in July. It was chaired by Deputy Minister Rob Davies of Trade and Industry, while Minister Dr Nkosazana Dlamini Zuma and Minister Sonjica of Minerals and Energy also participated.

Minister Pallo Jordan of Arts and Culture visited Belarus to discuss the Cultural Programme of Action as well as the holding of a Cultural Month in South Africa. The Chairperson for the Belarus House of Representatives attended the Inter-Parliamentary Conference in Cape Town and interacted with South African Parliamentarians.

The Joint Commission for Defence between South Africa and Ukraine was held in Kyiv, Ukraine to discuss defence co-operation.

The Turkish Minister of Energy visited South Africa in March to co-chair the First Joint Economic Co-operation (JEC). The JEC promotes and facilitates trade and economic co-operation between the two countries.

European Union

The SA-EU Strategic Partnership was adopted during the reporting year after preparatory SA-EU Troika meetings in May and October. The Strategic Partnership complements and strengthens the framework for dialogue and co-operation that already existed between South Africa and the EU in the context of the Trade, Development and Co-operation Agreement (TDCA).

The Strategic Partnership also complements the Africa-EU

Strategy which emanated from the Cairo Summit Declaration and which is aimed at enhancing political dialogue between Africa and the EU and to support African initiatives designed to address the continent's socio-economic challenges. The Africa –EU Summit held in Lisbon in December adopted the EU Strategy for Africa as a joint Africa -EU Strategy, which reflects Africa's priorities.

During the reporting year South Africa as a member of the AU enlarged Troika, played an important role in ensuring that the Africa-Europe dialogue is based on the principles of equality, partnership and ownership. In this regard, President Mbeki held meetings with the European Commission's President José Manuel Barossa, Commissioner Louis Michel and Chair of the EU, President Sarkozy.

There were also various interactions between South Africa and the EU at Ministerial and Commissioners' level, where parties discussed issues relating to developments in both regions, including the EU's support towards the advancement of the African Agenda and the continued support in the Africa Peace Facility Fund intended to contribute to peace and stability in Africa.

The dfa facilitated meetings of the SA-EU Joint Co-operation Council during which the parties asserted their commitment to a positive outcome of the Doha Development Agenda.

In order to strengthen closer co-operation between SA and EU Parliaments a Memorandum of Understanding (MoU) was signed that would affirm the co-operation. Inter-Parliamentary visits were also facilitated.

During the reporting period South Africa continued to participate



in the negotiations of the Economic Partnership Agreements at the broader ACP (Africa, Caribbean & Pacific) level to share expertise in political dialogue and trade negotiations. The dfa facilitated participation by South African Parliamentarians in the Sessions of the ACP-EU Joint Parliamentary Assembly held in Brussels, Rwanda and Slovenia. The dfa also facilitated South Africa's participation in the ACP Consultative Assembly and ACP Council of Ministers.



Deputy Minister of Foreign Affairs Aziz Pahad flanked by Foreign Affairs Spokesperson Ronnie Mamoepa (Right) and Harold Maloka from GCIS during a press briefing, Cape Town

Chief of State Protocol Ambassador Lucas Mahlasela speaking at the official opening of the new State Protocol Lounge at the OR Tambo International Airport



Protocol officials assisting Minister of Trade & Industry Mandisi Mphahlele (right) and Sudanese Minister of Industry Dr Yousif El-Digair (left) during the signing of a bilateral agreement, with the Heads of State in attendance

Programme 3: Protocol and Public Diplomacy

AIM: This programme markets South Africa's foreign policy objectives, projects a positive image of South Africa and Africa, and provides State Protocol services. Activities are organised into two sub-programmes:

PROTOCOL is responsible for incoming and outgoing state visits, intergovernmental and provincial protocol services, protocol ceremonial, managing presidential and diplomatic guesthouses; facilitating international conferences; and managing diplomatic immunities and privileges.

PUBLIC DIPLOMACY addresses media liaison, engagements with national stakeholders, and the promotion of South Africa's policies and programmes at international level.

STATE PROTOCOL

INTRODUCTION

During the period under review, the dfa embarked on a process to improve the image of the State Protocol Lounges both in Cape Town and Johannesburg. The Branch: State Protocol partnered

with Airports Company of South Africa (ACSA) to build state of the art "six star" State Protocol Lounges. A core aspect of this project was to revamp the ambiance of the Lounges to comprehend the objective of a World Class State Protocol. This project is in its final stages and the Lounges will be officially inaugurated in 2008.

STATE EVENTS MANAGEMENT SYSTEM

State Visits

State Protocol successfully developed policies on Gifts for State and Official Visits and a Policy on Facilitation of Dignitaries through State Protocol Lounges. The adoption of these policies by the Management of the Department was preceded by an elaborate process of consultation with all the relevant stakeholders including the Presidency.

State Protocol also coordinated a total number of 216 incoming and outgoing visits during the period under review. Some of the visits coordinated included the following:

- Incoming visits included: the DRC, Costa Rica, Slovakia, United Kingdom, Iran, Flanders, Namibia, Cuba, Uruguay, Ghana and Italy

- Outgoing visits included: Ivory Coast, Ghana, Kenya, Germany, Uganda, South Korea, Sudan, Ethiopia, Ireland, Vienna, Zambia, Vietnam, Singapore, China and USA

Intergovernmental and Provincial Protocol

State Protocol is also responsible for providing protocol support and assistance to Provinces and Municipalities during their international visits. During the period under review, State Protocol assisted in co-ordinating approximately 290 outgoing and incoming visits.

A Consultative Workshop was also convened with representatives of all the provinces in order to discuss coordination of their international programmes. Furthermore, State Protocol used the IRPS Cluster on International Affairs as a platform to engage provinces on co-ordination of International visits

Ceremonial & Guesthouses

During the reporting period State & Official Events Management Officials undertook the responsibility of performing 2010 Soccer World Cup related tasks. Despite an increase in the number of events managed as well as the not being a Unit dedicated for managing the Soccer World Cup related activities, the Unit managed to exceed the expectations of its clients. Projects were well executed and included projects that fell outside the Unit's areas of operation.

State & Official Events Management coordinated a total of 117 events during the period under evaluation. The coordinated events are 25 Farewell Functions, 25 General Lunches, Dinners & Receptions, five Memorial Services and Funerals, 30 Bilaterals: JCC BNC (including luncheons, dinners and signing ceremonies), 22 Conferences and 10 Special Events.

Protocol Advisory Service to Sister Departments and Stakeholders

During the reporting period, 87 Appointments of South African and foreign diplomatic and consular Heads of Mission and Honorary Consuls have been finalised, 273 official messages sent, 2081 Notes Verbales and 8 Protocol Circulars facilitated. 24 foreign Heads of Mission have been accredited at the six credentials ceremony held during this period.

The officials, rendered Protocol services at the OR Tambo Awards Ceremony hosted by the President.

World Class Hospitality Services and Conferencing facilities

The Department engaged with the upgrading of the existing Presidential Guesthouse in collaboration with Department of Public Works.

STATE PROTOCOL LOGISTICS MANAGEMENT SYSTEM

State Protocol Lounges

The State Protocol Lounges are intended to facilitate the efficient and effective arrivals and departures of the President, Deputy President, Cabinet Ministers and other approved South African dignitaries, and their counterparts from abroad.

During the period under review, the following actions were taken to improve the Lounges:

- Acquired additional new 5-Series BMWs to improve the transportation system.
- Enhancing the corporate image of the State Protocol Lounge by providing staff with suitable business attire
- Partnered with the Airports Company of South Africa (ACSA) in building the new State Protocol Lounges.

The State Protocol Lounges also facilitated a total number of 24 141 guests during the period under review. These guests were facilitated both in Cape Town and at the OR Tambo International Airport.

Conferences

Over the past year, the Directorate International Conferences has been involved in the logistical preparation for three Summits, five Ministerial Conferences and six Senior Officials Meetings. Of the three Summits, one was finalised and implemented during October 2007 while preparations were undertaken for the two remaining Summits scheduled for August and October 2008. With regards to the five Ministerial Conferences, four were finalised during 2007 and preparations for the last one undertaken during this period. All Senior Officials meetings took place during April 2007 and March 2008.

- Retreat of the African Union Ministers of Foreign Affairs and 10th Extraordinary Session of the Executive Council, Ministerial level held at Zimbali Lodge, KZN, during May 2007
- AU Meeting of Countries of the Region on the Comoros, Ministerial Level, held at the Sheraton Hotel and the Presidential Guesthouse during July 2007
- 31st Nepad Steering Committee Meeting, Senior Officials Level, held at the Nepad Foundation during August 2007
- IBSA Focal Point meeting, Senior Officials Level, Sun City, during September 2007
- Nepad Projects Workshop, Senior Officials Level, Sandton Convention Centre, 8 and 9 October 2007
- Africa DIASPORA Consultative Conference, Ministerial Level, Gallagher Estate, 1 to 5 October 2007
- EU Troika SA Consultations, Ministerial Level, Presidential Guesthouse, 6 to 9 October 2007
- IBSA Summit, Heads of State Level, Sandton Convention Centre, 15 to 17 October 2007

- 33rd Nepad Steering Committee Meeting, Sandton, 13 to 16 January 2008
- IOR ARC and NAASP Meeting, Senior Officials Level, Sun City, 28 to 31 January 2008
- 34th NEPAD Steering Committee Meeting, Senior Officials Level, Sheraton Hotel, 16 to 18 March 2008.
- The Directorate also provided support to Sister Departments for 12 Conferences

Guesthouses

Guesthouses are responsible for all Catering and Décor services to local and foreign guests during functions hosted by our principals including the usage of Banquet Hall for outside functions in more than 14 occasions.

Guesthouses are also responsible for maintaining the housekeeping services at the residence of PAP President.

DIPLOMATIC ACCREDITATION SYSTEM

Foreign Representation in South Africa

At the close of the reporting period, the diplomatic community in South Africa consisted of approximately 10 330 members, including diplomats, consular, administration and technical staff and their dependants at 285 foreign missions. Although foreign representation in South Africa did not expand significantly (see graph below) the number of departing diplomats who were deregistered was proportional to those who were accredited.

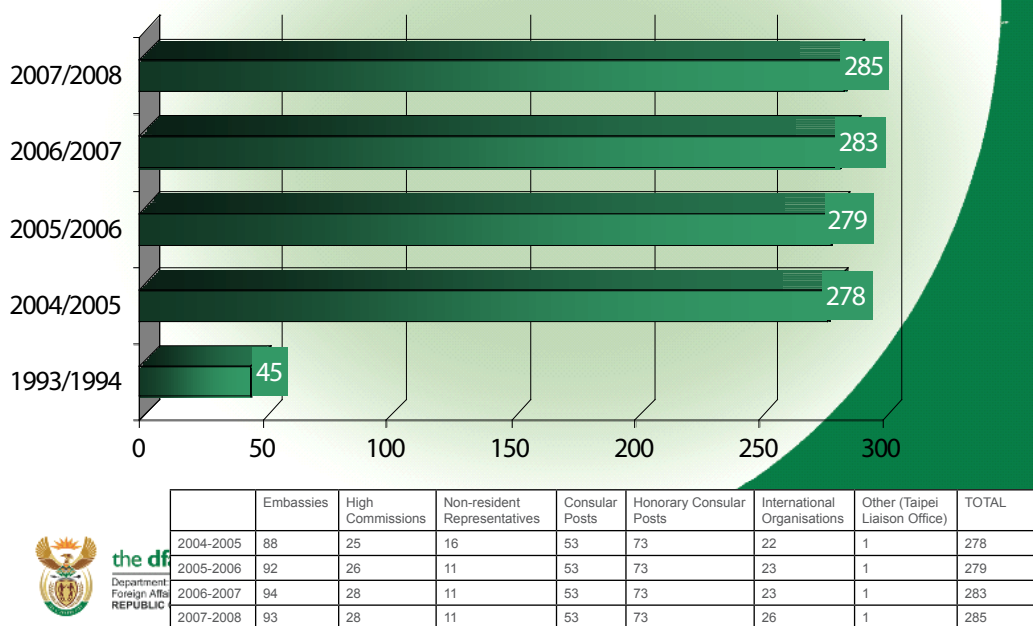
The following multilateral organisations established offices in RSA:

- Orange-Senqu River Commission (ORASECOM)
- United Nations Development Programme – Service Centre (UNDP-SC)
- International Federation of Red Cross and Red Crescent Societies (IFRC)

The Embassy of Bosnia and Herzegovina closed its offices in the RSA.

A total of 1 044 diplomatic, 170 consular, 307 international organisation and 462 administrative identity certificates were processed.

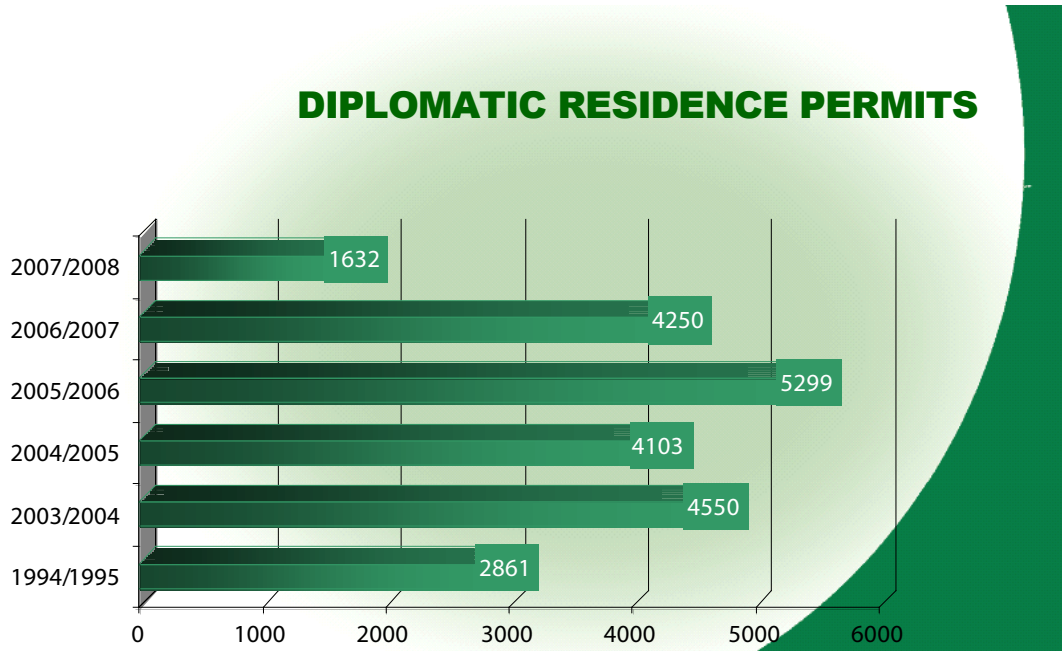
FOREIGN REPRESENTATION IN SA



Substitution of Temporary Residence Permit

Authority for the issuance of Substitution of Temporary Residence Permits for diplomats was transferred from the Department of Home Affairs to the Department of Foreign Affairs in November 2007.

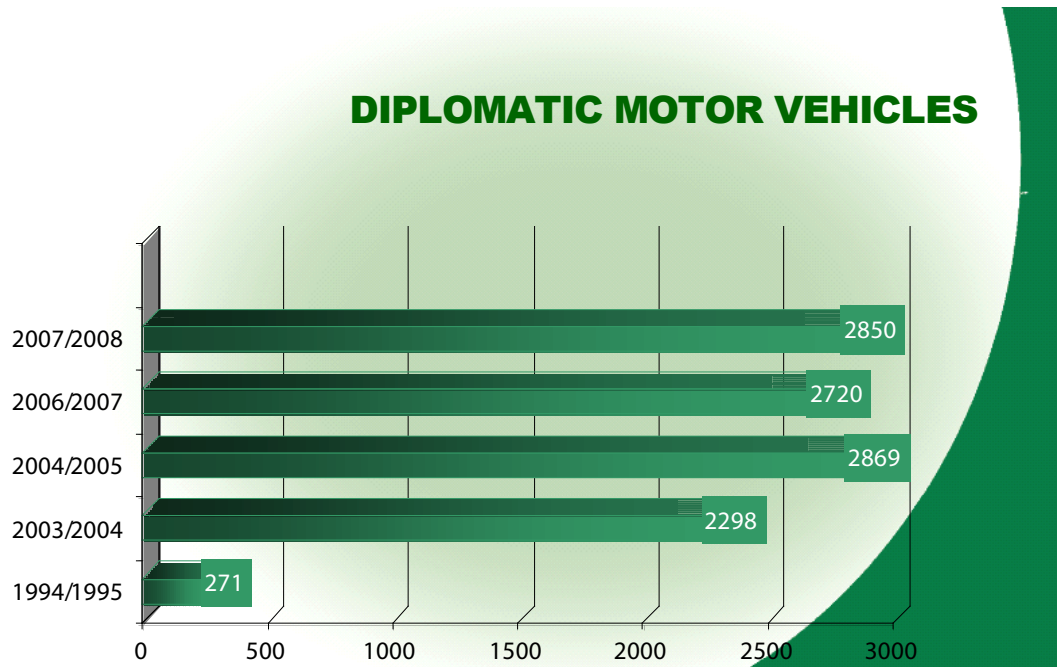
A Total of 1 632 Substitution of Temporary Residence Permits were processed during 2007-08



Diplomatic Motor Vehicles

Approximately 2 850 official and privately owned vehicles belonging to the diplomatic community in South Africa are registered with the Department.

The Department regulates the acquisition and disposal of diplomatic vehicles and allocates the diplomatic registration numbers, while the City of Tshwane, issues vehicle registration certificates and licence documents upon instruction from the Department of Foreign Affairs. The Department introduced a new diplomatic registration number series as the numbers of the previous series became exhausted.

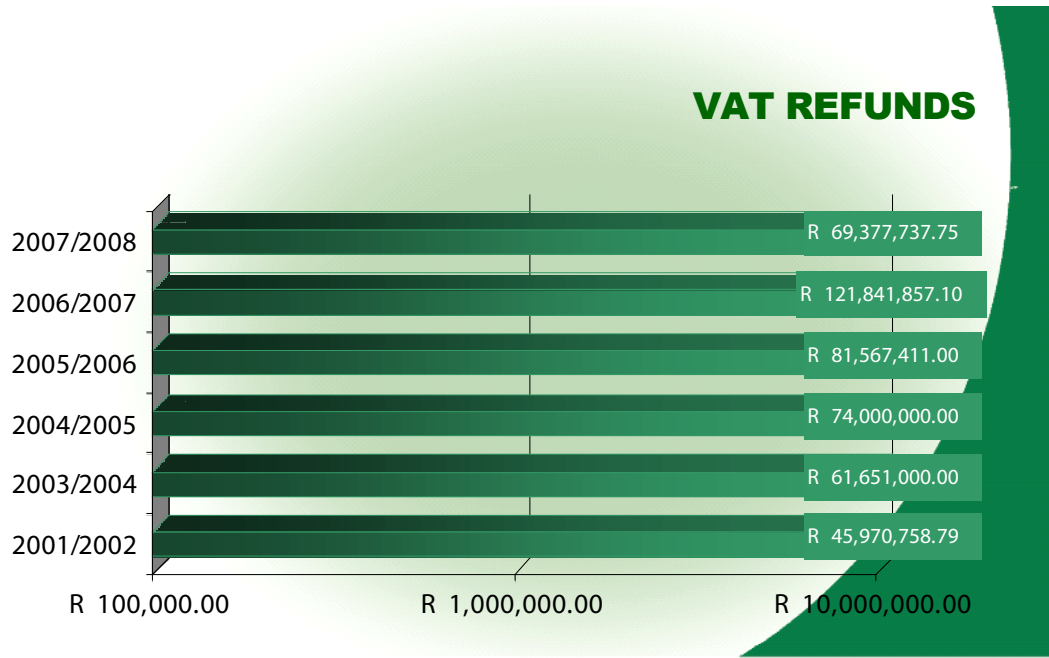


VAT Refunds

The South African Revenue Service (SARS) refunded R69 377 738.75 with regard to VAT claims to the diplomatic corps.

Property Taxes

Missions are exempted from transfer duties and municipal rates in respect of properties for offices and residences for Heads of Mission. During 2007-08, the Department paid R15 029 820.85 to local authorities in respect of diplomatic property taxes.



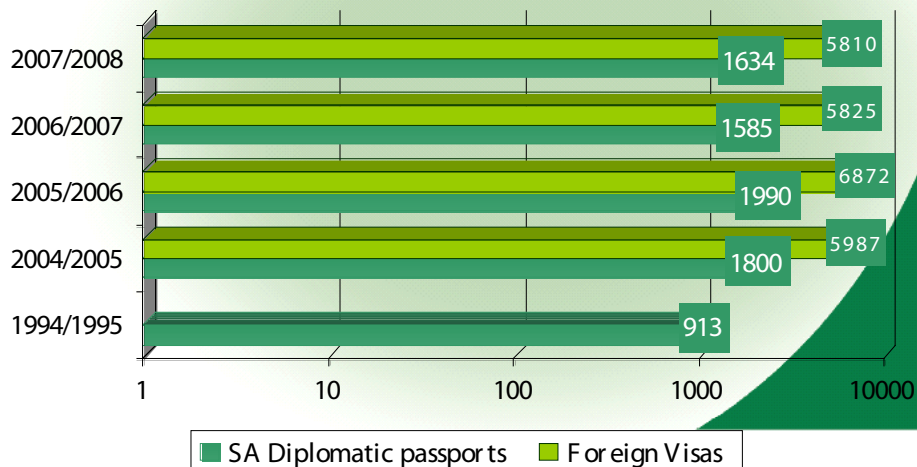
SA DIPLOMATIC PASSPORTS AND FACILITATION OF FOREIGN VISAS

The Department continued to facilitate travel documents for diplomatic and official passport holders nationally. Approximately 1 634 diplomatic passports were issued in 2007-08 and 5 810 visas were requested from foreign missions in South Africa in respect of South African diplomatic and official passport holders.

The majority of requests for visas were in respect of the following:

- Attendance of meetings of the United Nations.
- Various climate control and global warming meetings.
- SANDF Forces deployed to the DRC, Sudan, Burundi and Ethiopia.
- Officials attending 10-year celebrations of relations between RSA and PRC.
- Attendance of the Rugby World Cup.
- Preparations for 2010 Soccer World Cup.

SA DIPLOMATIC PASSPORTS & FACILITATION OF FOREIGN VISAS



Diplomatic Security

The South African Police Service (SAPS) launched the Diplomatic Policing Unit in 2007. The Unit resorts under National Unit, namely Visible Policing. It is solely responsible for protection and security of diplomats. The positioning of the unit enables it to call on the assistance of any SAPS unit when required. During the reporting period the Diplomatic Policing Unit increased its capacity. The dfa had regular interactions with the Unit with the aim of providing a more effective service to the diplomatic community.

Site visits to all chanceries and official residences are carried out twice per day. The Diplomatic Policing Unit also provides security for safeguarding of functions, escorts and policing on events related to the diplomatic community in South Africa.

Missions located outside Pretoria will be serviced by their local police stations. These police stations have been identified and their capacity has been strengthened for the purposes of providing similar services as provided by the Diplomatic Policing Unit.

Diplomatic Business Process Management (BPM) System

The Directorate: Diplomatic Immunities and Privileges continued with the development of a Business Process Management system to institute simplified processes according to international best practice.

New diplomatic identity documents with high security standards developed in conjunction with the National Intelligence Agency were registered with the Government Communication and Information System (GCIS) were implemented.

A new diplomatic vehicle registration number series developed in conjunction with the Department of Transport has also been implemented.

PUBLIC DIPLOMACY

During the reporting year, in line with the IRPS priorities and in support of the International Marketing Council (IMC) objectives, the Department continued to raise South Africa's positive international profile through strategic proactive and reactive communication.

The dfa continued with the production and distribution of informative publication materials such as the Annual Report 2006-07, Strategic Plan 2008/2011, Foreign Affairs Budget Vote speech 2007 booklet, Desk Calendar 2008, dfa Now (monthly newsletter), 'Who's who in the DFA' as well as promotional banners and posters for the various conferences and workshops.

To ensure accurate historical recording, documentation and dissemination of South Africa's international relations engagements, the dfa undertook both audiovisual and photographic coverage of engagements of the President, Deputy President and dfa Principals. In addition to archiving it, the footage was distributed both to local and international print and audiovisual media.

The dfa prepared speeches for a number of strategic national, continental and international events for the dfa Principals, including the State of the Nation Debate, the bi-National Commission and Joint Ministerial Committee meetings, the launch of the book "Oliver Tambo Remembered" in London, the parliamentary debate on the Unification of Africa in Cape Town, the commemoration of SS Mendi in London, the launch of the IBSA Women's Forum, the 9th Congress of the Pan African Women's Organisation in Johannesburg and the NAFCOC Annual conference.

In terms of media research and analysis, the dfa continued to analyse media trends, especially the coverage of the Department's and the country's international relations engagements, through the services of a professional service provider.

The dfa continued with the management of the Department's official website: www.dfa.gov.za and intranet. The Web Portal Project continued with work towards the integration of the Department's website, intranet, and Foreign Mission websites and other information sources to form a highly interactive and informative Web Portal. The project planning, functional and technical specifications were done with the involvement of a service provider. During the year under review, the designs for the Department's website, intranet, and Foreign Mission websites were finalised.

The dfa undertook marketing initiatives through participating and assisting in a number of conferences, shows and exhibitions with the aim of building and projecting a positive image of South Africa. In addition, these initiatives endeavoured to contribute to a coherent 'Brand South Africa' both domestically and abroad.

The dfa undertook marketing and branding activities during the following events: the Budget Vote Speech Luncheon and Breakfast, the Opening of Parliament, the bid for the 2012 World Expo Symposiums, the Bid for the 2015 World Expo Symposium, the 2008 World Expo Zaragoza, the Bureau of International Expositions (BIE) General Assembly Meeting in Paris, SA-China 10 Years of Diplomatic Celebrations, preparations for Shanghai World Expo 2010, Diaspora Ministerial Committee Meeting, NEPAD Joint Projects Conference, IBSA Summit, Talent Development Road Show, interaction with Local Organising Committee around the FIFA 2010 World Cup and the 10th International Fair.

The dfa hosted two roundtable discussions with civil society, academia and the media to explain South Africa's activities and interventions within the UN Security Council as a non-permanent member.

The dfa established and maintained partnerships with a number of companies within corporate South Africa which led to the securing of sponsorship for major departmental events.

Apart from producing daily news bulletins, the dfa maintained a 24-hour Operations Centre that also acted as an early-warning centre for the Political Principals reporting on major incidences or crises and international events such as the G8 Summit in Germany, the Kenya Airways plane crash in Cameroon, the elections in Kenya,

the political situation in the Middle East, and Zimbabwe's elections.

The dfa undertook daily media engagements and provided ongoing media liaison and communication support to the Ministry. Focused attention was paid to engagement with the media through sectoral briefings (led by Deputy Directors-General and addressed regional or event specific issues), pre-event media awareness (undertaken to generate publicity prior to events or visits) and engagements on South Africa's tenure as the non-permanent member of the UN Security Council.

The dfa also provided media and communications support during Cabinet Lekgotlas and when Heads of Missions to South Africa provided their Letters of Credence to President Thabo Mbeki.

Performance Information

PROGRAMME 1: ADMINISTRATION

KEY PRIORITY AREA: ORGANISATIONAL STRENGTHENING

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Provide efficient and effective support services	Provide cost effective infrastructure and accommodation to support the work of the Department	Department of Foreign Affairs (dfa) property needs addressed in a cost-effective manner	Assess the property needs of the Department	Consolidated the property needs of the Department into acquisition, maintenance and renovation plans per individual property
			Compile an Asset Management Plan and Strategy	Compiled and approved acquisition strategy The maintenance strategy to be developed in 2008-09
		The following construction projects will be initiated and advanced by March 2008: Addis Ababa, Abuja, Maseru, Dar Es Salaam, Mbabane, Lilongwe, Kigali, Gaborone, Bamako, Washington, Tokyo and New York	Initiate construction projects for the identified Missions	Continued construction projects for the Missions in Addis Ababa and Maseru Initiated a construction project for the Mission in Abuja Appointed and briefed professional teams for the design and construction of Mission facilities in Kigali, Dar Es Salaam, Mbabane, Gaborone as well as for a renovation project in Washington A professional team could not be appointed for the Mission in Bamako due to the lack of language skills by South African consultants Drafted the Terms of Reference for the appointment of consultants to investigate a possible PPP project in Tokyo and New York

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		The following new properties will be acquired by March 2008: Brussels (chancery), Beijing (land)	Acquire Chancery in Brussels and land in Beijing	Signed a Purchase Agreement for Brussels in March 2008 Negotiations commenced for Beijing, but the acquisition was postponed until 2010. The funds intended for the acquisition of a Chancery in Beijing were utilised to purchase land in Riyadh
		Repair and refurbishment projects in the following cities by March 2008: Brasilia, Harare, London, Lilongwe, Paris, Sao Paulo, The Hague, Windhoek, Tokyo, Brussels and Copenhagen	Refurbish Chanceries, official and staff residences	Brasilia: Scope of works and design approved. Detail design, specifications and tender process delayed Harare, Lilongwe: Refurbished the Official Residence Sao Paulo, Windhoek: Refurbished the Chanceries. London & Paris: Projects delayed. A RAMP project was proposed but not accepted by the Bid Adjudication Committee. Projects to be implemented in phases Windhoek: Refurbishment of Official Residence will be completed in 2008-09 Tokyo, Copenhagen and The Hague: The projects were postponed due to capacity constraints. It will be undertaken in 2008-09 Brussels: A tender for works was awarded and works commenced
	Acquire a new Head Office Building in Pretoria	Construction of a new Head Office building commenced in conjunction with other role-players	Manage the construction project of the new head office building	Commenced with the construction of a new head office building. Continued with the drafting and negotiating of Public Private Partnership (PPP) agreement

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Progress reports on the Head Office Project to Departmental Management structures	Provide progress reports	Provided monthly progress reports to Management
		Site handed over to contractor by May 2007 for construction to commence	Hand over site to contractor	Handed over the construction site to the contractor, 17 May 2007
	Financial systems reforms	Implement financial system reforms as prescribed by the National Treasury	Provide monthly and mid-term expenditure reports to both National Treasury and responsibility managers	Provided monthly and mid-term expenditure reports
		Increased compliance with the provisions of the Public Finance Management Act (PMFA)	Reduce the number of Audit Queries received from the Auditor-General	Reduced matters of emphasis reflected in Auditor-General's report from five to one
		Effective management of debtors	Manage the Department's debtors on a monthly basis and forward statements to partner departments Visit all provinces to discuss the implementation of payment procedures	Managed the Department's debtors on an ongoing basis Visited Premiers' Offices of all Provinces and discussed implementation of payment procedures
			Discuss and sign Memorandum of Understanding with Chief Financial Officers (CFO) of partner departments represented abroad	Discussions held with partner departments represented abroad Memorandums of Understanding (MOU) were finalised and will be signed in 2008-09
		Online financial system at missions implemented	Replace the foreign currency system with the new Mission Financial System (Computron)	Replaced Foreign currency system and a pilot was conducted at six missions
		Financial statements Audited and submitted to National Treasury (31 May 2007 Draft and 31 July 2007 Final Statements)	Comply with National Treasury guidelines and submission dates	Submitted Financial statements on due dates. The Department received an Unqualified Report by the Auditor-General with one matter of emphasis

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Policies and proce- dures developed	Develop a Supply Chain Management (SCM) Policy and procedures	Developed an approved Supply Chain Management Policy, 2 November 2007 Completed Draft SCM pro- cedures and issued interim high-level SCM procedures for guidance to officials
		Supply Chain Man- agement Framework implemented	Develop the Terms of Reference for Bid Committees	Developed Terms of Refer- ence
		Roll-out of the Fraud Awareness Plan in Department developed and implemented	Co-ordinate the roll-out of the Fraud Awareness Plan to all Branches and Missions	Rolled out the Fraud Aware- ness in accordance with Implementation Plan
		Movable Asset Management Policy finalised and imple- mented by March 2008	Develop an Asset Management Policy	Developed Asset Manage- ment policy
	Strategic allocation of financial resources	Development of the Departmental Stra- tegic Plan according to National Treasury guidelines	Develop the De- partmental Strategic Plan according to National Treasury guidelines	Developed Departmental Strategic Plan and tabled in Parliament as prescribed
		Development of the Departmental Opera- tional Plan	Develop the Depart- mental Operational Plan	Developed and approved Departmental Operational Plan
		Allocation of financial resources as per the Departmental Opera- tional Plan by 30 April 2007	Allocate budget to Branches in con- sultation with the Director-General (DG), CFO and Deputy Directors- General (DDG)	Allocated financial resources and communi- cated approved budget allocations to all cost centres before 30 April 2007
			Conduct secu- rity awareness programmes in the Department	Completed security aware- ness programmes in respect of Diplomatic and Foundation Programmes
		Compliance with identi- fied Mission Informa- tion Security System (MISS) by 31 March 2008	Develop a security policy and strategy	Developed a draft security policy and strategy for im- plementation in 2008-09
			Install access control in all dfa buildings at Head Office	Installed access control system in all dfa buildings at Head Office

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			TARGET/ MEASURES	ACTUAL
			Undertake vetting of all dfa officials posted abroad	Completed vetting of all identified officials
Provide efficient and effective Consular Services	Further develop, implement and maintain the Consular Management System (CMS)	The development of CMS, pilot of the software, training of officials, launch of CMS and the Registration of South Africans Abroad (ROSA) application	Complete the development of the CMS applications	<p>Completed development of ROSA</p> <p>Developed seven CMS applications</p> <p>Piloted the software and trained officials in London and Washington for 12 identified pilot sites</p> <p>266 officials were trained over a period of 36 training days</p> <p>Launch of CMS to be undertaken in 2008-09</p>
	Operationalise the Rapid Response Team (RRT) to deal with consular emergencies	To have an approved set of guidelines and procedures for the deployment and management of a Rapid Response Team and Consular Incident Command Centre	Compile a set of guidelines and procedures for the deployment of an RRT	<p>Developed Policy for approval in 2008/2009</p> <p>Compiled the guidelines for RRT</p> <p>Invited tenders for the RRT training without any results. Will implement in advance with preferential procurement in 2008-09</p>
	Provision of consular and legalisation services	Consular and legalisation services provided in line with policy, practice and standards stipulated in the Consular Service Delivery Charter	Provide and render consular services in terms of the Vienna Convention on Consular Relations of 1963 (VCCR), consular prescripts and policy as per each individual case	Provided and rendered consular assistance to South African citizens in accordance with the Service Delivery Charter and the VCCR
			Render Legalisation services in line with the Hague Conference on International Public Law, the Rules of the High Court and the Service Delivery Charter	Legalised 21 611 documents in accordance with The Hague Conference

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Technology – Im- plementation of the Master Systems Plan	Department's Information Commu- nication Technology modernised	Completion of the UKUSA (Voice Over In- ternet Protocol (VOIP) & Windows 2003) global deployment by 30 October 2007	Implement and deploy the VOIP and Windows 2003 at 120 missions abroad	Completed implementation at 114 missions. six missions are pending installation
		Completion of the Business Process Management project for Consular & Diplo- matic Immunities and Privileges (DIAP) by 31 October 2007	Complete the Busi- ness Process Man- agement Project for Consular Manage- ment System (CMS) and DIAP	Completed the develop- ment of CMS DIAP currently in progress
		Complete testing of outstanding four Con- sular Agency Service (CAS) processes		Completed the testing of four consular processes
		Pilot ROSA, CMS and Legalisation		Piloted ROSA, CMS and Legalisation software
		Launch of CMS Pilot the DIAP System		CMS to be launched at mis- sions in 2008-09 DIAP currently under devel- opment
	Business Intelligence (BI) and Data Ware- housing implemented	Stabilise First Phase of BI Systems go live Additional user Train- ing	Stabilise, implement and train the first phase of BI	Completed stabilising, implementation and training as per the first phase of BI
		Business quota for second iteration.		To obtain a business quota for the second iteration in 2008-09
		Final handover of project to dfa		To receive the project from the supplier in 2008-09
	Security Devices deployed	Deploy new Devices for the deployed tech- nology	Deploy security devices	Security devices not de- ployed
Process - Business Process Re-engineering	A workflow for the critical dfa processes – Business Process Management (BPM) – developed	Review of Informa- tion Communication Technology Committee (ICTC) process	Review ICTC processes	Comprehensive review of ICTC business processes that commenced in current financial year is in progress and expected to be com- pleted in 2008-09

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Project Management implemented	Implementation of Developed Project Management Methodology	Implement the Developed Project Management Methodology	Implemented the Developed Project Management Methodology
		Automation of Developed Project Management Methodology	Automate the Developed Project Management Methodology	Comprehensive review of automation that commenced in current financial year is in progress and expected to be completed in 2008-09
		Customer Satisfaction Survey (Benchmark)	Conduct a Customer Satisfaction Survey and undertake benchmarking	Customer Survey held over until finalisation of UKUSA
	Operational Service Delivery Initiative Microsoft Operations Framework (MOF) (Information Technology Infrastructure Library (ITIL) best practice) established	Stabilise Implemented Processes of the First Phase	Stabilise six Service Management functions for the MOF in Phase 1	Stabilised six Service management functions for MOF in Phase 1
		Negotiate Service Level Agreements (SLA) with the Service Providers (Orion, DD, HP, DCX, Digica, SAS, NDT and SITA)	Negotiate with identified suppliers	Commenced with discussions in respect of Service Level Agreements (SLAs) to be signed in 2008-09
		Initiate negotiation of SLAs with the different business Units	Negotiate SLAs with Departmental business units	Developed draft SLAs SLAs to be negotiated in 2008-09
		Project Definition Workshop for Phase 2 processes (MOF)	Convene a Project definition Workshop for Phase 2	Held over due to delayed completion of Phase 1 Workshop for Phase 2 to be completed in 2008-09
	Seat Management Service (SMS) completed	Complete SMS Deployment Globally (Project Deliverables)	Deploy the SMS globally	Seat Management Services deployed
		Create a refresh schedule for the desktops	Create a refresh schedule for desktops	Created a refresh scheduled for desktops
People – Empowered workforce (Technologically)	ICT Support Staff empowered	Building Capacity Ongoing Training	Provide training to ICT staff to build capacity	Provided ongoing training as required by ICT officials

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Foreign Service In- stitute (FSI) Informa- tion Communication Technology (ICT) curriculum revised	Revision of FSI cur- riculum (ICT training)	Revise the ICT cur- riculum at the FSI	Revised and implemented curriculum
Attract, nurture and re- tain skilled employees in the department	Streamline the per- formance manage- ment development system	Business plans for all branches, BUs and directorates completed by 1 April 2007	Full compliance by branches and busi- ness units in submit- ting business plans	All business plans submit- ted by branches and busi- ness units
		Performance Agree- ments signed by all employees by 1 April 2007	Full compliance by all dfa staff	93% of dfa staff signed and submitted performance agreements
		Formalised Perform- ance Appraisals for all employees completed by 16 April 2007	Full compliance by all dfa staff	91% of formalised per- formance appraisals were assessed
	Develop and imple- ment an employee wellbeing strategy	Health and wellness support to Missions provided	Communicate the strategy to all stake- holders to obtain their buy-in	Employee Wellness Centre (EWC) strategy approved by Director General's Fo- rum (DGF) Communicated Strategy to Wellness Committee
			Implement pro- gramme for returning employees and their families	Implemented debriefing programme for employees and their families upon return to South Africa
			Develop and imple- ment a pre-posting preparation pro- gramme for families	Provided: <ul style="list-style-type: none"> workshops / presentations Individual counselling sessions Electronic Care System (E-care)
		An informed pro- gramme to manage HIV and AIDS as well as other chronic ill- nesses developed	Conduct a survey on dfa employee's knowledge, attitudes, perceptions and behaviours (KAPB) on HIV and AIDS	Completed KAPB Survey and reviewed current work- place programme accord- ingly Conducted onsite voluntary counselling and testing
			Develop an organisa- tional HIV and AIDS programme that is aligned to the KAPB findings and the Na- tional Strategic Plan (2007 – 2011)	Developed Draft HIV and AIDS framework

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Provide training on HIV and AIDS as part of the Workplace Skills Development Plan	Conducted HIV and AIDS education and awareness activities throughout the year
	Develop sound labour relations	Labour relations policy framework developed and implemented	Develop new collective bargaining and consultation processes and structures	Adopted labour policy framework Implemented new collective bargaining and consultation processes and structures
			Reposition Labour Relations in the Department	Developed and implemented Labour Relations communication strategy Facilitated meetings between Labour Relations officials and trade union officials
			Direct engagement between top management and employees	Implemented Director-General's Phone-In programme and first Town Hall meeting held in November 2007
			Handle disciplinary processes	Finalised 22 disciplinary cases
	Attract, select and retain talent	Robust recruitment, selection, placement and retention strategy established and implemented	Approve retention strategy by 31 December 2007	Developed retention strategy
			Appoint service provider for recruitment and competency assessment by 30 September 2007	Recruitment and competency assessment tender re-advertised in March 2008
			Facilitate consultation meetings with Business Units and Decentralised Units on Human Resources (HR) processes by 29 Feb 2008	Fostered partnerships with Business Units and Decentralised Units
			Fill posts within three months after being advertised by 29 February 2008	Line function posts (ASD/DD) filled within three months

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Implement new remuneration system for employees abroad	Foreign Service Remuneration Package (FSD) successfully implemented	Implement revised FSD by 1 July 2007 on conclusion of Public Service Coordinating Bargaining Council (PSCBC) negotiations	Concluded PSCBC negotiations on the revised FSD on 13 March 2008 for implementation with effect from 1 January 2008
	Manage internal conditions of service	Improved, more streamlined management of processes and information systems developed and implemented	Annual retirement calendar in place by 31 July 2007	Annual retirement calendar in place
			Payment of gratuity within two months after termination of service with effect from 31 July 2007	Synergies between role-players to be improved
			Audited information on leave, pension and state guarantees in place by 30 June 2007	Leave, pension and state guarantees audited by 30 June 2007
			Establish fully operational leave section by 1 October 2007	Work-study report submitted for approval
Train and develop employees of the Department to contribute to Government's ASGISA and JIPSA programmes and to contribute to enhancement of individual and organisational performance	Improve the visibility of FSI	More visible and reputable FSI	Develop marketing strategy of FSI	Marketing strategy developed Increased and more visible internal communication of available courses
			Collaborate with stakeholders and role-players	Established Africa Chapter of International Forum for the Deans of Diplomatic Academies (IFDT) in Mozambique in September 2007 Instituted increased formal collaboration with partner Departments (DHA, the dti and SASS) Submitted draft MOUs to Brazil, India, Argentina, Kenya, UAE and Benin

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Coordinate national and international training	<p>Conducted training programmes for SADC, DRC, Rwanda and Sudan</p> <p>Conducted protocol training for 995 officials of National, Provincial, Municipal and non-governmental institutions</p> <p>Collaborated with United Nations Institute for Training and Research (UNITAR) on two training courses on multi-lateral conference diplomacy</p>
	Reposition the FSI and enhance quality of services	Appropriately re-sourced Foreign Service Institute	Increase capacity to enhance specific programmes where required	<p>Realigned relevant units into a Branch structure</p> <p>Established and staffed Quality Assurance and Research and Development Directorates</p> <p>Two former Ambassadors, appointed as mentors and coaches</p> <p>Four dfa presenters trained by UNITAR in conference diplomacy</p> <p>Eight officials trained as Assessors</p> <p>Trained four interpreters and translators</p>
	Enhance research and development (R&D)	An appropriate research strategy in place	Develop research strategy	Developed draft R&D strategy
	Facilitate training that is responsive to Departmental needs and legislative requirements.	Legally accredited training, quality assurance standards and regulating Monitoring and Evaluation (M&E) in place	Align to the training programmes of the National Qualifications Framework	<p>Aligned National Certificate:</p> <ul style="list-style-type: none"> • Mission Administration (Level 5 - Foreign Affairs Attache) • Aligned Advanced Certificate: Mission Administration (Level 6) • Partially aligned Advanced Diploma: Diplomacy (Level 7)

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			TARGET/ MEASURES	ACTUAL
			Develop Qual- ity Management System	Formalised Quality Man- agement System
		Training programme content enhanced and responsive to Depart- mental needs	Align training pro- grammes to the dfa training needs	Aligned Generic Training with workplace skills plan Completed first module of two-module course for Training of Trainers in Protocol for all spheres of government
			Develop an Eco- nomic Diplomacy programme in com- pliance of Cabinet Lekgotla of July 2007	Prepared strategy on Economic Diplomacy in col- laboration with the dti Presented content of existing modules to IRPS Cluster, February 2008
			Introduce English language proficiency classes for specific vocational groups	Offered English language proficiency classes to De- partmental Secretaries
			Maintain co-oper- ation between the French Government and dfa for French language training	Facilitated placement of French trainer at the FSI to respond to increased de- mand for French language training as per Departmen- tal requirements
			Implement cadet and learnership pro- grammes	Recruited 15 learners on the Human Resources Management (HRM) Learn- ership – National Qualifica- tions Framework (NQF) level 4 Completed first Cadet pro- gramme and implemented a second Cadet programme
Facilitate the creation of an organisational environment that is conducive to growth, development and performance of em- ployees	Finalise culture and climate survey	Buy-in of desired culture obtained and training intervention strategy in place	Complete organisa- tional Culture and Climate survey	Completed Culture and Cli- mate survey and submitted report to Director-General's Forum (DGF)

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Feedback on Culture and Climate survey	Presented feedback on results of Culture and Climate survey to DGF, Departmental Management Committee, Branches and employees
			Initiate process to develop interventions	Developed intervention process to address outcomes of Culture and Climate survey
	Finalise Employment Equity (EE) Plan	Plan developed and implemented	Present employment equity plan to management and social partners	Developed EE plan Accepted by Consultative Working Group Initiated affirmative action measures
	Finalise Service Delivery Improvement Plan (SDIP)	Integrated dfa SDIP developed and implementation monitored	Integrated SDIP authorised by DG	Developed, authorised and implemented integrated SDIP
Research	Analyse geo-strategic shifts in relation to South Africa's foreign policy priorities.	Research documents provided to dfa principals timeously	Submit research papers as requested	<p>Provided speaking notes which identified key strategic issues for President and Minister:</p> <ul style="list-style-type: none"> • 2007 India, Brazil, South Africa Dialogue Forum (IBSA) Summit • 2007 African Union (AU) Diaspora Ministerial <p>Submitted and presented strategic papers:</p> <ul style="list-style-type: none"> • Assisted in drafting a strategy paper for the Department of Public Service and Administration on their approach to International Relations • Strategic inputs for 2007 IBSA Summit declaration <p>Presented lectures on SA's Foreign Policy to the FSI, SANDF and Sudanese delegation</p>

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Identify gaps in foreign policy and make recommendations on how to address them	Research documents provided to dfa principals timeously	Submit research papers	Submitted and presented strategic papers: <ul style="list-style-type: none"> • Summary report on Africa's Future project • Security Sector Reform • Multidimensional and Integrated Peace Operations
	Build and enhance relations with national and international research institutions	Periodical meetings, workshops, seminars and conferences organised and reports submitted	Organise and participate in conferences, seminars, workshops, meetings and submit reports	Participated in the Global Forum on Corruption Hosted workshop for Departments of Health and Public Service on global trends and policy issues Convened three inter-departmental seminars on the study on Africa's Future project Hosted strategic engagements with delegates from targeted countries
	Engage civil society and the private sector on South Africa's foreign policy in order to promote an informed understanding of foreign policy both in its development and application	Effective relations established and enhanced	Participate in conferences, seminars and workshops	Jointly organised and participated in conferences, workshops and seminars organised by the Institute for Security Studies, University of Pretoria, University of South Africa, the Human Science Research Council and the Congress of South Africa's Trade Union
Internal Audit	Evaluate the adequacy and effectiveness of the Department's internal controls, risk management and governance processes, as well as the efficiency and effectiveness of its operations	Three-year rolling Strategic Internal Audit Plan and operational plan for 2007-08 prepared and implemented	Implement three-year rolling Strategic Internal Audit Plan and operational plan by 1 April 2007	Three-year Strategic Plan and yearly operational plans implemented following tabling and approval by Audit Committee

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Internal audits as identified in the Operational Plan conducted and reports to management delivered	<p>Conduct the following internal audit projects:</p> <p>40 internal audit projects (Missions)</p> <p>45 internal audit projects (Head Office)</p>	<p>Conducted 74 internal audit projects out of 85:</p> <ul style="list-style-type: none"> • Two planned assignments were rolled over to the next financial year • Two planned assignments were done by Auditor General • Seven planned internal audit projects were allocated to consultants in the previous financial year (2006-07), which they could not complete. The coverage was extended to include the 2007-08 financial year. <p>In addition, the following ad-hoc projects were conducted:</p> <ul style="list-style-type: none"> • Eight Head Office projects • 10 Mission projects <p>In total 92 internal audit projects were conducted during 2007-08</p>
		Audit Committee convened in accordance with PFMA requirements	Convene quarterly Audit Committee meetings	<p>In total 13 Audit Committee meetings held during 2007-08 financial year:</p> <ul style="list-style-type: none"> • Four Audit Committee meetings are prescribed • Six normal Audit Committee Meetings were held during the year • Seven ad-hoc audit committee meetings held for specific purposes related to ICT, Finance and HR

PROGRAMME 2: FOREIGN RELATIONS
KEY PRIORITY AREA: CONSOLIDATION OF THE AFRICAN AGENDA

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Strengthen the African Union (AU) and its structures	Mobilise support for the harmonisation and rationalisation of Regional Economic Communities, as well as for the regional integration process	Lead SA Government team that is developing the strategic framework on regional economic integration for presentation to Cabinet, SADC Council of Ministers and Summit by 31 March 2008	Include the rationalisation and strengthening of the Regional Economic Communities (REC) into the Terms of Reference (TOR) of the Ministerial Committee on the Union Government and into the High Level Panel for the audit of the AU	SA input incorporated into TOR and final reports and submitted to the AU Executive Council in Jan 2008
			Conduct brainstorming sessions at level of Deputy Ministers	Brainstorming sessions conducted on 25 January and 17 March 2008 followed by submission of Cabinet Memorandums
		Support SA Ministers in the SADC Ministerial Task Team throughout the financial year	Render support to Ministerial delegations to SADC Task Force	Support rendered to Ministerial delegation during July, August and November 2007 meetings
		Facilitated two seminars to enhance capacity building in SADC, within the reporting cycle	Convene seminars to develop capacity on an approach to regional integration process	One conference convened in January 2008 with SADC Heads of Mission and other stakeholders with a specific focus on regional integration Preparatory meetings for SA's role as SADC Chair will replace need for second seminar
Strengthen governance and capacity in the AU		AU Ministerial Retreat hosted in May 2007 and outcomes document presented to July 2007 Summit	Provide substantive, logistical, financial and technical support to AU Ministerial Retreat	Ministerial Retreat held and report submitted in July 2007
			Participate in the AU workshop aimed at popularisation of the African Charter on Democracy, Election and Governance in December 2007, Maseru, Lesotho	Provided logistical, financial and technical support to AU Member States under the auspices of the AU in December 2007. National Stakeholders Meeting still to be convened

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Coordinate SA's re- sponse on the creation and structures of AU Specialised Technical Committees (STCs), to be submitted to the AU by July 2007	Submit SA's inputs to the AU Commis- sion for incorpora- tion into the study on STCs	SA inputs on STCs co- ordinated with line-function Departments and forwarded to AU Commission, April 2007
		SADC endorsed candi- dates promoted in the election of AU Com- missioners by August 2007	Appoint SADC endorsed candidates as AU Commis- sioners	Elections postponed from August 2007 to January 2008 SADC endorsed candidates reappointed as AU Com- missioners in January 2008
		Four SA officials sec- onded to SADC and AU by March 2008	Identify SA officials for secondment to SADC and AU	Interim National Second- ment Policy effectively utilised to fill critical position in SADC/AU SA's allocated quota of posts at the AU Commis- sion not completely filled
	Support the Pan- African Parliament (PAP)	Liaised with relevant Government Depart- ments for the imple- mentation of the PAP Host Country Agree- ment, as per schedule	Implement Host Country Agreement between SA and the AU Commission	Provided technical and logistical preparations for the Bureau and Parliamen- tary Sessions of the PAP. Reported outcomes of PAP meetings to Principals Facilitated the formulation and incorporation of ICT Annexure into the Host Country Agreement
			Coordinate activities to set up permanent structure of the PAP to be completed by 2010	Selected site for PAP build- ing Conducted Continent-wide architectural design com- petition to select design for building of PAP Appointed architectural firm for project Circulated tenders for ap- pointment of Programme and Project Managers

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Establish AU Finan- cial Institutions	Facilitated and contrib- uted to the technical input by Treasury, for submission to AU by July 2007	Facilitate and contribute to the submission of SA's inputs on modalities for the establish- ment of AU Financial Institutions	Supported National Treas- ury with the preparation and submission of SA's position to relevant forums
	Engage African Diaspora	Consultative Confer- ences on the Diaspora convened: Regional meetings in Bahamas, Brasilia, Brussels, London and New York (by June 2007); National Conference (April 2007); Ministe- rial Meeting (October 2007); Summit (March 2008)	Formulate SA's national position to feed in the Frame- work for the engage- ment of the Diaspora Convene Regional Consultative meet- ings and the Ministe- rial Conference in pursuance of the Africa Agenda.	Convened Regional Con- sultative Conferences in Brasilia, Brussels, Baha- mas, London, New York, Bridgetown (Barbados), and Paris. Hosted Ministe- rial Conference in SA in October 2007. Summit postponed to October 2008 due to mutually convenient scheduling
	Facilitate imple- mentation of the AU Gender Declaration	SA's annual activ- ity report on Solemn Declaration on Gender Parity submitted to the African Union Commis- sion in Addis Ababa by July 2007	Co-ordinate and submit the Annual Activity Report on Solemn Declaration on Gender Parity to the AU Commission	Submitted SA's report to the AU Commission by July 2007
		SA's annual activ- ity report to SADC on female representation in political and deci- sion-making positions submitted to SADC by August 2007	Submit report to SADC Summit	Submitted SA's report to SADC Summit by August 2007
		Participated in and fa- cilitated SA's response to the SADC Draft Protocol on Gender. Timelines to be deter- mined by SADC	Participate in prepar- ing SA's response	SA's response prepared and submitted to SADC Secretariat in July 2007 Participated in Senior Offi- cial and Council of Ministers meetings to promote SA's position
		Hosting of the Pan- African Women Organisation Conference (PAWO) by September 2007	Provide logistical, substantive and technical support to PAWO conference	Hosted PAWO conference in February 2008. SA elected as Secretary- General of PAWO Adopted the Ekurhuleni Declaration for the transfer of PAWO headquarters from Angola to SA

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Monitor migration issues	Lobby other SADC member states to sign and ratify the Protocol on the Facilitation of Free Movement of Persons by March 2008	Support SA ratification of Protocol and encourage SADC member states through Inter-State Security and Defence Committee (ISDSC) and Inter-State Politics and Diplomacy Committee (ISPDC) to ratify Protocol	SA ratified Protocol in February 2008, bringing to four the number of countries ratified Attended ISDSC, ISPDC and United Visa (UNIVISA) Working Groups and lobbied SADC members
		Coordinated and tabled, in co-operation with Home Affairs, the SA input to the AU Draft Strategic Migration Policy framework by October 2007	Participate in the deliberations relating to the AU Draft Strategic Migration Policy	Provided SA input to the AU Draft Strategic Migration Policy framework, which was further advanced during the Africa-EU Forum
Support the implementation of the New Partnership for Africa's Development (NEPAD)	Facilitate the implementation of NEPAD priority sectors (infrastructure, agriculture, environment, tourism, ICT, health, human resources, and science and technology) and their integration with AU and SADC processes	Place NEPAD on the agenda of identified bilateral meetings, including with development partners	Engage line-function departments in implementation of NEPAD priority sectors within SA, SADC region and African Continent	Implemented NEPAD priority sectors by line-function departments coordinated through IRPS Cluster Reports provided to IRPS Cluster for monitoring purposes National NEPAD Projects Conference hosted in October 2007
			Engage dfa bilateral desks on NEPAD related priorities for incorporation into bilateral discussions	NEPAD integrated into agendas of structured bilateral discussions

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Place NEPAD on the agenda of meetings of identified international fora	Prioritise NEPAD and the African Agenda during consultations in multilateral fora	<p>NEPAD integrated into engagements undertaken with:</p> <ul style="list-style-type: none"> • Africa Partnership Forum (May 2007 and November 2007) • Forum for China-Africa Co-operation (FOCAC) (September 2007) • IBSA (October 2007) • Tokyo International Conference on Africa's Development (TICAD) (October 2007 and March 2008) • EU-Africa (December 2007) • UN system during its 62nd Session
		Provided inputs to the SADC 4 + 1 meetings to meet the objectives of the Regional Indicator Strategic Development Plan (RISDP) as the regional expression of NEPAD	Undertake discussions regarding regional implementation of NEPAD within the context of SADC	Integrated NEPAD inputs into SA positions for SADC Summit held in Zambia, August 2007
		Table SA input on the Joint AU/NEPAD Secretariat Proposal on the NEPAD integration into the AU from April 2007 to July 2008	Develop position paper and monitor integration of NEPAD into the AU structures and processes	<p>Promoted SA position in Heads of State and Government Implementation Committee (HSGIC) meetings in Algiers (April 2007) and Accra (July 2007)</p> <p>NEPAD integration process approved by AU Summit in February 2008</p>
	Operationalisation of the African Peer Review Mechanism (APRM)	Successful conclusion of SA APRM process	<p>Regular consultations with the DPSA, APRM Secretariat and relevant stakeholders on roll-out of continental APRM process</p> <p>Support DPSA in finalisation of SA APRM process</p>	<p>Promoted SA's position in 7th and 8th APRM Heads of State Forums held in July 2007 and January 2008</p> <p>Supported DPSA during SA peer review by APRM Forum, July 2007</p>

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Promote regional integration and development through strengthening multilateral institutions such as Southern African Development Community (SADC) and Southern African Customs Union (SACU)	Contribute towards the SADC Regional Economic Integration Agenda	Participate in the Ministerial Task Team on integration, on a six-monthly basis	Convene regular Task Team meetings at the level of Deputy Ministers to feed into SADC Task Force	Meetings of Deputy Ministers held in July, August, October 2007 and January and March 2008
		Participate in the annual SADC-EU Dialogue	Participate in dialogue	Meeting not convened by SADC Secretariat due to impasse on European Partnership Agreement (EPA) negotiations and its effect on regional integration
		Facilitation of negotiations on SADC Customs Union for the purposes of making inputs into the SADC Customs Union meetings	Prepare SA positions and participate in SADC Customs Union meetings	Participated in monthly meetings of Regional Economic Integration Task Team to prepare SA positions on SADC Customs Union which was submitted to Cabinet
		Include SACU on the agenda of SADC Integration meetings and voice SA support for SACU becoming the nucleus of the SADC Customs Union	Develop SA policy position on five-member SACU acting as nucleus for 14-member SADC Customs Union	Obtained Cabinet endorsement in November 2007 on SA policy position
		Liaise with the dti in facilitating a successful SADC/EU Economic Partnership Agreement (EPA) before January 2008	Support the dti in preparing a SA position	Provided input through Regional Economic Integration Task Team (REITT) to the dti for the bilateral meeting with Botswana in February 2008
	Strengthen governance and capacity in SADC, in particular at the Secretariat	Implementation of the Regional Indicative Strategic Development Plan (RISDP) and Strategic Implementation Plan of the Organ (SIPO)	Coordinate implementation of RISDP and SIPO objectives in collaboration with line-function departments	Implemented RISDP and SIPO by line-function departments through IRPS Cluster Quarterly reports provided to IRPS Cluster for monitoring purposes
		Successful finalisation of the restructuring of the SADC	Adopt recommendations by Council of Ministers & commencement of regular meetings of sectoral Ministers	Awaiting SADC Summit approval of recommendations by Council of Ministers

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Four SA officials seconded to SADC by March 2008	Awaiting outcome and implementation of the SADC Secretariat restructuring exercise, August 2008
Post Conflict Reconstruction and Development (PCRD) in Africa	<p>Contribute towards Post Conflict Reconstruction and Development (PCRD) in Africa: with particular attention to:</p> <ul style="list-style-type: none"> • Democratic Republic of Congo • Sudan • Burundi • Comoros 	<p>SA PCRD strategy submitted to Cabinet by May 2007</p> <p>Implementation of the provisions of the strategy</p>	Develop SA PCRD strategy for approval by Cabinet	Prepared draft PCRD strategy for Cabinet approval in 2008-09
			Undertake PCRD activities in conflict areas	<p>Supported activities in DRC in areas of;</p> <ul style="list-style-type: none"> • Security Sector Reforms • Institutional Capacity Building • Economic Development • Minerals and Energy • Public Enterprise • Education • Health • Water <p>Supported activities in Burundi through SAPS capacity building and training as well as placement of South African troop contingent for implementation of the Peace Agreement</p> <p>Supported activities in Sudan through capacity building projects:</p> <ul style="list-style-type: none"> • dfa/Unisa/GoSS • SAPS/Norway • Other multilateral initiatives
				<p>Supported activities in Comoros:</p> <ul style="list-style-type: none"> • Electoral assistance • Stabilisation activities • Other regional and multilateral initiatives

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		South African inputs on AU PCRDR strategic framework submitted to AU by July 2007	Make inputs to AU PCRDR implementation strategy	SA inputs incorporated into AU PCRDR Strategy AU PCRDR Strategy finalised in March 2008
		Facilitate SA disbursement of approved funds to the African Union Post Conflict Reconstruction and Development Fund by July 2007	Identify PCRDR projects in conflict countries in liaison with relevant departments	Coordinated implementation and disbursements of funds for PCRDR projects through ARF Committee and relevant departments
		Two PCRDR sensitisation workshops held with relevant stakeholders during the reporting period, following approval of the strategy document by Cabinet	Prepare SA inputs and attend PCRDR workshops and table inputs	Prepared and tabled SA inputs during PCRDR Gender workshop held in Burundi, March 2008
Contribute towards Peace, Security, and Stability in Africa	Establish the African Standby Force (ASF)	Supported the finalisation of the SADC MOU on the Establishment of the SADC Brigade and its launch in August 2007	Launch SADC Brigade, August 2007	SADC Brigade launched, Lusaka, August 2007
		Facilitated South African participation in African Chiefs of Defence Staff and Ministers of Defence and Security meeting to consider outcomes of ASF policy workshops before final adoption of ASF policy by AU Summit	Support DoD in preparation of SA inputs for ASF policy workshops	Adopted ASF Policy frameworks by AU Ministers of Defence and Security, Addis Ababa, March 2008
		Facilitated SA inputs on the ASF Vision 2010 document and roadmap by March 2008	Support DoD in preparation of SA inputs for ASF Vision 2010 document and roadmap	Supported participation of Chiefs of Defence Staff and Ministers of Defence and Security in completion of the 2nd phase of the ASF roadmap, March 2008
	Review of the White Paper on Peace Missions	AU PCRDR Policy integrated into White Paper	Integrate AU PCRDR into SA White Paper	Integrated AU PCRDR policy into reviewed draft of SA White Paper

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		AU PCRDR policy and lessons learnt from Peace Missions incorporated into SA White Paper	Draft Terms of Reference and appoint consultants to undertake review	Completed Terms of Reference and consultants appointed identified to undertake review study
		Reviewed White Paper submitted to Cabinet by March 2008	Obtain approval by Cabinet for reviewed White Paper	Drafted review of White Paper for further comments
	Support stabilisation efforts in Western Sahara	Periodic reports on peace processes	Support international efforts towards decolonisation and self-determination of Western Sahara	Updated and advised IRPS and Principals on developments Provided inputs for UNSC debate Co-ordinated humanitarian assistance to Saharawi Arab Democratic Republic (SADR) Facilitated high-level diplomatic consultations with Chief Negotiator of Polisario Consolidated legal framework of bilateral relations
	Support Peace efforts in Cote d'Ivoire	Periodic reports on peace processes	Consolidate and update reports	Updated and advised IRPS and Principals
Strengthen Bilateral Relations	Strengthen Bilateral Relations, with specific focus on: Angola; Zimbabwe; Guinea Conakry; Nigeria; and Lesotho	Conclusion of outstanding agreements. Launch of joint bilateral commissions. Implementation of structured bilateral mechanisms Regular contact with diplomatic representatives from African countries regarding issues of mutual concern	Facilitate high-level visits	Facilitated incoming and outgoing high-level visits: <ul style="list-style-type: none"> • Visit by Foreign Minister Mindaoudou of Niger, April 2007 • Visit by Foreign Minister Ouedraogo of Burkina Faso, April 2007 • Visit by Foreign Minister Nana Akufo Addo of Ghana, May 2007 • Visit by President Yar'Adua of Nigeria, May 2007 • Visit by President Kufuor of Ghana, May 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
				<ul style="list-style-type: none"> • Visit by Prime Minister Mosisili of Lesotho, June 2007 • Visit by Vice President Jonathan of Nigeria, July 2007 • Visit by Prime Minister Kouyate of Guinea-Bissau, August 2007 • Visit by President Boni of Benin, September 2007 • Visit by President Gbagbo of Cote d'Ivoire, February 2008
			Provide political, economic and social development inputs for all structured bilaterals	<p>Provided political, economic and social development inputs for all structured bilaterals:</p> <ul style="list-style-type: none"> • SA/Equatorial Guinea Senior Officials Meeting, Equatorial Guinea, April 2007 • SA/Lesotho Joint Bilateral Commission for Co-operation (JBCC) Senior Officials, Pretoria. May 2007 • SA/Spain Consultations Meeting with Spain, July 2007 • SA/Ghana Senior Officials Meeting, August 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
				<ul style="list-style-type: none"> SA/Angola Senior Officials Meeting, Angola, October 2007 SA/Senegal Senior Officials Meeting, Senegal, October 2007 SA/Tunisia Senior Officials Meeting, Tunisia, October 2007 SA/Gabon Senior Officials Meeting, October 2007 SA/Zimbabwe Annual Joint Commission on Defence and Security (JPCDS), South Africa, November 2007 SA/Nigeria Senior Officials, November 2007 SA/Mali Senior Officials Meeting, February 2008
			Utilise fora such as UNGA, AU Summits and international conferences to facilitate bilateral interactions	Provided inputs for high-level meetings on the margins of UNGA62 and other international conferences
			Host targeted interest groups and other incoming delegations and facilitate outgoing delegations	Hosted incoming delegations and facilitated outgoing delegations
			Facilitate and coordinate incoming and outgoing visits of Cabinet Ministers and other dignitaries, as requested	Facilitated and coordinated incoming and outgoing visits
	Opening of new Missions in Niger, Guinea Bissau, Mauritania	Opening of new Missions including satellite Mission in Juba, Southern Sudan	Arrange technical visits to determine feasibility for opening new missions	<p>Conducted technical visits and Missions opened in:</p> <ul style="list-style-type: none"> Niger Guinea-Bissau Mauritania <p>Conducted assessment mission for consulate in Juba</p>

PROGRAMME 2: FOREIGN RELATIONS
KEY PRIORITY AREA: STRENGTHEN SOUTH-SOUTH CO-OPERATION

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Strengthening of the India, Brazil, South Africa Dialogue Forum (IBSA)	Engage and mobilise all role-players to accelerate the attainment of the objective of strengthening IBSA	Strategy finalised by end of June 2007 and submitted to Cabinet	Prepare and submit to Cabinet South Africa's Strategy for hosting for hosting the 2nd IBSA Summit	Prepared, submitted and adjusted IBSA Strategy as per changing circumstances leading up to the Summit in 2007
			Provide guidance to the Board of Directors on IBSA Trust Fund projects through the Permanent Mission in New York	Drafted review document of IBSA Trust Fund which was presented to the Focal Points Meeting in September 2007 Drafted and updated briefing document on the developments regarding the IBSA project proposals Provided inputs for Communiqué adopted at 2nd IBSA Summit held in October 2007
			Effect financial contribution to IBSA Trust Fund	Facilitated payment of US \$ 1 Million to IBSA Trust Fund for 2007 through Permanent Mission in New York
	Effective participation in the 4th IBSA Trilateral Ministerial Commission in New Delhi	Inputs prepared by June 2007 for the 4th Trilateral Ministerial Commission in July 2007	IBSA stakeholders participate in Trilateral Ministerial Commission	Coordinated participation of IBSA stakeholders in Trilateral Ministerial Commission Coordinated inputs for Communiqué and sectoral working group reports which were adopted as outcomes documents of the 4th IBSA Ministerial meeting Trilateral Commission was held in July 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Successfully host- ing the second IBSA Summit in South Africa	Inputs prepared by September 2007 for the 2nd Summit 2007	Coordinate prepara- tory process for Sec- ond IBSA Summit Host Second IBSA Summit	Convened inter-departmen- tal meetings in preparation of IBSA Summit Coordinated input by all IBSA Stakeholders for the 2nd IBSA Summit Declara- tion Hosted 2nd IBSA Summit in Sandton, October 2007
		Successful drafting of the Joint Communiqué to be adopted at the Summit.	Facilitate drafting of Joint Communiqué	Summit adopted Joint Com- muni qué with specific follow up actions, October 2007
		Conclusion of addi- tional agreements and MOUs	Facilitate conclusion of additional agree- ments and MOUs	Seven Agreements / MOUs were concluded in the fields of: <ul style="list-style-type: none"> • Public Administration and Governance • Customs and Tax Administration • Cultural Co-operation • Higher Education • Wind Resources • Health and Medicines • Social Development Established New Working Groups within IBSA namely: <ul style="list-style-type: none"> • Working Group on Hu- man Settlement Develop- ment • Working Group on Cli- mate Change and Environ- ment
	Effective participation in IBSA processes by SA stakeholders such as Academics, Busi- ness, Parliament and Civil Society	Second IBSA Sum- mit, including possible Academic, Business, Parliamentary and Civil Society side-events, hosted in South Africa by the third quarter of 2007	Facilitate broadening of IBSA to include enhanced people-to- people interaction	Broadened scope of people-to-people interac- tion within IBSA through the following events: <ul style="list-style-type: none"> • Academic Seminar • Business Council Meeting • Women's Forum • Parliamentary Forum • Civil Society Seminar

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Active engagement in the New Africa Asia Strategic Partnership (NAASP)	Engage with NAASP member countries through using Structured Bilateral mechanisms	Enhanced participation by SA Government departments in NAASP projects to ensure maximum benefits for South Africa from partnerships	Coordinate implementation of NAASP Matrix as Co-Chair	Facilitated trilateral co-operation between South Africa, Vietnam and Guinea Conakry regarding technological development for rice production
	Engage the emerging economies in Asia to contribute to the Consolidation of the African Agenda	Synergy established between the Asian and African implementation mechanisms to maximise Asian support for NEPAD	Provide political direction, as Co-Chair of NAASP, to its processes, including meeting NEPAD objectives	Contributed as Co-Chair to providing political direction by drafting a Framework Document on Fundamental Principles, Objectives and Procedural Administrative Guidelines to be adopted at the Ministerial Meeting scheduled for 2009
Active engagement in FOCAC	Placing the African Agenda on China-Africa relations	Facilitate and coordinate the follow-up of implementation of decisions taken at the FOCAC Summit 2006 domestically and in Africa, by placing this on the SA-China bilateral agenda	Monitor implementation of FOCAC Beijing Declaration	Participated in first China-Africa Ministers Political Consultations, September 2007 Raised FOCAC issues during China-SA Strategic Dialogue, January 2008
Active engagement in the Non-Aligned Movement (NAM) and G-77 and China	Engagement with the NAM Coordinating Bureau and the NAM Security Council Caucus in New York.	South-South solidarity within the NAM manifested and reflected in the decisions and outcome documentation of NAM	Participate in NAM Security Council Caucus	Coordinated UNSC NAM Caucus during February 2008
	Active participation in the midterm review of the NAM	Enhance the political, economic and social agendas of the South	Participate in NAM Ministerial mid-term review, early 2008	Mid-term review postponed and now scheduled for July 2008
	Facilitate South African participation in the NAM Business Forum meeting in Havana, November 2007	All role players informed about the meeting	Ensure availability of documentation to the dti for participation in Second NAM Business Forum	Facilitated participation by SA delegation, November 2007
	Facilitate South African participation in the Second Ministerial Meeting on the Advancement of Women in Guatemala, June 2007	All role players informed about the meeting	Facilitate participation in 2nd Ministerial Meeting on the Advancement of Women	Meeting postponed to December 2008

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Active participation in the work of the NAM Committee on Palestine	Inform Ministry and relevant role players about NAM Committee on Palestine September 2007	Facilitate participation by the Minister	No action taken due to the Chair of NAM not calling a meeting
	Effective and ongoing support within the G77 for the special needs of Africa	Implementation and follow-through on G77 and China priorities, in particular African issues, promoted	Provide Missions in New York and Geneva with guidance for inputs into the development of Group positions, as required	Provided guidance and support to Missions in Geneva and New York for use in the development of policy positions of the G77 and China
		Close co-operation and co-ordination between the NAM and the G77 through pro-active functioning of the Joint Coordination Committee (JCC) of the NAM and G77 and China	Promote development of common positions in the JCC of the NAM and G77 and China to advance the interests of the South	Participated in meetings of the JCC to develop common positions on: <ul style="list-style-type: none"> • Strengthening the UN Department of Political Affairs • System-wide coherence • Contributed to the establishment and functioning of the NAM Human Rights Chapter in Geneva
			Facilitate participation by relevant SA Government Departments in G77 and China processes	Consulted relevant Departments on issues on the Agenda of the G77 and China
			Promote cohesion of Africa Group within G77 and China	Participated in G77 and China meetings in all UN centres Promoted Africa issues within the Group as well as development issues at all UN Funds and Programmes

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Monitor progress in the implementation of international development goals, including the Millennium Development Goals (MDGs)	Enhanced position of the Group as a constructive and responsible partner in promoting the development agenda of the South	Provide multilateral missions with guidance for inputs into the development and refinement of group positions	<p>Provided regular guidance and support to multilateral missions</p> <p>Integrated MDGs into the UN Human Rights system and programmes with specific focus on African needs and the principle of international co-operation</p> <p>Instructed all bilateral Missions in Africa to monitor compliance with progress of implementation of MDGs in their countries of accreditation</p> <p>Placed on agendas of all BNC meetings</p>
	Promote a comprehensive and integrated approach to the follow-up and implementation of decisions of major UN conferences and summits in the work of economic and social functional commissions	Effective follow-up to the South Summit decisions promoted	Prepare and participate in relevant UN forums to promote follow-up to South Summit decisions	<p>Prepared briefing documentation for SA's participation in all UN forums discussing socio-economic issues</p> <p>Coordinated inputs from all Departments dealing with socio-economic issues</p>
			Facilitate annual contributions to the Perez-Guerrero Trust Fund (PGTF) and the Economic Co-operation amongst Developing Countries (ECDC) Account of the G77 and participate in annual meeting of the Board of the PGTF	Facilitated annual contributions of \$ 7645.15 for the PGTF and \$ 14 424. 81 for the ECDC Account of the G77 and participated in annual meeting of the Board of the PGTF
		Effective participation in the preparatory processes of United Nations Conference on Trade and Development (UNCTAD) XII, 2008	Effect payment of SA's annual contribution to South Centre	Effected annual financial contribution to South Centre to the amount of R1,050,000

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Establish inter-departmental UN Working Group for the purpose of coordinating preparations for UNCTAD XII to provide guidance to Mission in Geneva	Established inter-departmental UN Working Group Provided guidance to Geneva Mission during pre-conference negotiations

PROGRAMME 2: FOREIGN RELATIONS

KEY PRIORITY AREA: STRENGTHEN NORTH-SOUTH CO-OPERATION

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Strengthen relations with Group of 8 (G8) and EU to advance African Agenda	Promote the African Agenda as a priority for the G8 and EU Engage the Presidencies of the G8 and EU	Programmes designed to advance the African Agenda in G8 and EU promoted	Work towards the prioritisation of African Agenda and NEPAD on the agendas of the G8 and EU	Participated in: <ul style="list-style-type: none"> African Partnership Forum, May 2007 and November 2007 G8 Summit consultations with Africa, June 2007 Second EU-Africa Summit, December 2007 Preparatory and Ministerial meetings for the Fourth Tokyo International Conference on African Development, October 2007 and March 2008
		Africa included on the G8 international development agenda	Promote African Agenda during all Presidential, Deputy Presidential and Foreign Ministerial and other bilateral meetings with members of the G8 and EU	Promoted during Presidential, Deputy Presidential and Foreign Ministerial visits and structured bilaterals with G8 and EU countries
		Increased political and socio-economic co-operation between the EU and the AU, aimed at meeting NEPAD objectives, promoted	Pursue increased co-operation during structured bilaterals with members countries of the EU	Pursued increased co-operation during preparatory processes and bilaterals in preparation of EU Africa Summit in Lisbon, December 2007
		Commitment of EU and G8 Presidencies to the advancement of the African Agenda promoted	Increase voice of +5 in Agenda Setting of G8	Facilitated SA inputs in respect of +5 position on agenda setting and the need for its inclusion therein for future annual G8 summits Sustained African development as an agenda item in G8 +5 annual engagements

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Realisation of G8 undertakings since Kananaskis	Pursue commitments in respect of implementation of undertakings agreed on at Kananaskis	Sustained Africa Outreach Dialogue and maintained attention to G8 undertakings since Kananaskis, Canada, G8 Summit
Work towards consolidation of engagement with OECD	Incremental approach toward OECD according to Cabinet instructions	SA's membership of the OECD Development Centre used to promote developmental issues. Effective participation in different OECD committees	Pursue deepened engagement with Development Centre and expert committees of OECD Participate and influence Annual Ministerial Council meetings by SA to influence OECD direction on key development agenda issues	Engaged with OECD subsequent to Cabinet decision to enhance engagement with OECD Participated at Annual policy formulating Ministerial Council

PROGRAMME 2: FOREIGN RELATIONS

KEY PRIORITY AREA: PARTICIPATE IN THE GLOBAL SYSTEM OF GOVERNANCE

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Active participation as non-permanent member of the United Nations Security Council (2007-2008)	Promote co-operation with other members of the UNSC to advance South Africa's objectives	Strategic information accessed and provided in advance of specific UNSC debates to enhance South Africa's participation	Identify potential partnerships with UNSC members on specific issues on Council's agenda	Partnerships forged on all issues on Council's agenda, including: <ul style="list-style-type: none"> • Kosovo, Myanmar, Afghanistan • Appointed lead nation for Timor-Leste • Co-led Council mission to Africa • Middle East issues <p>Serve on subsidiary bodies of Council, including Counter-Terrorism Committee and 1540 Committee (proliferation of weapons of mass destruction by non-State actors)</p>
		South African and African interests reflected in the decisions of the UNSC	Promote South African and African positions in the decision-making process of the Council	Coordinated with UNSC members on African interests on Council agenda: <ul style="list-style-type: none"> • Post-conflict issues • Human rights/due process in countering terrorism • Security Sector Reform • Role of women as peacekeepers • Small arms
			Promote reform of working methods of Security Council	Promoted accountability and transparency of UNSC working methods vis-à-vis wider UN membership in ongoing negotiations

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Promote aware- ness amongst other Departments, civil society and media in respect of SA's non-permanent membership of UNSC	Convened the following to evaluate SA participation and promote awareness : <ul style="list-style-type: none"> • Mid-term review workshop to assess SA performance after first year, January 2008 • Monthly meetings with other relevant departments • Roundtable meeting hosted by Minister with civil society/media • Weekly media briefings on SA role in Council.
			Develop early warning and rapid response capability at Head Office to cope with dynamic environment of Council where deci- sions on complex issues need to be taken	Arranged briefings to political principals and bilateral engagements to facilitate informed and rapid decision-making
	Coordinate with African countries to promote African interests, in particular the recognition of the role of RECs in the maintenance of international peace and security	Harmonised approach- es by African and devel- oping countries in the UNSC advocated	Promote the theme of enhancing co- operation between UN and regional organisations, in particular the AU, in terms of Chap- ter VIII of the UN Charter	Convened thematic debate during SA's first Presidency of Council in March 2007 and adopted a Presidential statement on enhanced relationship between the two organisations
Contribution to de- bates on Terrorism and Weapons of Mass Destruction (WMD)	Support the promo- tion of multilateral- ism and respect for international law as the most appropriate means to counter ter- rorism.	South Africa's position on counter-terrorism re- flected in UN decisions	Advance SA's positions on terror- ism and non- proliferation in Security Council and its subsidiary bodies	Advanced SA's positions in UNSC on Counter-Terror- ism Committee, 1267 Com- mittee and 1540 Committee
		Two outstanding UN conventions on terror- ism ratified by March 2008	Ratify two outstand- ing Conventions on terrorism	Ratified outstanding Conventions, thus all 13 Conventions now ratified

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Coordinate with like minded countries in the UN on combating terrorism	Compliance with UN requests for national reports reached, as per the UNSC schedule	Submit national reports to Security Council as requested by the UNSC or stipulated by Security Council Resolutions	Last report requested by UNSC or Resolution in 2006
		Coordinate with African countries to promote AU decisions on combating terrorism	Coordinate SA implementation efforts through Inter-Departmental Counter-Terrorism Working Group to prepare SA positions on UN Global Counter-Terrorism Strategy Maintain close contact with AU Centre for Terrorism Studies in Algeria	Convened monthly meetings of Working Group Maintained close contact through the Mission in Algiers with Centre and investigated secondment of SA expert to AU Centre
	Promote the inalienable right of all States to the peaceful uses of nuclear energy as provided for under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)	Increased acceptance by developed countries of the right to peaceful uses of nuclear energy by all states, as reflected in the decisions of the meetings	Promote wider international acceptance of the inalienable right of all States to the peaceful uses of nuclear energy as provided for under the Treaty on the Non-Proliferation of Nuclear Weapons	Highlighted the right of developing countries to access advanced nuclear technologies as reflected in decisions of Security Council on weapons of mass destruction
	Continued reinforcement of the international regimes on weapons of mass destruction and conventional weapons promoted	Increased progress towards universalisation of international conventions	Increase recognition of international regimes on WMD as the most relevant instruments to deal with issues related to WMD, their destruction and non-proliferation	Highlighted in all statements regarding Resolution 1540 the role of multilateral negotiations on international instruments related to WMD as the correct platform for addressing issues related to WMD
Chairing of the Nuclear Suppliers Group (NSG)	Effective participation in the NSG control regime to protect the interests of South Africa and developing countries in gaining access to advanced technologies	Hosted the 2007 Plenary Week and participated effectively in the NSG Troika outreach activities. South Africa is recognised as a responsible possessor of advanced technologies, through bilateral and multilateral contacts	Host NSG Plenary meeting and complete South Africa's term as chair of NSG	Hosted and chaired Plenary meeting of the NSG in Cape Town, April 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Crime prevention, criminal justice and international drug control	International crime forums engaged to contribute to the global effort to combat transnational organised crime	Global efforts to improve combating transnational crime enhanced	Contribute to global efforts to combat transnational organised crime	Convened seven inter-departmental meetings in preparation for seven international meetings of agencies dealing with crime and illicit drugs
Contribution towards the Middle East Peace Process	Promote, through engagement with the international multilateral system, including the Non-Aligned Movement (NAM), Commonwealth, the United Nations system, bilateral engagements and other forums the peaceful resolution of the Middle East conflict.	Support and promote a defined and mandated role for the UN, especially the UNSC, for the peace process in the Middle East	Encourage all relevant fora to address situation in Middle East	South Africa hosted a UN Africa meeting on the Question of Palestine, May 2007 Provided inputs to South African Permanent Mission to the United Nations (SAP-MUN) on South African statements at the UNSC on the Middle East Peace process
		Engage all role players within the framework of the Spier Process for the establishment of a viable Palestinian State	Engage key role players	Facilitated the visit of Minister Kasrils to Palestine to meet with Hamas and Fatah, November 2007 Participated in the Annapolis Middle East Peace Process (MEPP) Conference, December 2007 Attended the Paris Donor Conference, December 2007
Chairing of the G20	Support the National Treasury in the chairing of the G20	dfa support provided to National Treasury	Support National Treasury to achieve SA's objectives as Chair of the G20 in respect of reform and democratisation of the Bretton Woods Institutions (BWIs)	Participated in organisational preparatory meetings and facilitated logistical and protocol arrangements

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Reform of the UN system in order to strengthen multilateralism	Work with the African Group and other like-minded countries to reinforce the importance of a rules-based multilateral system	South Africa contributed to the strengthening of the multilateral system	Contribute to the debate on the reform of a rules-based multilateral system	<p>Participated in debates in UN system and its agencies on system-wide coherence, secretariat and management reform, Security Council reform</p> <p>Participated together with Chile, Sweden and Thailand in the 4 Nation Initiative (4NI) aimed at reforming the management of the UN secretariat</p>
		Promoted a UN system more responsive to the special needs of developing countries	Reflect African positions in UN system debates	Promoted African positions on development issues through UN systems, its Funds and Programmes
			Promote SA's positions during structural bilaterals and high-level visits	<p>Promoted SA's positions during:</p> <ul style="list-style-type: none"> • Presidential, Deputy Presidential and Foreign Ministerial and Deputy Ministerial visits • Structured bilaterals • EU / African Summit in Lisbon • Nordic / African Foreign Ministers Consultations.
	Liaise with the UNDP office in Pretoria to ensure a co-ordinated approach towards UN programmes in SA	Effectiveness of the UN presence in South Africa and the region maximised, including improved alignment between UNDP programmes and strategic SA Government priorities in SA	Facilitate joint evaluation with UNEG of the contribution made by the UN system to SA.	<p>Facilitated appointments of Government representatives in the programme of the UNEG Scoping Mission team</p> <p>Contributed to the development of draft Framework Terms of Reference for the UNEG evaluation</p>
			Finalise renewal of current lease and participate in planning and budgeting processes for implementation of new "UN House" project	<p>Finalised renewal of the lease agreement on the Metro Park Building</p> <p>Participated in meetings of project team established to facilitate new "UN House" project</p>

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Adherence to and promotion of international law	Legal advice and assistance to the Department and Government on all issues relating to international law provided	Appropriate and timely legal advice provided in accordance with international law	Provide support through provision of legal advice and assistance to Department and Government on all issues relating to international law	Provided accurate and timely legal advice on all priorities identified by the Department in the Strategic Plan: <ul style="list-style-type: none"> • 581 legal opinions • 164 agreements certified for Presidential approval
Promotion of SA candidacies for election to international organisations	Database reflecting appropriate information to enable all stakeholders to take informed and coordinated decisions on candidatures established	Database on candidatures established and utilised by all stakeholders by March 2008	Database established by March 2007	Database established, updated and maintained Database frequently consulted by stakeholders
	Formulate national criteria for support of other candidates at elections of international organisations	Policy on candidatures and guidelines to support suitable candidates from other regions developed	Develop and finalise policy with all stakeholders	Developed draft policy for further consultation
Follow up to the implementation of outcomes of major international conferences, i.e. WSSD, CSD15, Millennium Summit and World Summit of Information Society	Continued focus on development in ongoing follow-up to the international conferences of the UN system promoted	Development agenda properly reflected in all programmes and activities of the UN system	Incorporate the Agenda of the South, especially the African Agenda in the implementation of outcomes of major international conferences	Participated through the African Group, G77 and China and NAM in meetings of the UN system and its agencies to implement the outcomes of major international conferences
	The importance of Financing for Development (FfD) to generate resources for the achievement of development goals including MDGs and the development goals of World Summit on Information Society (WSIS) promoted	Continuous focus on the FfD agenda maintained in international debates	Contribute to identifying further innovative sources of financing for development through participation in the Leading Group on Solidarity Levies for development (LGSL)	Provided information to National Treasury and participated in relevant international meetings
	Practical measures to the follow-up to World Summit on Sustainable Development (WSSD)	Effectively participated in Commission for Sustainable Development (CSD15)	Continue engagement and leadership in environmental negotiations	Participated in the African Regional Implementation Meeting of CSD (RIM), November 2007 in preparation for CSD16 in May 2008

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Practical measures to follow-up to World Conference Against Racism (WCAR) promoted	Promoted South Africa's positions during the 2007 Preparatory meeting (PrepCom) for the Durban Review Conference (2009)	Create mechanisms which would operationalise the objectives of Durban Declaration and Programme of Action (DDPA)	<p>Initiated and led processes for operationalisation of inter-governmental mechanisms:</p> <ul style="list-style-type: none"> Working Group on comprehensive follow-up to the WCAR and effective implementation of the DDPA Working Group of Experts on People of African Descent UNSG's Independent Eminent Experts Ad hoc Committee on Complementary Standards to the International Convention of the Elimination of all forms of Racial Discrimination (ICERD) <p>Secured the adoption of UNGA resolutions to convene 2009 Durban Review Conference</p>
			Further South African, African and G77 and China positions to strengthen protection, maximise remedies and combat impunity for victims of racism and other contemporary manifestations of racial discrimination	<p>Drafted and chaired negotiations of substantive resolutions</p> <p>Initiated a process of negotiating a new international treaty complementary to the ICERD</p>
Work towards resumption of the WTO talks	Maintain active support for like-minded positions adopted by other groups and role players.	Partnership at the sub-regional and regional levels for close co-operation on the Doha round of talks strengthened	Assist the dti through Missions to revive Doha Development Round negotiations	Utilised SA Missions to act as a focal point for interaction on WTO issues and to canvas for conclusion of Doha Round

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Promote South African positions at all related forums in order to advance SA's national interests	South African diplomatic representation abroad utilised to act as a focal point for diplomatic interaction on WTO issues	Promote South Africa's positions at all related fora with the countries of Americas and Europe in order to advance SA's national interests	<p>Promoted SA's positions during all relevant structured bilaterals</p> <p>Provided inputs for Presidential, Deputy Presidential and Foreign Ministerial visits to and from:</p> <ul style="list-style-type: none"> • Canada • France • Italy • Greece • Germany • Switzerland • Costa Rica • Dominican Republic • UK • Ireland • Belgium • Belarus • Cuba
Square Kilometre Array Bid (SKA)	Render assistance to the Department of Science and Technology as the lead department	Increased support for South Africa's bid for the SKA	Contribute to promotion of bid process	Lobbied through activities of SA Missions in furtherance of the SA SKA bid
2010 FIFA World Cup	Support and make known South African local organising committee (LOC) preparations towards 2010 World Cup	<p>Increased number of countries adopting a positive stand about SA's hosting of the 2010 World Cup.</p> <p>South African organising committee for 2010 World Cup supported</p>	<p>Promote a positive attitude towards South Africa's hosting of the 2010 FIFA World Cup</p> <p>Liaise and advise LOC regarding protocol services</p>	<p>Promoted positive attitude during structured bilaterals</p> <p>Provided protocol services to LOC</p>
	Attract and encourage investment in infrastructure facilities	Active foreign participation in infrastructure facilities and service industries	Support roll-out initiatives for infrastructure development in support of 2010 FIFA World Cup	Supported initiatives to attract foreign investment in infrastructure development
Identify initiatives and promote activities at the national, regional and international level in the field of socio-economic development	Analysis of new multilateral issues on social and population development provided	Identifying of opportunities in the fields of social development, health and education, especially UNESCO	Participate in the development of agreed conclusions and adoption of outcome documentation	Participated in all related negotiations and adoption of resolutions

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Kimberley Process	Continued engagement in dealing with the problem of conflict diamonds globally	Facilitated South Africa's full participation in the Kimberley Process Certification Scheme (KPCS) A holistic approach identifying conflict diamonds as a global issue promoted	Participate in standing bodies of KPCS of which the dfa is a member	Participated in nine teleconferences of KPCS Standing Bodies Reviewed and drafted inputs on annual reports, rules of procedure, guidelines for participation by civil society in preparation for KPCS inter-sessional meeting and the plenary Provided support and guidance to the KPCS Chair during selection process, during which Namibia's candidacy for the position of Vice-Chair was confirmed
Humanitarian Assistance	Promote and facilitate South Africa's humanitarian action in order to alleviate human suffering as well as to protect and assist victims of conflicts and disasters	Contributed to the emergency relief efforts during disasters as well as to sustainable solutions to disasters	Provide Humanitarian assistance as and when required	Contributed to humanitarian assistance programmes of international organisations to the amount of R5,8 million Allocated ARF funding to Western Sahara: <ul style="list-style-type: none"> • Humanitarian Assistance • Humanitarian Landmine Removal • Youth Sports Complex Development
		Assistance rendered to the victims of these disasters in accordance with international norms	Co-ordinate and facilitate assistance to the victims in accordance with international norms	Contributed to relief efforts 18 disaster affected countries in Africa, Asia and Latin America to the total of R9,5 million
		Contributed to international norms that adequately address the needs of victims	Support the UN International Disaster Response Mechanism	Participated in 30th International Conference of the Red Cross and Red Crescent and the adoption of International Disaster Response Laws, Rules and Principles Programme (IDRL) Guidelines

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Human Rights and Implementation of Humanitarian Law	Contribute to the development and implementation of international human rights and humanitarian law through norm and standard setting	Leading role in international human rights forums maintained Regional and international community engaged with the aim of developing international human rights instruments	Contribute to the development of international norms that adequately address the needs of victims of human rights violations	<p>Coordinated and promoted adoption of normative International human rights instruments:</p> <ul style="list-style-type: none"> • International Convention on Prevention of Persons from Enforced Disappearance • Optional Protocol to the Convention against Torture • International Convention on the Rights of Persons with Disabilities • Optional Protocol to the Convention on the Rights of Persons with Disabilities <p>Contributed to finalisation of an Optional Protocol to the International Covenant on Economic Social and Cultural Rights to strengthen human rights regime and for practical global enjoyment of economic social and cultural rights</p>
		Prioritisation of the promotion and enhancement of the enjoyment of all human rights by vulnerable groups and people with disabilities	<p>Participate in adoption process by UN of the Convention on the Rights of Persons with Disabilities and its Optional Protocol</p> <p>Complete processes for South Africa to sign and ratify the Convention on the Rights of Persons with Disability and its Optional Protocol</p>	<p>Participated and supported adoption of UN Convention on the Rights of Persons with Disabilities and its Optional Protocol</p> <p>SA ratified the Convention and its Protocol on 30 November 2007</p>

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		Support for the recog- nition and full imple- mentation of all human rights i.e. civil, political, economic, social and cultural rights, including the right to develop- ment	Conduct interde- partmental consulta- tions to finalise SA ratification process of the International Covenant on Economic, Social and Cultural Rights	Completed comparative analysis of South African law and the Covenant on Economic, Social and Cultural Rights in order to determine whether ratifica- tion of the Covenant should be supported.
		Contributed to the pro- motion of democracy and good governance	Participate in vari- ous democracy fora of which SA is a member	<p>Participated and influenced programmes to reflect com- patibility of UN Charter:</p> <ul style="list-style-type: none"> • Progressive Governance in the 21st Century • Community of Democracies • International Conference on New and Restored Democracies • Helsinki Process on Globalisation and Democracy • Human Security Network • International Institute for Democracy and Electoral Assistance • Alliance of Civilizations <p>Facilitated and finalised an international process on Gender Roadmap for Helsinki Process</p> <p>Hosted dialogue event on fringes of the Commission on the Status of Women (CSW52), 4 March 2008, New York</p> <p>Provided electoral assist- ance to several African countries:</p> <ul style="list-style-type: none"> • Comoros • Mauritania • Zimbabwe • DRC

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
		South Africa is party to and has implemented international humanitarian law instruments	Advance the ratification of international humanitarian law instruments and ensure their effective implementation in South Africa and the Region	<p>Initiated the process of signing and acceding to 3rd Additional Protocol of the Geneva Conventions</p> <p>Co-hosted and concluded Regional International Committee of the Red Cross (ICRC) Seminar on International Humanitarian Law (IHL)</p> <p>Assisted Department of Health with promulgation of SA Red Cross and Protection of Certain Emblems Act</p>
		Inter-ministerial committee on the implementation of international humanitarian law established	Co-ordinate an inter-departmental committee on the implementation of international humanitarian law	Coordinated and facilitated quarterly meetings as well as workshop on IHL
Environment	Work towards the strengthening of global efforts to mitigate and adapt to the effects of climate change	Discussion on future Kyoto commitments beyond 2012; Meetings with Namibia and Mozambique to discuss maritime boundaries.	Promote the inclusion of special needs of Africa and developing countries at relevant meetings on environment	<p>Promoted transfer of technology to adapt to climate change as crucial issues for Africa and developing countries.</p> <p>Led G77 and China negotiations for a post-2012 regime</p>
			Contribute to and advise on the legal aspects relating to South Africa's claim for an extended Continental Shelf	Participated and rendered legal advice in six steering committee meetings in preparation of SA's claim for completion by 2009

PROGRAMME 2: FOREIGN RELATIONS

KEY PRIORITY AREA: STRENGTHEN POLITICAL AND ECONOMIC RELATIONS

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Advance SA-EU TDCA;	Work towards the review and implementation of the TDCA	Progress in the review and implementation of the TDCA	Review TDCA	Finalised revision and agreed on 35 new and revised articles on 10 October 2007
Align TDCA with SADC - EU EPA negotiations	Assist in the establishment of South Africa's full membership in the EPA.	South Africa's accession to the SADC EPA accepted	Full membership of SADC EPA	Impasse reached during November 2007 negotiations - SA entered reservations on interim EPA-negotiations still ongoing
	Work towards the successful completion of SADC-EU EPA negotiations	SADC-EU EPA negotiations finalised by December 2007	Finalise SADC EPA negotiations	Participated in SADC EPA negotiations but did not sign interim EPA in November 2007 due to the fact that SA is not in agreement with all EU positions SA continued to work towards regional unity and improved EU terms - no conclusion
	Support efforts to align the trade chapter of the TDCA to the SADC-EU EPA	Alignment of TDCA with SADC EPA pursued	Align TDCA with EPA	Separated revision of TDCA trade chapters from revision of broad agreement Interim EPA not signed by SA - negotiations still ongoing
Work towards launch of SACU - India FTA negotiations	Common position on SACU including facilitating trade negotiations developed	Participation in the Inter-Ministerial Task Team (dfa, dti, Treasury) on integration. Actively participated in the Permanent Trade Forum	Convene Task Team meetings at the level of Deputy Ministers to make inputs to SADC Task Force	Convened Task Team meetings in July, August, October 2007 and in January and March 2008
	SACU-India Preferential Trade Agreement (PTA) signed	Agreement signed and ratified	Provide support to the dti aimed at signing PTA with India	Suspended discussions on PTAs pending resolution of EPA issue
Work towards launch of SACU - China FTA negotiations	Facilitated consultative meetings of all role players.	Two meetings facilitated during 2007	Provide support to the dti aimed at signing PTA with China	Suspended discussions on PTAs pending resolution of EPA issue

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Strengthening of bilateral relations	Strengthen bilateral relations with North American Countries	Regular inputs provided to identified bilateral meetings and high-level visits	Provide political, economic and social-development inputs for structured bilaterals	<p>Provided inputs and support during structured bilaterals:</p> <ul style="list-style-type: none"> SA/Canada Political Consultations, May 2007 SA/USA
	Strengthen bilateral relations with Mexico, Central America, the Andean Community and the Caribbean	Regular inputs provided to identified bilateral meetings and high-level visits	Provide political, economic and social-development inputs for structured bilaterals	<p>Provided inputs and support during structured bilaterals:</p> <ul style="list-style-type: none"> SA/Costa Rica SA/Dominican Republic SA/Cuba
	Strengthen bilateral relations with countries in Asia	Regular inputs provided to identified bilateral meetings and high-level visits	Facilitate all high-level visits	<p>Facilitated incoming and outgoing high-level visits:</p> <ul style="list-style-type: none"> Visit by President Ramanathan of Singapore, April 2007 Visit by President Mbeki to Vietnam, May 2007 Visit by Deputy President Mlambo-Ngcuka to Republic of Korea, May 2007 Visit by Deputy President Mlambo-Ngcuka to China, September 2007 Visit by Indian Foreign Minister Mukherjee to South Africa, February 2008 Visit by Indian Prime Minister Singh to South Africa, March 2008 Visit by Kuwait Deputy Prime Minister and Foreign Minister Al-Sabah to SA, February 2008 Visit by President Yudhoyono of Indonesia to South Africa, March 2008

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Provide political, economic and social-development inputs for structured bilaterals	<p>Provided political, economic and social-development inputs for all structured bilaterals</p> <ul style="list-style-type: none"> • SA/Vietnam Inaugural Partnership Forum, May 2007 • SA/People's Republic of China (PRC) BNC, September 2007 • SA/PRC Strategic Dialogue, January 2008 • SA/India JMC, February 2008 • SA/Indonesia Inaugural Joint Commission, February 2008
	Strengthen bilateral relations with countries in the Gulf States	Increase in investments by economies in the Middle East in South Africa, in infrastructure development programmes, in line with the ASGISA priorities	Facilitate investments by Middle Eastern countries	<p>Facilitated negotiations on:</p> <ul style="list-style-type: none"> • Bilateral Investment Agreement with Oman • Bilateral Investment Agreement as well as Double Taxation Agreement with the UAE • Customs Agreement with Israel. <p>Facilitated visit of Deputy Prime Minister and Minister of Foreign Affairs of Kuwait</p>
		Increased involvement by Arab and Muslim Development funds in South African economy	Promote involvement by Arab and Muslim Development Funds	Facilitated negotiations on Bilateral Air Services Agreement with UAE resulting in increase in flights between Dubai and SA from August 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Strengthen bilateral relations with Europe	Regular inputs provided to identified bilateral meetings and high-level visits	Facilitate all high-level visits	Facilitated incoming and outgoing high-level visits: <ul style="list-style-type: none"> • Visit of President Mbeki to France, April 2007 and October 2007 • Visit by Deputy President Mlambo-Ngcuka to Germany, April 2007 • Visit by Prime Minister Blair to SA, May 2007 • Visit by Deputy Prime Minister D'Alema of Italy to SA, July 2007 • Visit by Minister Dr Nkosazana Dlamini Zuma to France, September 2007 • Visit by Deputy President Mlambo-Ngcuka to the Holy See, September 2007 • Visit by Deputy President Mlambo-Ngcuka to Italy , October 2007 • Visit by Deputy President Mlambo-Ngcuka to France, October 2007 • Visit by Minister of Foreign Affairs Fredo of Malta to SA, October and December 2007 • Visit by Chancellor Merkel to SA, November 2007 • Visit by Deputy President Mlambo-Ngcuka to Ireland, December 2007 • Visit by President Mbeki to Portugal, December 2007

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
				<ul style="list-style-type: none"> • Visit by Minister of Foreign Affairs Kassimis of Hellenic Republic to SA, January 2008 • Visit by President Sarkozy of France to SA, February 2008 • Visit by Minister Dr Nkosazana Dlamini Zuma to the Netherlands, March 2008 • Visit by Minister Dr Nkosazana Dlamini Zuma to Switzerland, March 2008
			Provide political, economic and social-development inputs for all structured bilaterals	Provided inputs and support during structured bilaterals: <ul style="list-style-type: none"> • SA/Spain • SA/The Netherlands • SA/France • SA/Switzerland • SA/UK • SA/Finland • SA/Sweden • SA/Nordic Consultations • SA/Russia • SA/Turkey
	Strengthen SA-EU relations	Regular inputs provided to identified bilateral meetings and high-level visits.	Provide inputs for all high-level visits	Inputs provided for Presidential, Deputy Presidential and Foreign Ministerial visit to France, Italy, Greece, UK, Ireland, Belgium, Germany, Belarus and Switzerland Provided inputs and support for participation: <ul style="list-style-type: none"> • EU/African Summit in Lisbon • Nordic/African Foreign Ministers Consultations

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
			Provide political, economic and social-development inputs for all structured bilaterals	<p>Provided inputs and support during structured bilaterals:</p> <ul style="list-style-type: none"> • Hosted Joint Commission for Economic, Technical, Scientific and Cultural Co-operation (JCC) • Troika Ministerial • EU Ministerial Troika, May 2007 • TDCA Revision meetings, Brussels, June 2007
Strengthen Economic Diplomacy	Opportunities for trade, investment and tourism promotion exploited	Increase in SA exports, as well as inward foreign direct investment and tourism promoted	Promote increase in SA exports, as well as inward foreign direct investment and tourism promotion	<p>Facilitated through SA Missions, in collaboration with the dti, incoming and outgoing business delegations and trade missions to increase SA exports and attract FDI</p> <p>Promoted tourism through International Tourism Growth Strategy (ITGS) and SA Missions</p>
	Technology and skills transfers facilitated	Projects of technology and skills transfer facilitated	Facilitate visits to improve economic relations and solicit support for JIPSA and ASGISA	<p>Supported national efforts through SA Missions abroad to identify and respond to offers and opportunities for JIPSA and ASGISA</p> <p>Facilitated high-level visits in support of JIPSA and ASGISA</p> <p>Supported Homecoming Revolution in an effort to attract skilled SA nationals to SA</p>
Market SA Abroad	Coherent and consistent branding of SA abroad	Increased positive awareness of SA in countries of accreditation	Undertake initiatives to promote a positive image of South Africa abroad	<p>Organised and hosted National Day and SA Week and Africa Day celebrations</p> <p>Undertook journalist exchange programmes in selected countries</p>

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	An integrated and co-ordinated approach amongst all relevant stakeholders in the marketing of SA abroad promoted	Contribution to marketing strategy made	Contribute to marketing strategy	Coordinated implementation of marketing strategy to create brand awareness Facilitated participation by Mission representatives to attend annual Tourism Indaba
Professional domestic law service - departmental matters	Legal advice in respect of South African law concerning departmental issues rendered	Accurate and timely legal advice. Legal advice provided within timeframes set by clients or within seven days. Legal advice in accordance with domestic law	Provide appropriate and timely domestic legal advice	Provided the following services: <ul style="list-style-type: none"> • 410 legal opinions • 11 litigation matters • 11 labour issues • 13 Promotion of Access to Information Act (PAIA) requests
Efficient and effective information service by Treaty and Information Management Section in OCSLA (IL)	Efficient and effective information service rendered	Provided effective treaty information service. Maintained electronic database.	Process treaties as well as actions relating to treaties Provide information concerning treaties	Processed and provided the following: <ul style="list-style-type: none"> • 119 treaties bound • 110 treaties registered on treaty database • Treaty database of over 3000 treaties managed • Information provided to ± 750 people
		Maintained, preserved and facilitated effective access to books, journal titles and electronic commercial databases	Maintain, preserve and make available a collection of publications specialising in law	Maintained and provided library services: <ul style="list-style-type: none"> • 3048 books • 68 journal titles • Four electronic databases

PROGRAMME 3: PUBLIC DIPLOMACY & PROTOCOL SERVICES
KEY PRIORITY AREA: STATE PROTOCOL

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
Provide an effective visit Management System	Well-co-ordinated visits as per the operational schedule for 2007-08	Number of actual visits co-ordinated as per the operational schedule.	Coordinate visits as per operational schedule	Coordinated 216 visits Adhered to deadlines as set out and collectively agreed by all role players during preparatory meetings
Provide effective management of Intergovernmental liaison	Strengthened co-operation between dfa and 2nd and 3rd tiers of government on international programmes	International visits co-ordinated	Facilitate and coordinate visits as requested	Coordinated 95 visits on behalf of 2nd and 3rd tiers of Governments
		Conduct road shows to Provinces to create awareness on Guidelines for International Visits	Conduct four road shows to Provinces	Hosted five provinces to create awareness on Guidelines for international visits Briefed IRPS Cluster on Protocol Guidelines
	Convene Annual Stakeholder Workshop to develop the Integrated Provincial International Programme	Annual Stakeholder Workshop convened	Convene Annual Stakeholders Meeting with Provinces	Convened Annual Stakeholder Meeting
Provide an effective ceremonial events management system	Well planned and executed state events, meeting world class standards	Plan and co-ordinate all requested state events according to approved protocol guidelines and standards	Complete Protocol Guidelines and Handbook	Completed protocol guidelines Protocol handbook to be completed in 2008-09
Provide an effective State Protocol logistics Management System	World class hospitality service at the State Protocol Lounge	Effective co-ordination and facilitation of VIPs and compliance with applicable legislation.	Facilitate VIP service as per request	Facilitated 25 148 VIPs through OR Tambo International Airport (ORTIA) and Cape Town International Airport (CTIA) lounges
		Relocation of the State Protocol Lounges to new facilities: CTIA (December 2007) and ORTIA by March 2008	Relocate State Protocol Lounges	Relocation of lounges postponed due to ACSA Project Management delays. ORTIA will relocate in April 2008
		Secure approval for the State Protocol Lounge Policy by September 2007.	Draft and table State Protocol Lounge Policy	Policy approved

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	World class hospi- tality service at the State Guesthouses	User satisfaction survey conducted after each event	Conduct customer satisfaction surveys	Sourced feedback from Principals and followed-up on suggestions Upgraded and refurbished Presidential Guesthouse Upgraded catering facili- ties at Presidential Guest- house
Provide an effective In- ternational Conference Management System	Well planned and ex- ecuted conferences arranged	Conferences suc- cessfully planned and executed as per the operational schedule for 2007-08	Plan and coordi- nate International Conferences as per request	Planned and coordinated 11 events
		Project Plans and Protocol Guidelines for each Summit/Confer- ence approved by the Director-General or duly delegated Manager as per the operational schedule	Approve Project Plans and Protocol guidelines for each Summit /Confer- ences	Implemented Project Plan and Protocol Guidelines for each Conference
Provide diplomatic accreditation manage- ment process	Managed diplomatic accreditation process	Annual diplomatic stakeholder meeting by 28 February 2008	Convene annual meeting with Diplo- matic Corps Convene quarterly meetings with Diplo- matic Corps Respond to ad hoc requests from Diplomatic Corps on security issues	Convened meeting with Diplomatic Corps, October 2007 Convened quarterly meet- ings with Diplomatic Corps Convened ad hoc meet- ings with SAPS Diplomatic Protection Unit
		Consolidated diplomatic services by 1 December 2007	Draft MOU and Framework for Co-operation with stakeholders	Drafted Framework for Co- operation with : <ul style="list-style-type: none"> • Tshwane Mayor's Office • SAPS • Extension SARS MOU
		Diplomatic website ba- sic system implemented by 1 February 2008	Implement Project Plan as specified	Project halted in order to correctly conduct scoping exercise Development currently under way

PROGRAMME 3: PUBLIC DIPLOMACY & PROTOCOL SERVICES
KEY PRIORITY AREA: PUBLIC DIPLOMACY

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
To communicate an understanding of South Africa's foreign policy goals, positions, achievements and programmes at home and abroad	Development and implementation of communication and media strategy	Communication and media strategy for all Ministerial and Departmental programmes developed and implemented by 31 March 2008	Develop communication and media strategy	Developed strategy and implemented
			Undertake media briefings to set an agenda and respond to issues	Organised weekly media briefings involving the Principals and Senior Managers
			Establish media analysis capacity and deliver speech writing service to Principals	Established media analysis capacity and provided speech writing service to Principals
			Undertake multi-media productions	Produced and distributed publications, videos, photographic exhibitions and radio programmes for targeted stakeholders
			Monitor media and keep Principals and Department informed on key issues daily	Disseminated daily news highlights for use by Principals and all end users
	Branding and Imaging of South Africa at home and abroad	Integrated branding and imaging strategy developed by 1 April 2007 and implemented by 31 March 2008	Participate in development and implementation of integrated branding and imaging strategy	Participated in development and implementation of strategy Liaised with Film Resource Unit and Department of Arts and Culture to assist with SA's participation in international film festivals and other major arts and culture events Supplied Missions with SA books, videos, brochures, banners, posters, arts and crafts for country-promotional initiatives abroad

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORM- ANCE MEASURES / SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	
			TARGET/ MEASURES	ACTUAL
	Improved internal communications	Government's programme of action and policy achievements disseminated to all dfa Business Units and Missions by 31 March 2008	Inform dfa staff of Department and government's planned activities	Disseminated Government's programme of action and dfa activities through monthly newsletter, and via intranet and e-mail on a regular basis
	Enhance understanding of SA's role in key events and issues	Communicating SA's role in the UNSC, NEPAD, Grand Debate, AU and 2010 World Cup preparations by 31 March 2008	Inform national and international public on South Africa's role in international relations and engagements	Undertook monthly media briefings and multimedia products Provided logistical support for Conferences, Summits and Workshops

Programme 4: International Transfers

AIM: This programme provides for the payment of fees and contributions to various international organisations.

OUTPUT AND SERVICE DELIVERY TRENDS:

Contribution to multilateral development and co-operation

The transfer payments provided for and paid for during the reporting period are reflected in the annual financial statements section of the Report (please refer to the contents page).

Part 4: Report of the Audit Committee

In terms of its obligations according to Treasury Regulation 3.1.12, the Audit Committee reports as follows on certain events as well as its actions and findings in respect of the financial year ended 31 March 2008.

1. APPOINTMENT OF AUDIT COMMITTEE MEMBERS, MEETINGS AND ATTENDANCE

An Audit Committee for the Department has been established in accordance with the requirements of Sections 38 (1)(a)(ii) and 77 of the Public Finance Management Act (PFMA). During the year under review the Audit Committee comprised of six members, 5 members being from outside the Public Service and one member from within the Public Service.

The Audit Committee meets four times per annum and on an ad hoc basis to consider specific matters, as per its approved terms of reference. Audit Committee members also meet individually with certain Units to deal with critical areas, e.g. ICT, Human Resources, Finance, and report back at Audit Committee meetings on progress made concerning these interactions with Departmental Business Units.

The Chairperson of the Audit Committee met on several occasions, individually, with the Head of Internal Audit and key Internal Audit staff. During the current year 13 meetings, including meetings for specific purposes, were held and attended as follow:

Name of Member	Number of meetings attended
Ms LBR Mthembu (Chairperson)	8
Mr Z Jojwana (Member)	10
Mr E Cousins (Member)	12
Dr MC Koorts (Member)	9
Mr C Motau (Member)	10
Ms N Lila (Member)	9

2. AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee has complied with its responsibilities arising from section 38 (1)(a)(ii) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee adopted the Audit Committee Charter read in conjunction with the Internal Audit Charter, as its terms of reference in discharging all its responsibilities as regulated therein.

3. THE EFFECTIVENESS OF INTERNAL CONTROLS

The systems of internal control were evaluated by both Internal Audit and Office of the Auditor-General (external audit). Significant improvement has been noted in the implementation of and compliance with the system of internal controls. The quality of the implementation and execution of adequate control and work procedures have significantly improved although much still has to be done, especially at Missions where internal control is still of unacceptable quality. This is evident from reported instances of non-conformity with prescribed internal control and best practice.

The Chief Financial Officer continued to implement a comprehensive detailed plan as an intervention measure to remedy the matters of emphasis of the annual financial statements, reported by the Auditor-General in the 2006-07 financial year. Issues were prioritised in accordance with their materiality and fundamental effect on the overall management of the department. The Audit Committee notes that the department has made considerable progress in addressing those matters emphasised and other related areas raised by the Auditor-General in his 2006-07 audit report. The following achievements were noted during the year under review:

- 1.1 Performance Information Quarterly Reporting and the establishment of the Performance Information Quality Assurance Committee, in order to ensure quality and accuracy of the Departmental Performance Information quarterly reports.
- 1.2 More than 50% recovery on old debts, including inter-departmental debts.
- 1.3 Enhancement of the electronic fixed asset register including bar-coding of assets and listing of asset values in the asset register, in accordance with National Treasury guidelines.
- 1.4 Development of the Asset Valuation Three Year Plan.
- 1.5 Continued development of policies, procedures and formalisation of efficient and effective policies and procedures.
- 1.6 Improvement on overall training and professional development strategy of missions and local departmental staff.
- 1.7 Development and adoption of a comprehensive Departmental Human Resources Strategy.
- 1.8 Completion of roll-out of the Fraud Prevention Plan.
- 1.9 During the 2007-08 financial year the Department undertook significant measures in addressing the

governance of ICT projects and the development of an integrated management approach in managing ICT projects. The Audit Committee furthermore monitored and oversaw new developments in the ICT environment of the department during the 2007-08 financial year, by way of a structured approach and progress reports. In this regard the following progress was noted:

- 1.9.1 The continuation of the deployment of the Voice Over Internet Protocol Infrastructure that will eventually link all Missions to Head Office, using a standardised, unified IT infrastructure.
- 1.9.2 Role out and the implementation of Windows Advanced Server 2003 as the platform for the IT infrastructure.
- 1.9.3 Implementation of the Seat Management Service contract negotiated by SITA to standardise hardware utilised by the Department.
- 1.9.4 Implementation of the plan governing Business Intelligence.
- 1.9.5 Initiating the automation of identified Business Processes – Business Process Management and the implementation of certain phases of the Consular Management System.
- 1.10 The Audit Committee also monitored progress in the Human Capital Management Branch during the year under review. In this regard, the Audit Committee is currently engaged in monitoring the development of comprehensive inclusive long-term and short-term plans for the Branch, including the formulation of its Business Strategy.

The Director-General through his dedicated leadership, with the support and assistance of National Treasury and cooperative effort of executive management, has made considerable progress in improving the managing and functioning of the Department as a whole. The benefits derived from these dedicated inputs and outputs have borne fruit as can be observed from improved compliance with legislation and adherence to due dates by the Financial Department, as well as a more controlled management of financial data and processes. The Auditor-General's report underlines this achievement.

4. SPECIFIC FOCUS AREAS GOING FORWARD

During the 2008-09 financial year, the Audit Committee will develop comprehensive and integrated intervention programmes to focus more attention on the following areas:

- 1.1 The enhancement and further development of the Human Resources Business Unit. In this regard the following areas will be monitored by the Audit Committee during the financial year 2008-09:
 - 1.1.1 The implementation of Departmental Human Resources Strategy

- 1.1.2 Labour Relation's work on facilitating disciplinary and arbitration cases
- 1.1.3 The roles of different units in dealing with labour matters and discipline
- 1.1.4 Talent management and retention of staff
- 1.1.5 Training and other related matters
- 1.2 Monitoring and supporting the newly formed Diplomatic Academy in the following areas:
 - 1.2.1 Diplomatic Academy Strategy formulation
 - 1.2.2 Support and monitoring of the development of structured diplomatic training programmes for the departmental staff members.
- 1.3 The development of the ICT detailed three-year Rolling Strategic plan and its implementation.
- 1.4 The reporting of Department's quarterly Performance Information as required by the National Treasury and the Auditor-General.
- 1.5 Continued improvement of safe record keeping and filing capacity, policies and procedures in compliance with the prescripts for archiving by acquisition and utilisation of an electronic document management / registry system.
- 1.6 The implementation of an Enterprise-Wide Risk Management Plan in motivating and encouraging the culture of risk management in compliance with best practice.
- 1.7 The review of Internal Audit reports and monitoring the implementation of Internal Audit recommendations.
- 1.8 Close scrutiny, monitoring and control of the administration and related procedures concerning all the debtors' outstanding balances (receivables) as well as evaluation of recovery actions in order to maximise debt recovery. A Debt Management Committee is currently in operation and an application has been lodged with National Treasury for the introduction of an effective electronic Debt Management System.
- 1.9 Monitoring the Chief Financial Officer's plan to manage some of the major accounts e.g. Subsistence and travelling, Medical claims etc.
- 1.10 Improvement of control and management pertaining to the Departmental Fleet Management System
- 1.11 Property acquisition.

5. QUALITY OF IN YEAR MANAGEMENT AND MONTHLY / QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT

The Audit Committee has noted progress in the content and quality of monthly and quarterly reports prepared and issued by the Department during the year under review, in compliance with statutory reporting framework. The Department has developed measures to fully implement the control basis for the monitoring and attaining of strategic goals and business

objectives within a structured framework. There will be a continued monitoring of the report improvements in this regard.

6. INTERNAL AUDIT

During the 2007-08 financial year, 92 Internal Audit projects were conducted of which 18 related to ad hoc Internal Audit investigative assignments.

Internal Audit was effective for the year under review and achieved its annual operational plan targets. The capacity of Internal Audit has been comprehensively increased and consolidated through the filling of further internal audit positions. The Internal Audit strategic and annual operational plans were considered and approved by the Audit Committee. All Internal Audit work performed as well as Internal Audit reports and quarterly progress reports were reviewed by the Audit Committee.

Internal Audit continued with assisting in developing the Department's Enterprise-Wide Risk Management approach and further assisted in conducting risk assessments and preparation of the departmental risk profile, which was adopted by the Departmental Top Management structures and the Audit Committee. The results of the risk assessment were used to direct Internal Audit effort and enhance management function. Furthermore, a Fraud Prevention Plan is being executed in an orderly manner under the control of a Fraud Prevention Committee. During the 2008-09 financial year Internal Audit will

continue to assist with implementation of Enterprise-Wide Risk Management.

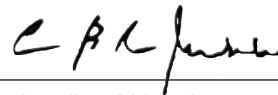
During the year under review Internal Audit Unit continued with its efforts to comply with the International Standards for the Professional Practice of Internal Auditing, in conducting its work within the Department.

7. EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Audit Committee has:

- Reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the report;
- Reviewed the Auditor-General's management letter and management's response;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

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 together with the report of the Auditor-General.



Londiwe Mthembu
Chairperson of the Audit Committee
Date: 31 July 2008

Part 5: The Annual Financial Statements



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ACCOUNTING OFFICER'S REPORT FOR THE YEAR ENDED 31 MARCH 2008

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa.

1.1 INTRODUCTION

The Department of Foreign Affairs (Department) is responsible for the formulation, application and execution of all aspects of South Africa's foreign policy as entrusted to the Minister of Foreign Affairs (Minister). Liaison with foreign governments on matters of international relations is conducted through South Africa's accredited representatives abroad. The head of a South African mission abroad acts as the representative of the head of state. In pursuit of the achievement of South Africa's foreign policy, the Department is currently represented in 121 South African diplomatic missions throughout the world.

In line with the Public Finance Management Act, 1999 (Act No. 1 of 1999 as amended) (PFMA) and the Treasury Regulations, the Department submitted its strategic plan for the medium-term expenditure framework (MTEF) period 2007/08 to 2009/10. The following strategic priorities which were previously identified were reconfirmed for implementation during the year under review:

- Consolidation of the African Agenda;
- South-South Co-operation;
- North-South Dialogue;
- Global Governance;
- Bilateral Relations;
- Provision of an efficient and effective support service; and
- Organisational Strengthening.

In order to align the resources of the Department to its strategic priorities and to enable the Department to comply with the monitoring, evaluation and reporting processes required by Government, departmental programmes are structured as follows:

- Administration provides for the overall policy development and management of the Department.
- Foreign Relations promotes relations with foreign countries, and participate in international organisations and institutions, in pursuit of South Africa's national values, interests and foreign policy objectives.
- Public Diplomacy and Protocol promote an understanding, both domestically and internationally, of South Africa's role and position in international relations, and provides State protocol services.
- International Transfers provide for the payment

of membership fees and transfers to international organisations.

This report seeks to assist readers in measuring the extent to which the Department's resources allocated for the 2007/08 financial year were utilised in terms of the PFMA.

1.2 REVENUE

During the year under review, the Department received total revenue of R4,184 billion made up of voted funds and non-voted funds as explained below:

(i) Annual Appropriation – R4,119 billion

The Department received a budget allocation of R4,119 billion for the 2007/08 financial year after adjustment estimates. This translated into an increase of 35% as against the budget allocated for the 2006/07 financial year. The budget increase can be attributed to, inter alia, the additional funding for the Africa Agenda (R43 million), International Representation (R25 million) Improving Service Delivery (R5 million), Recapitalisation of African Renaissance Fund (R85 million), Salary adjustments (R2 million), exchange rates adjustments (R287 million) and the rollover of funds for Capital works (R262 million).

(ii) Departmental Revenue – R65 million

This amount represents revenue received in respect of ad hoc activities, as the Department does not have any income-generating programmes. The South African diplomatic missions in other countries are allowed to reclaim value-added tax (VAT) and the amount claimed in respect of the current year can be utilised by the mission. VAT of R14 million in respect of previous years have been paid back to revenue. R7 million refers to the revenue collected from the advances on cost of living allowances (COLA). R12 million relates to foreign exchange gains for current year, proceeds from sale of assets, interest received and stale cheques written back. An amount of R31,3 million relates to monies collected in the previous financial year and not paid over to revenue. This amount has been disclosed in the financial statements as part of revenue accrual.

1.3 EXPENDITURE

(i) Spending trends

South Africa maintains diplomatic relations with countries and organisations through 121 missions located throughout the world. Therefore the bulk of its expenditure is incurred in foreign currencies. In addition, the Department, because of the non-availability of other local currencies, transfers funds to the missions using the five major currencies. The missions in turn purchase local currencies, which may result in exchange gains or losses. This poses a major risk with regard to the management of

the Department's budget, as the Department has no control over the fluctuation of both the Rand against major foreign currencies and local currencies (in foreign countries) against major currencies. Due to this unpredictable and uncontrollable situation, the Department can either overspend or underspend its budget. However, the Department has reached an understanding with the National Treasury to use the fixed exchange rates determined by the Treasury for budgetary purposes. Therefore, should there be a difference between the actual performance of the Rand and the budgeted rate, the allocated budget is adjusted accordingly. In the event of a depreciation of the Rand (lower than the fixed rate as determined by the National Treasury) the adjustment estimate

process is the only avenue available for the Department to be provided with resources to compensate for exchange rate losses. However, should either depreciation or losses of the Rand take place after the adjustment estimate process, the Department has to fund such losses from within its allocated resources or reflect the loss as unauthorised expenditure in the Annual Financial Statements. Foreign exchange gains realised after the adjustment estimate process is paid back to the National Revenue Fund.

During the allocation of budget the following rates for major currencies were used, and reflect the foreign exchange position subsequent to the adjustment estimate process.

Currencies	Budget Foreign Currency	Budget Rate for 2007/08	Budget Rand Amount	Average Spot Rate for 2007/08	Average Rand Value	Foreign Exchange Rate Savings
	Million		R' 000		R' 000	R' 000
US \$	98 685	7.23	713 493	7.22	712 506	986
EUROS	50 947	9.86	502 337	10.12	515 584	-13 246
POUND	4 204	14.44	60 706	14.41	60 580	126
YEN	498 499	0.0610	30 409	0.0647	32 253	-1 844
SFR	9 674	6.13	59 302	6.23	60 269	-967
TOTAL			1 366 241		1 381 192	-14 945

The Department therefore incurred a loss of R14 945 million from foreign exchange transactions, subsequent to the adjustment estimate process. Overall, the Department has recorded a net savings of R49 330 million for the 2007/8 financial year as reflected in the following table:

ANALYSIS OF UNDER/ (OVER) EXPENDITURE PER PROGRAMME				
Programme Description	Voted 2007/08	Actual Expenditure	Savings (excess)	Expenditure %
	R'000	R'000	R'000	VOTE
1. Administration	1 202 669	1 181 310	21 359	98.22%
2. Foreign Relations	2 129 516	2 122 820	6 696	99.68%
3. Public Diplomacy and Protocol	141 621	141 547	74	99.94%
4. International Transfers	645 257	624 056	21 201	96.71%
TOTAL	4 119 063	4 069 733	49 330	98.80%

During the year under review, the Department utilised 98,8% of the total budget allocated. Furthermore, funds were transferred within a programme to defray over-expenditure between economic classifications and a virement of R13,8 million was processed from programme 2 to programmes 1 and 3. The under expenditure can be attributed to the following reasons:

(a) Programme 1: Administration

The Department is responsible for providing office and residential accommodation for its employees abroad including employees of partner departments. During the year under review, the Department developed an operational plan, which included the construction, acquisition and refurbishment of properties abroad. However, due to the requirements and circumstances of different property environments in foreign countries there have been delays experienced in concluding certain projects, hence the savings in payment for capital assets.

The R49,3 million savings realised from the budget of the Department includes capital projects amounting to R28 million. The savings under capital projects are as a result of projects that were not finalised during the 2007/08 financial year because of unforeseeable circumstances. The savings were realised from the three projects (Bujumbura R9,5 million, SA House London R9,5 million and Lilongwe R9 million) still to be finalised.

(b) Programme 4: International Transfers

The R21,3 million savings realised from transfer payments comprises of South Africa's voluntary contribution to the African Union (AU) programmes. South Africa's contribution to AU consists of membership fees and peace keeping assessments, which constitute 15% of the AU total budget. During the year under review, South Africa paid its membership fees.

1.4 APPROPRIATION FOR UNAUTHORISED EXPENDITURE

For the 2003/04 financial year the Department has reported unauthorised expenditure of R6 879 million. SCOPA has recommended that the expenditure be authorised. The Department will process the necessary transactions once formal authorisation has been received.

1.5 LEASE PAYMENTS

As reported in the previous financial year, the Department negotiated a contract whereby vehicles for Heads of Mission are provided on a financial lease basis. In line with the PFMA, approval was granted by National Treasury for the Department to enter into such financial lease. The Department had entered into an agreement with BMW AG, Germany for the supply of a minimum number of 121 BMW vehicles until December 2009. Funding facilities have been obtained from KBC Bank Deutschland AG on a bi-annual payment basis to the Bank. A total of 37 units were ordered during 2006 and a further 14 units were ordered during 2007. The remaining 70 vehicles will be ordered during 2008 and 2009 in accordance with requirements of the agreement.

National Treasury granted approval that Political Office Bearers, including Ministers and Deputy Ministers may be provided with official vehicles in accordance with Practice Note No.5 of 2006/07. In terms of the scheme the Ministers and Deputy Ministers may be provided with two official vehicles, one vehicle to be utilised in Pretoria and another vehicle to be utilised in Cape Town. The Department has purchased the vehicles for the political principals utilising the scheme.

In addition, the Department has also awarded a Seat Management Services Tender (SITA) 285, whereby computer desktops, laptops and printers are provided through an operational lease for Head Office and all missions. This option was taken to replace all obsolete computers and printers and to provide equipment that is capable of handling the new technologies that are currently being deployed. Significant progress has been made in the deployment of the equipment.

2. OTHER ORGANISATIONS TO WHOM TRANSFER PAYMENTS WERE MADE

Transfer payments primarily arise from obligations undertaken by South Africa at international, regional and sub-regional multilateral levels. The payments, which are made by the Department, generally take the form of:

- Membership dues to organisations such as the UN, the AU, the SADC, the Commonwealth.
- Contributions to peacekeeping operations of the UN.
- Meetings of state (parties to international treaties) of which South Africa is a member, and in which South Africa has participated.
- Voluntary pledges that South Africa has made to international organisations for the purpose of humanitarian assistance, technical assistance, etc.

In the context of the UN, South Africa's assessed contributions to the regular budget are calculated at 0,41% of the total budget, while peacekeeping contributions are calculated at a 'developing country discounted rate' of 20% of 0,41% of the total cost of each specific UN peacekeeping operation. Contributions to other UN organisations, treaty bodies, etc. are determined on the basis of the calculation for South Africa's contribution to the UN regular budget as adjusted to the membership of the particular organisation or body.

With regard to the AU, South Africa's scale of assessment is at 15% of the total budget, which was duly paid. There was a resolution to split the budget of the AU into a component comprised of Operational budget (contribution based on Scale of Assessment) and Programme Budget (provided on voluntary basis). South Africa also contributes 20% to the budget of SADC, which was duly paid.

The Development Bank of Southern Africa (DBSA) has hosted the New Economic Partnership for Africa Development (NEPAD) since its inception in 2001. NEPAD is a socio-economic programme that was established by African leaders to eradicate poverty and to place Africa on a path of sustainable growth and development, and to participate actively in the world economy. The South African contribution to the NEPAD secretariat is channelled through the Department of Foreign Affairs.

The Trilateral Dialogue Forum of India, Brazil and South Africa (IBSA) on 4 and 5 March 2004 resolved to establish a facility for poverty and hunger alleviation. Following the announcement, the Governments of IBSA decided to establish a trust fund for this purpose, in the interest of developing countries.

The trust fund is administered by a Board of Trustees appointed by the IBSA countries and the Board is located in New York, USA. The UNDP is utilised as a mechanism to implement projects on behalf of the IBSA Trust Fund. These projects are launched to contribute to the fight against poverty and hunger, including actions in the areas of improved access to health, sanitation, education, and food security. In this regard the Heads of State and Government of the IBSA countries committed to make a contribution on an annual basis to the trust fund, with effect from the 2006/07 financial year.

With regard to accountability, these organisations and institutions prepare detailed financial statements, which are subject to auditing and public scrutiny. The detailed list of the transfer payments made by the department is per note 9 and Annexure IJ of the Annual Financial Statements.

3. SERVICES RENDERED BY THE DEPARTMENT

(i) Consular services

Consular Services are those services rendered to South African citizens that travel, work, study or reside abroad and who require assistance or protection. Consular Services arise from the mandate of Article V of the Vienna Convention on Consular Relations, 1963.

Consular services rendered to South Africans abroad include, but are not restricted to the following areas; visitation of injured, hospitalised persons, detained or imprisoned persons, child abduction and child stealing, destitute persons, victims of crime, assistance to companies, families of deceased persons and legal matters. Certain of these services involve both Mission and Head Office personnel travelling to destinations where these services have to be rendered.

The Department continued to provide consular services to distress and destitute South African children abroad. The

increased incidents of children born to mothers detained on criminal charges abroad are a matter of concern and present particular challenges.

Numerous interventions were made internationally to protect the interests of distressed and destitute South Africans whose own access to recourse had become limited or non-existent.

Consular interventions of note were assistance to a number of South Africans to flee military conflict in Chad and the identification of South Africans involved (deceased) in aircraft crashes with the concomitant support to their next-of-kin.

During the year under review the Department concluded the development of a web-based system to enable South African citizens travelling abroad to register their details with the Department. The software system, called 'Registration of South Africans Abroad' (ROSA) is now accessible to all South Africans on a voluntary basis. The value of the system is in its ability to identify both the immediate personal and contact details of a traveller and his/her next-of-kin in the event of an emergency.

At the same time considerable progress was made with the development of seven other web-based applications, collectively known as the 'Consular Management System' (CMS) that will standardise and simplify the rendering of consular services by the Department. Close to 300 staff members were trained on the CMS during the review period.

The Department conducted a complete review of its consular practice during the year that resulted in the (internal) publication of a new Consular Handbook. This Handbook conforms to international best practice and is available to all staff of the Department on its Intranet.

(ii) Agency services

Agency services are services rendered on behalf of other government departments, that are either not represented abroad or only represented at some missions. These departments include Home Affairs, Justice, Welfare, Transport, Agriculture, the South African Revenue Services and Trade and Industry. The directorate primarily supports the Department of Home Affairs with services that include passport processing, visas, work permits and study permits. Where the services being rendered require a fee, collection and payment are managed according to the relevant department's requirements and in accordance with Treasury Guidelines and Regulations.

In addition, the Department is the custodian of the QED payroll system, which is used to process allowances payable to transferred officials, including those of other departments.

This service to other departments takes place on an agency basis. The Department therefore incurs the expenditure on a recoverable basis.

(iii) Legalisation functions

A further service that is rendered is the legalising of documentation for usage abroad. Legalising or authenticating documents means that official documents are affixed, sealed and signed either with an Apostille Certificate (where countries are party to The Hague Convention of 5 October 1961), or with a Certificate of Authentication where countries are not party to the Hague Convention. The following services are provided:

- Authenticate official public documents executed within South Africa for use outside the Republic of South Africa by means of an Apostille Certificate or a Certificate of Authentication;
- If documents submitted are incorrect/incomplete, the client is provided with guidelines to obtain the correct signatures/documents;
- Provide clients with information when telephone/mail enquiries are received with regards to legalisation of documentation.

During the year under review, 21 611 documents were legalised.

4. PUBLIC ENTITIES

The Department, in consultation with the National Treasury, is responsible for the administration of the African Renaissance and International Co-operation Fund (fund).

The fund is under the control of the Director-General of Foreign Affairs who, as the accounting officer, keeps records and accounts of all payments into and out of the fund. An Advisory Committee was appointed to make recommendations to the Ministers of Foreign Affairs and Finance on the disbursement of funds, as provided for in the African Renaissance and International Co-operation Fund Act, 2000 (Act No. 51 of 2000). Due to the urgency of some of the projects as well as the lengthy process to be followed to finalise the projects, the Department had to utilise its own funds after the approval of the Director-General or the Minister. This is done with a view of claiming it back from the fund once a letter of concurrence has been received from the Minister of Finance. Such arrangement has resulted in the opening of control accounts (Payables and Receivables) in the books of the Department and the fund. The arrangement poses a risk to the Department, as the amount owed by the fund is not enforceable in the event that the Minister of Finance does not issue the letter of concurrence.

During 2001/02, the Government of the Republic of Mali made a request for financial assistance in hosting of the 23rd Africa Cup

of Nations (AFCON) 2002 Tournament, which was held from 19 January to 10 February 2002. At the time of our intervention, it was established that the preparations for hosting of the tournament were still at initial stages, which rendered the tournament a non-starter without South Africa's support.

Since South Africa was intending, at that stage, to bid for the hosting of the 2006 World Cup it was prudent that support to the AFCON initiative be given in order to gain the confidence of the world that Africa can host an event of the magnitude of the World Cup. Had the South African Government not intervened, the AFCON Tournament would not have taken place as no other African country would have been in a position to host the tournament successfully at such a late stage. An increased contribution of R29 042 million was made, paid from the Department.

The Department of Sports and Recreation was responsible for the management of the project through the Mali Trust Fund. However, due to the increased costs the Minister of Finance requested the audit of the Trust Fund before he could consider issuing a letter of concurrence, which was duly completed by the Auditor General. The Audit report together with the request for concurrence letter has been submitted to the Minister of Finance for his consideration. The Mali Trust Fund received a qualified audit report and has resulted in the Minister of Finance not granting the required concurrence. However, the matter is currently under discussion with the National Treasury.

The financial statements of the fund are prepared separately from the Department as the Fund is registered as a Public Entity in terms of the Public Finance Management Act.

5. HUMAN RESOURCE CAPACITY

i) HR Strategy

With effect from 1 February 2008, the Branch Human Capital Management was split into two, resulting in Human Resources being a Branch on its own. Following the split and deliberations on human resource capacity matters, the Branch developed an HR strategy that spans three years, the fundamental purpose being to address the human resources needs of the Department.

The following priorities were identified by the Branch for the next three years.

- Effective organisational arrangements
- Efficient recruitment, selection, placement and induction process
- Enabling Career Development and Succession Management
- Effective leadership and management of people

Focus areas and performance indicators have been developed

for each of the priorities and have been located in various HR Directorates.

ii) Organisational Culture and Climate

An organisational culture and climate survey was completed in 2007/08. The survey was aimed at assessing staff perspectives on various dimensions of the Department's culture. A total number of 1 406 employees responded to the Survey of which 615 were Head Office and Transferred staff and 791 were Locally Recruited Personnel at Missions abroad. All Head Office staff have been provided with the findings of the survey and the feedback process has been initiated at Missions. The development of interventions that will focus on creating a more conducive organisational culture has commenced at Head Office.

One of the areas highlighted by the organisational culture survey is employee engagement. This has necessitated the Talent Management Unit to focus on career management and develop effective and efficient career management processes.

iii) Service Delivery

The Department has complied with the Public Service and Treasury Regulations, which require that all departments must include details of their Service Delivery Improvement Plan in their Strategic Plans. Each Branch in the Department has developed its Service Delivery Improvement Plan and these plans were consolidated into a Departmental Plan.

iv) Employee Health and Wellness

The Employee Health and Wellness programme has been expanded to ensure comprehensive support to transferred employees and their families. To this end, an Employee Health and Wellness strategy was developed and adopted. Some of the key elements are the preparation of families for posting abroad, support for spouses of transferred officials and access to Employment Wellbeing Centre (EWC) services for all employees. In addition, the EWC has implemented an electronic care system (e-Care) that aims to provide continuous education on health and wellness issues for employees and their families.

A survey on employees' knowledge, attitudes and practices relating to HIV and AIDS was conducted. A process to communicate the results is underway.

v) Foreign Service Dispensation (FSD)

The recommendations made on the improvement of the FSD were accepted and adopted by DPSA and National Treasury. DPSA developed the government mandate for negotiations with Labour Unions in the Public Sector Coordinating Bargaining Council (PSCBC).

The negotiations were concluded in February 2008 and a collective agreement (Resolution 1 of 2008) was signed in the PSCBC on 13 March 2008 for implementation with effect from 1 January 2008. Actual implementation will take place early in the new financial year.

6. GENERAL CAPACITY

The following are key challenges facing the Department and some interventions have been identified for implementation in a phased manner and progress made is as follows:

(i) DFA Capacity and skills development

South Africa's increasing role in international relations calls for a capable and committed cadre of diplomats. The expansion of our representation abroad, particularly in Africa, necessitates that we increase our capacity in terms of numbers, and deepen our skills in various areas of Diplomacy.

The Department has implemented a structured approach to address vacancies that we have and to strengthen the skills of our Diplomats.

Every year we have two big recruitment drives, in January and July targeting vacancies, across all levels and across all Branches. These robust drives allow us to fill some vacancies, but it is rare that we fill all vacancies that we have. This is indicative of the general skills shortage experienced by both the public and private sectors.

The bi-annual recruitment drives give us the opportunity to acknowledge internal talent through promotions. The timing of the recruitment drives is aligned to the placement cycles of outgoing and returning officials. As such, two-thirds of our vacancies are filled by internal candidates.

The drive also allows the Department to bring new talent from outside. We attract talent from within the Public Service and from other sectors of our economy (private, parastatals, Universities and NGOs).

The Cadet Programme: We have 43 young people that are currently being trained by the Department in collaboration with UNISA.

Learnerships: As part of the broader Government initiative to address the challenge of unemployed youth, dfa continues to take on Learners, with the focus on preparing them for future employment.

The Mission Administration Directorate has 58 trainees on course to be trained as corporate services managers and administrative

attachés to enhance capacity building for our missions abroad. This is the largest number of candidates being trained in one group by the Diplomatic Academy thus far.

The Diplomatic Academy presents two six-months training courses per calendar year for young line function diplomats as a prerequisite for them to apply for posts in Missions abroad. The first course for 2008 commenced in January 2008, the previous course having been concluded in December 2007.

(ii) Deepening of our Skills Base

The previous Branch Human Capital Management consisted of the Chief Directorates Foreign Service Institute (FSI) and Human Resources. With the increased demands to render a more efficient and effective service to our clients, the Executive Management Committee of the Department, in consultation with various role players, took a decision to abolish the Branch HCM and to create two Branches, namely Branch: Human Resources; and the Branch: Diplomatic Training, Research and Development (DTRD). It was further decided to incorporate PRAU (Policy, Research and Analysis Unit) as a Chief Directorate of the Branch DTRD, and to change the name FSI to Diplomatic Academy. These changes were introduced with effect from 1 February 2008 to integrate the management and development of DFA officers.

The Diplomatic Academy has since introduced new programmes and improved existing programmes. We are exploring innovative ways of delivering learning to all our employees, particularly those based abroad through E-learning. We have implemented a Masters Degree Programme in Diplomacy in collaboration with a chosen University, to be pursued on a part-time basis by dfa officers.

The Policy, Research and Analysis Unit (PRAU) provide research and analysis of issues pertaining to South Africa's Foreign Policy. Strategic research papers are undertaken and have included issues such as Africa's Future, Security Sector Reform, Multidimensional and Integrated Peace Operations and have also rendered assistance to other Departments in regard to the formulation of their International Relations Strategies. The PRAU also seeks to build and enhance relations with national and international foreign policy research institutions. This is achieved through direct engagement but also through the hosting of workshops, seminars and conferences inside South Africa, such as the Intergovernmental Forum on International Relations and participating in global forums, such as the Global Forum on Corruption. Speaking notes are provided for principals and PRAU itself also engages civil society and the private sector on South Africa's foreign policy, in order to promote an informed understanding of foreign policy both in its development and application.

Generic Training was conducted in-house in accordance with the dfa workplace skills plan.

Our institution continues to provide training to broader employees in other Departments of the Government in the areas of State Protocol and Etiquette and Languages. The demand for this training is increasing dramatically. The first Module of a two module course for training of Trainers in State Protocol and Foreign Policy has been completed.

We also provide assistance to other Foreign Ministries in the continent through co-operation agreements e.g. DRC, Rwanda, Mozambique. Rwandan officials underwent a 3 week course in State Protocol and English language during October 2007. A meeting was held with the International Organisation for Deans of Diplomatic Academies (IFDT) in Mozambique. An African Chapter of IFDT was established. Memorandums of Understanding with Brazil, India, Argentina, Kenya, UAE and Benin have been initiated. Institutional collaboration between the Diplomatic Academy and Brazil and India is in the process of arrangement.

We will continue to focus more on languages and provide programmes for specific skills e.g. Multilateral negotiations in collaboration with UNITAR, Conflict Resolution skills, Peace Diplomacy and Economic Diplomacy.

Further resources shall be provided to the Institute to ensure increased capacity to carry out this challenging mandate, and become the centre of excellence in training diplomats.

7. MANAGEMENT OF THE DEPARTMENT'S PROPERTY PORTFOLIO

The property portfolio managed by the Department is divided into two areas of focus, namely the international portfolio and the local portfolio.

With regard to the international portfolio, the Department is responsible for all properties owned by the South African Government in countries outside our borders. All acquisitions and disposal of land as well as construction, maintenance and refurbishment of chanceries, official residences and staff housing are managed on an ongoing basis. In addition, the Department also enters into lease agreements for the renting of chanceries, official residences and staff housing where no RSA Government owned accommodation is available in a specific country.

The local portfolio focuses on the procurement, construction and ultimate management of a single campus for the Department's Head Office in Pretoria. The local portfolio furthermore includes the management of the leases of the buildings currently being

occupied by the Head Office component. Accommodation at the various airports, which is used as State Protocol Lounges, as well as the office accommodation used by the UNDP, also resides within this portfolio.

During the year under review, the Chief Directorate developed and commenced with the implementation of a property acquisition strategy that will guide the acquisition of foreign properties for the next three years. In respect of all new construction projects and property acquisitions, maintenance plans are in the process of being developed that will ensure that state-owned properties are kept in good state of repair. An overall maintenance strategy for state owned properties will be developed in the next financial year and it is anticipated that the private sector will be engaged with regard to the implementation of this strategy.

8. INFORMATION COMMUNICATIONS TECHNOLOGY

The Department continued with its rollout of the master system plan (MSP). The MSP highlighted the recommendations that warranted the establishment of several projects mentioned hereunder. Significant progress has been made with regard to the implementation of prioritised projects namely: UKUSA (Voice Over Internet Protocol {VOIP} and Windows 2003), Business Process Management and Business Intelligence.

In the ICT Plan for 2007/08, the implementation of the prioritised projects continued.

(a) UKUSA (Voice Over Internet Protocol (VOIP) & Windows 2003)

This project is designed to provide an integrated, effective and efficient communication infrastructure connecting all missions and the Head Office. The system will furthermore ensure collaboration and improved service delivery within the entire Department, integrating the telephone, e-mail and other applications which will take advantage of the benefits of unified messaging and related reduced costs.

The project is being implemented in partnership with the Department of Home Affairs.

As at the close of the financial year the project was 96% complete with all telecommunications links and equipment being installed at all missions that are in scope. The project will be closed during the first half of the next financial year.

(b) Data Warehousing / Business Intelligence (BI)

The aim of the 1st iteration of this project is to provide Human Resources and Finance with an executive business analysis and reporting tool.

During the year under review, the 1st iteration of the project has been completed and is now stable. The Locally Recruited Personnel unit within HR has been fully utilising the system and have already defined the required enhancements on the system. The Finance unit has also started utilising the system

(c) Business Process Management

The aim of the project is the automation of the business processes, providing optimised workflow with built-in business rules for Consular Services and Diplomatic Immunities and Privileges (DIAP).

For Consular Services, all process have been completed and tested. The Consular Management System (CMS) has been piloted in Washington and London, and included all the missions in those regions. Training on CMS for all relevant officials at the missions was successfully conducted.

The DIAP system is in progress with 12 of the 18 processes in production.

9. CORPORATE GOVERNANCE ARRANGEMENTS

The Department has progressed significantly in complying with the principles of good corporate governance during 2007/08 financial year. Concerted effort has been made in subscribing to the relevant provisions of the King 2 report and other related persuasive literature. Policies, practices and processes were further evaluated and developed and are in compliance with the principles enshrined in the Constitution and the Public Finance Management Act and to ensure that these policies, practices and processes are valid, fair, transparent, adequate, efficient and effective. Furthermore departmental policies, processes and practices are benchmarked against international best practices and comply with the principles of economy, efficiency and effectiveness.

(i) Policies, Processes and Procedures

The Public Finance Management Act (PFMA), Public Service Regulations and other related prescripts require the Accounting Officer of the Department to ensure that the Department has and maintains effective, efficient and transparent financial and risk management and internal control. The existence of a valid, approved set of policies, processes and procedures is one of the fundamental requirements for the existence of an adequate, effective system of internal controls. During the year under review, the Department has continued with the reviewing of existing policies, processes and procedures and compiling policies, processes and procedures where these were either inadequate or non-existent. Furthermore, the comprehensive review and redesigning of the Administrative Code of the Department has continued. Considerable progress has been made in this regard. Considering the magnitude of the task, this process will continue during the new financial year.

(ii) Enterprise-Wide Risk Management Approach

The Department of Foreign Affairs has adopted risk management as one of the management tools for the effective, efficient management of operations. The Department furthermore follows the risk-based approach to the systems of internal controls. During 2007/08 financial year, Enterprise-Wide Risk Management was introduced and a comprehensive Risk Management plan was approved.

Risk Assessments were conducted and the results of the risk assessments were used as a platform and foundation for identifying and responding to the business risks of the Department. Furthermore, detailed Operational Risk Profiles were developed for each unit in the Department to assist managers in managing business risks and to utilise risk management as an effective management tool. These risk profiles were accepted by both the Management and the Audit Committee of the Department. The Department has adopted Control Self Assessment as a management tool in the Enterprise-Wide Risk Management approach. During the financial year 2007/08, the following Enterprise-Wide Risk Management initiatives were identified and these initiatives will be developed and implemented in the next financial year (2008/09):

- Risk Management Policy
- Departmental Good Governance and Internal Control Framework
- Risk Assessment Guidelines and Procedures
- Risk Assessment Procedure Manual
- Updating of the Risk Management Strategy

(iii) Fraud Prevention

The Department's Fraud Prevention Policy and Strategy has been in existence for a number of years and was re-confirmed at the beginning of 2007/08 financial year. The Fraud Prevention Control Committee that was established to oversee the implementation of the requirements of the Policy and Strategy, met regularly, on a monthly basis, for the purposes of implementing the Policy and Strategy. The Fraud Prevention Policy and Strategy, and the Fraud Awareness Manual were made available to all employees of the department. Furthermore, a Fraud Awareness presentation was work-shopped to all officials stationed at the Head Office and the Fraud Hotline implemented by the Office of the Public Service Commission was vigorously communicated to all officials. Officials were encouraged to report alleged instances of fraud and corruption and were assured of the Government's and the Department's stance against fraud and corruption. The department will continue its efforts in promoting a corruption-free environment.

However, our employees stationed abroad are still not able to access the Fraud Hotline number and the matter was pursued with Office of the Public Service Commission. The Department is now exploring alternate options to address this matter.

A presentation on fraud awareness was prepared for the Department. This presentation is included in training programmes of the department and is also communicated to all departmental officials.

(iv) Audit Committee and Internal Audit

The Audit Committee and the Internal Audit Unit have been functional since 2002 and continue to play an important role in the corporate governance mechanism of the Department. The Unit was strengthened during the year with the appointment of new staff members, and further appointments will be made in the 2008/09 financial year that will further strengthen the Internal Audit Unit.

During the beginning of the 2007/08 financial year, Internal Audit developed its Three Year Strategic Rolling Plan for the period 2007 - 2010 and the Operational Plan for 2007/08 financial year, which was approved by the Audit Committee. The Unit has conducted a number of internal audits, performance audits and special investigations during the year and has offered the Department comprehensive recommendations for improvement, where relevant and necessary. The Unit was also involved in disciplinary cases initiated by the Department.

During the year under review, the Internal Audit Unit facilitated risk assessment sessions and workshops and the results have been accepted by both the Audit Committee and Departmental Management. The Departmental risk profile developed was used by different Branches and Business Units in developing their Business Plans for 2008/09 financial year.

The Audit Committee has received quarterly reports from Internal Audit Unit reporting Internal Audit's performance against its Operational Plan for the 2007/08 financial year, and this enabled the Audit Committee to continually monitor the performance of the Internal Audit Unit.

(v) Continuous Updating of Good Corporate Governance Principles and Management of Conflict of Interest

The Department has also implemented measures to ensure that management and departmental staff members are continuously updated on good corporate governance principles.

In pursuance thereof, Corporate Governance is included in the training offered to newly appointed Heads of Mission, candidates undertaking the Mission Administration Course and those candidates on the Diplomatic Training Course. Corporate Governance is also included as part of the Internal Audit matters as a standing item in the Departmental Management Committee meetings. Departmental Management Committee members are continuously updated on the latest developments of corporate governance.

The Department furthermore complies with the requirement that all senior managers disclose their financial interests to the Office of the Public Service Commission on an annual basis and has implemented mechanisms to manage any possible conflict between private and departmental interests of employees. In this regard all officials are required to disclose all conflicts, potential or otherwise, with regard to any activity that the employee may be involved in.

(vi) Investigations Management and Monitoring Committee

During the year under review, the Investigations Management and Monitoring Committee continued with its tasks of ensuring that all investigations conducted in the Department meet certain prescribed standards and to offer recommendations to the Department on the results of these investigations. This Committee contributes to good governance within the Department by ensuring that thorough investigations are conducted and that results of investigations are supported with adequate, relevant, reliable and competent evidence and that cases are finalised within timeframes, as well as to ensure that proper attention is accorded to all disciplinary cases.

(vii) Audit Steering Committee

An Audit Steering Committee comprising of representatives from each branch within the department has been established as part of the corporate governance mechanism. The role and functions of the Audit Steering Committee is to ensure that all audit recommendations, both external and internal, are accorded due attention by the Department and implemented. The Audit Steering Committee has met on a monthly basis during the year under review and has incorporated the Fraud Prevention Control Committee and the ICT Steering Committee.

(viii) Performance Information Quality Assurance Committee

The Department reports Performance Information in its annual report in accordance with the guidelines on performance information issued by the National Treasury. A committee has been established to review the performance information that is produced, to ensure the quality of the information reported and also that performance information reported complies with the National Treasury Performance Information Reporting Framework.

10. PERFORMANCE MANAGEMENT AND INFORMATION

The Department developed its strategic plan for the next MTEF period, which articulates the strategic priorities of the Department. The plan includes all statutory requirements as defined in chapter 5 of the PFMA and chapter 1, part III B of the Public Service Regulations (2001). As stated above, the

Department reports performance information in accordance with the Guidelines for Reporting of Performance Information issued by National Treasury.

(i) Performance management system

The performance management and development system is a management tool for the effective monitoring of individual performance to ensure that departmental goals are achieved in line with its strategic plan. The Department's performance management system is well integrated into the Strategic Planning process of the Department, and encourages a cascading effect of priorities and goals from the Departmental Strategic Objectives to Business unit level and down to the individual's performance agreement.

During the year under review, the Department ensured that Business Units have business plans and all employees have signed performance agreements and their activities are ultimately tied to the broader organisational goals. A committee was established to ensure alignment of Performance Agreements to Business Plans. However, the implementation of the PMDS still poses some challenges with particular reference to compliance and evaluation of business unit performance as against predetermined objectives.

With regard to Branch performance evaluations, a two-pronged approach was adopted, whereby for the period April to September individual branch reviews were conducted and for the period October to March a departmental review was conducted. Branches also conducted reviews of their performance on a quarterly basis. To ensure that Branches report against predetermined objectives as stated in the departmental Strategic Plan a template was designed for the submission of these reports. Furthermore, the designed template is in accordance with the requirements of National Treasury Performance Information Reporting Framework and will be utilised for the submission of quarterly reports in the next financial year. To strengthen the implementation of PMDS, Business Units and Missions were not allowed to utilise their budgets without the submission of Business Plans and Performance Agreements.

The Department has gone to some lengths in embedding the PMDS and rewards. Extensive training was provided for Moderation Committees and detailed guidelines were developed for the evaluation process. The recognition for employees was based on the performance appraisal outcomes as against the individual performance agreement as well as the performance of the Unit.

(ii) Systems of implementation and monitoring

The Minister, Deputy Ministers and Director-General monitor the implementation of policy and the Strategic Plan by heads of missions at South African diplomatic missions abroad and by senior officials of the Department. Branches of the Department and the programme managers at chief director level determine

regional priorities and objectives, which are aligned to the Department's Strategic Plan and priorities. Directorates and missions abroad implement business plans, which are country and region-specific. This level monitors implementation of performance through a system of quarterly reports to Head Office on progress, supported by weekly and regular interaction and reports on the substance of the set objectives. The monitoring of progress and performance is further enhanced by the following systems:

- Business unit business plans and quarterly reports;
- Mission business plans and quarterly reports;
- Six-monthly reviews of the operating environment and priorities;
- A performance management system at all levels; and
- A departmental in-house six-monthly/annual strategic review.

These systems are further integrated and co-ordinated by a process of departmental management committees to ensure a coherent and focused approach. As part of the Strategic monitoring process, as explained above, the branches have engaged in midterm as well as quarterly reviews to determine the extent to which goals were achieved and, mid-term budget reviews were also conducted with missions.

11. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The Department's project to acquire a suitable and sustainable working environment for its total Head Office staff complement has advanced steadily during the year under review.

The scope of the project encompasses:

- a) the provision of office accommodation for the full Head Office staff complement, together with appropriate staff wellness facilities necessary for the Department to fulfil its mandate;
- b) a training facility to replace the present FSI;
- c) a conference centre seating 400 delegates to accommodate the many local and international conferences hosted by South Africa through the Department;
- d) the upgrading of the existing diplomatic guest house; and
- e) construction of a new guest house on the selected site.

A detailed feasibility study was concluded during 2004 and submitted to the National Treasury for approval. This feasibility study identified a suitable site for the project, determined the project to be in the best interest of the organisation and defined the scope of the project. The feasibility study furthermore proved the project to be affordable and viable to be implemented via a Public Private Partnership. Treasury Approval 1 in respect of the feasibility study was received in November 2004, which approval paved the way for the commencement of the procurement process.

The procurement process aimed to select a Private Party with whom the Department will enter into a long-term (approximately 25 year) concession agreement to finance, design, construct, operate and maintain the Head Office facility. Following a Request for Qualification (RQF) process and Request for Proposals (RFP) phases, the Department identified two consortia for final consideration. Following a Best and Final Offer (BAFO) process the Department selected its Preferred and Reserved Bidder.

During the year under review, the Department engaged with and negotiated the project documentation with the Preferred Bidder. Draft agreements were submitted to Treasury for review and guidance was received on certain commercial positions. It is anticipated that final documents will be submitted to National Treasury early during the next financial year.

As a parallel process and in order to fix the construction cost in a buoyant construction industry, the Department entered into an Early Works Agreement to commence with the construction of the facility. As at the end of the financial year all bulk excavations have been completed, the basement has been constructed and the super structure is being completed. Approximately 1 700 construction workers are active on the site, seven power cranes have been erected to facilitate the movement of materials on site and 23 professional teams guide the construction process. It is anticipated that construction will be completed during March 2009.

12. MISSION FINANCIAL SYSTEM

The Department continued with the development of a financial system for the missions that would enable the Department to meet its reporting obligations as required by the PFMA. The Department implemented DIGICA as an interim measure whilst the permanent solution, was being developed. Development of the Mission Accounting System has been completed and pilot testing as well as the roll-out of the software will take place during the new financial year.

13. RECEIVABLES

The bulk of the amounts owing by other departments relate to foreign allowances and accommodation expenses in respect of employees of partner departments. In this regard, the Department incurs the expenditure on a recoverable basis. However, due to the lack of online financial systems, the Department experiences difficulties in forwarding claims to partner departments on a monthly basis. This situation severely impacts on the cash flow management of the Department. The Department has continued to implement processes aimed at improving the situation, including requesting departments to pay their accounts in advance and the negotiating of Memoranda of Understanding with partner departments.

During the year under review, the Department continued with its efforts in managing the partner departments' accounts. The partner departments closed with the balance of R254 million in the 2006/07 financial year of which R186 million has been recovered representing a 73,23% recovery on the opening balance for 2007/08. Included in the balance of R68 million, is an amount of R31 million that was already recommended for write-off during the 2006/07 financial year.

Analysis	Amount
Amount recommended for write-off	R31m
Amount still to be recovered	R37m
Total	R68m

The R37 million that is still to be recovered includes an amount of R25 million owed by four departments. Discussions are currently underway with the respective departments to recover the amounts owed.

The 2007/08 analysis of the partner departments and institutions debts are as follows:

Debt category	Claims	Recoveries	% Recoveries	Balance owed
Partner departments	423m	-331m	78.25%	92m
Institutions	194m	-102m	52.85%	92m
Total	617m	-433m	70.18%	184m

The Department has processed claims to the value of R616 597 million and collected an amount of R432 891 million, which represents 70,18 % recovery of the claims issued. However, it is important to report that claims to the value of R51 million (February and March 2007) were not submitted to the departments; therefore these claims should be treated as claims in transit.

14. MANAGEMENT OF FIXED ASSETS

A phased approach to asset management has been progressing since the enactment of the PFMA. National Treasury has been providing guidance in this regard in terms of minimum information required for the asset register.

During the year under review, the Department continued to improve its processes in relation to Asset Management. The Department developed an Asset Management Strategy and also developed an Asset Management Policy. Asset management is currently the focus area of two units in the Department. The Chief Directorate: Property and Facilities Management is responsible for the Department's property portfolio. The Chief Directorate: Supply Chain Management comprises of two Directorates and manages all aspects relating to the sourcing, provisioning, management and safekeeping of goods and services.

The Department embarked on a special project with regard to the enhancement of the asset register. This project included finalising the asset management policy and procedures, verifying assets and updating the asset register, and valuing assets that have high value or assets that either retain or increase in value. A phased approach has been adopted for the valuation of assets and will continue during the next three years.

The Asset Management Strategy for the period 2008/09 to 2010/11 has been developed. The strategy deals in the main with acquisitions and disposals, maintenance of properties and the valuing of high value assets.

The development of an intranet-based webpage to give missions the capability in future to remotely capture their assets on the asset management system was initiated. Once the functionality has

been tested and response times deemed to be acceptable, the webpage will be made available to end users after end users have been given the required training.

To further enhance the quality of the data contained in the asset register the Department is considering purchasing the Hardcat Procurement and Stock Modules. These modules will enable the Department to identify at a very early stage in the procurement cycle whether an item considered for purchase should be classified as a major or minor asset. The asset, when purchased, will also be electronically passed from the procurement system to the asset management system that will reduce lead time to capture the asset into the asset register and also minimise the probability of errors occurring.

15. PROGRESS WITH FINANCIAL MANAGEMENT IMPROVEMENTS

During the year under review, the department identified the following critical issues as part of its strategy in improving financial management.

(i) Effective management of debtors

Several interventions have been introduced to improve the management of departmental debts. These are:

- Reviewing of the process of paying on behalf of partner departments and institutions for delegations visiting abroad;
- Performing monthly reconciliations, monitoring of the accounts and analysing debts in order to determine the risk of bad debts occurring;
- Regularly despatching monthly statements to all debtors;
- Vigorous collection of debts; and
- Finalisation of Memoranda of Understanding (MOUs) with partner departments.

(ii) Develop and implement policies and standard operating procedures

As part of the ongoing efforts of improving the internal control culture in the department, a crucial element of financial management, a number of policies and procedures were

developed and some are being prepared for final approval.

(iii) Resource Management

During the year under review the Department continued with the budget review sessions with all Missions and Head Office as a mechanism of ensuring that all missions operate within their allocated budget and that sound financial management principles required in terms of the PFMA are being complied with.

16. CONTINGENCY LIABILITIES

(i) Housing and motor finance guarantees

This relates to the financial guarantees made to commercial banks in respect of employees when they purchase a dwelling or a vehicle in terms of the housing policy or motor finance scheme. In the event that an employee fails to meet his/her obligations to the bank, the Department either deduct the guarantee amount in instalments from that employee's salary or in full against his/her pension. In addition, should the employee resign from the service, the Department notifies the bank concerned and terminates the guarantee.

(ii) Financial guarantees

The Department of Water Affairs and the Lesotho Highlands Development Authority, through the Departments of Foreign Affairs of the respective countries, entered into a water treaty agreement in terms of which the Lesotho Highlands Development Authority was to supply water to South Africa.

In order for the Lesotho Highlands Development Authority to meet this challenge, it had to improve its infrastructure. The Lesotho Highlands Development Authority then applied for a loan from the Development Bank of South Africa. As part of the agreement, the Department stood surety for the loan. It is important to report that all the repayments have been kept up to date.

17. SCOPA RESOLUTIONS

The table on the next page summarises the Standing Committee on Public Accounts (SCOPA) resolutions under implementation:

Reference to previous audit report and SCOPA resolutions	Subject	Findings in progress
(3) Resolution – audit report 2002/03 The Committee recommends that: <ul style="list-style-type: none"> Parliament approves the over-expenditure of R6 879 000.00 relating to the 2002/03 financial year Control measures are put into place to prevent unauthorised expenditure from re-occurring. 	Unauthorised expenditure for travelling and related protocol services	This resolution reached the Department during February 2008 and is under implementation.

Apart from the above-mentioned, there have been no other SCOPA resolutions.

17. EVENTS AFTER REPORTING DATE

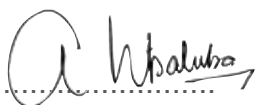
At the time of reporting, no material events affecting the operations of the Department occurred.

Approval

The financial position of the Department as at 31 March 2008 and the results of its operations are set out in the attached financial statements:

- Appropriation statement
- Notes to the appropriation statement
- Statement of Financial Performance
- Statement of Financial Position
- Statement of changes in Net Assets
- Cash flow statement
- Notes to the Annual Financial Statements
- Disclosure Notes to the Annual Financial Statements
- ANNEXURES:
 - Ø Annexure 1F : Statement of Unconditional Grants and Transfers to Municipalities
 - Ø Annexure 1G : Statement of Transfers to Departmental Agencies and Accounts
 - Ø Annexure 1I : Statement of Transfers to Public Corporations and Private Enterprises
 - Ø Annexure 1J : Statement of Transfers to Foreign Govt. and Inter. Organisations
 - Ø Annexure 1L : Statement of Transfers/Subsidies to Households
 - Ø Annexure 1M : Statement of Gifts, Donations and Sponsorships Received
 - Ø Annexure 1O : Statement of Gifts, Donations and Sponsorships Made
 - Ø Annexure 3A : Statement of Financial Guarantees Issued
 - Ø Annexure 3B : Statement of Contingent Liabilities
 - Ø Annexure 4 : Inter-Governmental Receivables
 - Ø Annexure 5 : Inter-Departmental Payables – Current

The Accounting Officer has approved the above-mentioned financial statements.



DR A NTSALUBA

Director-General: Department of Foreign Affairs

Date: 31 July 2008



AUDITOR - GENERAL

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ANNUAL FINANCIAL STATEMENTS OF THE DEPARTMENT OF FOREIGN AFFAIRS – VOTE 3 FOR THE YEAR ENDED 31 MARCH 2008

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department of Foreign Affairs which comprise the appropriation statement, statement of financial position as at 31 March 2008, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 19 to 88.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in the accounting policy note 1.1 to the annual financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) section of applicable legislation, my responsibility is to express an opinion on these financial statements based on my audit.
4. The audit was conducted in accordance with the International Standards on Auditing read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Those standards require that I comply with ethical requirements and plan and perform the

audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.
6. An audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in the accounting policy note 1.1 to the annual financial statements.

Opinion

8. In my opinion the financial statements present fairly, in all material respects, the financial position of the Department of Foreign Affairs as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in the accounting policy note 1.1 to the annual financial statements and in the manner required by the PFMA.

OTHER MATTER

Without qualifying my opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

Matters of governance

9. The PFMA tasks the accounting officer with a number of responsibilities concerning financial risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
• The department had an audit committee in operation throughout the financial year.	Yes	
• The audit committee operates in accordance with approved, written terms of reference.	Yes	
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10/27.1.8	Yes	
Internal audit		
• The department had an internal audit function in operation throughout the financial year.	Yes	
• The internal audit function operates in terms of an approved internal audit plan.	Yes	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2/27.2.	Yes	
Other matters of governance		
The annual financial statements were submitted for audit as per the legislated deadlines section 40 of the PFMA for departments and constitutional institutions.	Yes	
The financial statements submitted for audit were not subject to any material amendments resulting from the audit.	Yes	
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	Yes	
The prior year's external audit recommendations have been substantially implemented.	Yes	
SCOPA resolutions have been substantially implemented.	Yes	

OTHER REPORTING RESPONSIBILITIES

REPORTING ON PERFORMANCE INFORMATION

10. I have audited the performance information as set out on pages 36 to 124.

Responsibilities of the accounting officer for the performance information

11. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

Responsibility of the Auditor-General

12. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2007.

13. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgment.

14. I believe that the evidence I have obtained is sufficient and appropriate to report that no findings have been identified as a result of my audit.

APPRECIATION

15. The assistance rendered by the staff of the Department of Foreign Affairs during the audit is sincerely appreciated.

Auditor-General

Pretoria

Date: 31 July 2008



AUDITOR - GENERAL

ACCOUNTING POLICY

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1 Presentation of the Financial Statements

1.1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

1.3 Rounding

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

1.4 Comparative figures

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.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the appropriation statement.

2 Revenue

2.1 Appropriated funds

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

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Statutory Appropriation

Statutory appropriations are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the statutory appropriations made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total statutory appropriations are presented in the statement of financial performance.

Unexpended statutory appropriations are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.3 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the Department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the Department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

Interest, dividends and rent on land
Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

Sale of capital assets
The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

Financial transactions in assets and liabilities
Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

Transfers received (including gifts, donations and sponsorships)
All cash gifts, donations and sponsorships are paid into the National/Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements. All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

2.4 Direct Exchequer receipts

All direct exchequer fund receipts are recognised in the Statement of Financial Performance when the cash is received.

2.5 Local and foreign aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the Department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

2.6 CARA Fund assistance

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the statement of financial performance.

Any unspent CARA funds are transferred to Retained Funds as these funds do not need to be surrendered to the National Revenue Fund.

3 Expenditure

3.2 Compensation of employees

3.2.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the Statement of Financial Performance¹.

All other payments are classified as current expense.

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.2.2 Post-retirement benefits

The Department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

The Department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.3.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.3.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.5 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5 000 or more is purchased. All assets costing less than R5 000 will also be reflected under goods and services.

3.6 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.7 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

Forex losses are recognised on payment of funds.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.8 Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the

expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

3.9 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.10 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority, it is treated as an asset until it is recovered or written off as irrecoverable.

3.11 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.12 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4 Assets

4.1 Cash and cash equivalents

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

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.

4.2 Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Receivables outstanding at year-end are carried in the statement of financial position at cost.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance when the cash is received.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position at the nominal amount when cash is paid to the beneficiary. Loan lances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the statement of financial position at cost.

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.8 Capital assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the capital asset should be stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Projects (of construction/development) running over more than one financial year relating to assets, are only capitalised as assets on completion of the project and at the total cost incurred over the duration of the project.

Disclosure Notes 37 and 38 reflect the total movement in the asset register for the current financial year.

5 Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position at cost.

5.3 Bank overdraft

The bank overdraft is carried in the statement of position at cost.

5.4 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.5 Contingent liabilities

Contingent liabilities are included in the disclosure notes.

5.6 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.7 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.8 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.9 Lease commitments

Lease commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures and disclosure notes to the financial statements.

6 Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7 Net Assets

7.1 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 transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

7.2 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.

8 Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9 Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10 Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

APPROPRIATION PER PROGRAMME

	2007/08						2006/07		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	4 90,449	-	27,186	517,635	522,674	(5,039)	101.0%	364,542	359,002
Transfers and subsidies	8,701	-	-	8,701	8,345	356	95.9%	7,153	7,079
Payment for capital assets	691,531	-	(15,198)	676,333	650,291	26,042	96.1%	276,955	171,020
2. Foreign Relations									
Current payment	2,066,419	-	(16,098)	2,050,321	2,048,542	1,779	99.9%	1,735,099	1,825,466
Transfers and subsidies	9,896	-	7,253	17,149	17,089	60	99.7%	10,672	18,241
Payment for capital assets	67,096	-	(5,050)	62,046	57,189	4,857	92.2%	52,994	43,303
3. Public Diplomacy and Protocol Matters									
Current payment	118,284	-	(14,777)	103,507	103,507	-	100%	95,348	94,221
Transfers and subsidies	20,974	-	(3,564)	17,410	17,375	35	99.8%	23,113	23,113
Payment for capital assets	456	-	20,248	20,704	20,665	39	99.8%	2,743	1,084
4. International Transfers									
Current Payment	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies	645,257	-	-	645,257	624,056	21,201	96.7%	473,530	402,150
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
Subtotal	4,119,063	-	-	4,119,063	4,069,733	49,330	98.8%	3,042,149	2,944,679
Statutory Appropriation									
Current payment	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	4,119,063	-	-	4,119,063	4,069,733	49,330	98.8%	3,042,149	2,944,679

APPROPRIATION PER PROGRAMME

	2007/08				2006/07		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
Reconciliation with Statement of Financial Performance							
Add:							
Prior year unauthorised expenditure approved with funding				-		-	
Departmental revenue				65,056		46,282	
Direct exchequer receipts				-		-	
CARA Fund assistance				-		-	
Local and foreign aid assistance received				-		-	
						-	
Actual amounts per Statements of Financial Performance (Total revenue)				4,184,119		3,088,431	
Add:							
Local and foreign aid assistance					-		-
Direct exchequer payments					-		-
CARA Fund assistance					-		-
Prior year unauthorised expenditure approved					-		12,256
Prior year fruitless and wasteful expenditure approved					-		-
Actual amounts per Statements of Financial Performance (Total Expenditure)					4,069,733		2,956,935

Appropriation per economic classification

	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1,312,837	(197)	(19,481)	1,293,159	1,293,159	-	100.0%	1,140,212	1,136,451
Goods and services	1,362,315	(292)	15,791	1,377,814	1,381,303	(3,489)	100.3%	1,054,594	1,142,119
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	489	1	490	261	229	53.3%	183	119
Transfers and subsidies									
Provinces and municipalities	20,000	5,539	(2,282)	23,257	23,257	-	100.0%	20,649	20,649
Departmental agencies and accounts	300,000	-	-	300,000	300,000	-	100.0%	150,000	150,000
Universities and technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments and international organisations	349,476	(5,539)	1,322	345,259	324,056	21,203	93.9%	323,604	252,150
Public corporations and private enterprises	13,327	-	427	13,754	13,398	356	97.4%	10,588	10,588
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
Households	2,025	-	4,222	6,247	6,154	93	98.5%	9,627	17,196
Payments for capital assets									
Buildings and other fixed structures	670,992	32	(255)	670,769	649,878	20,891	96.9%	217,532	119,398
Machinery and equipment	88,091	(32)	(17,070)	70,989	61,149	9,840	86.1%	111,172	92,573
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software and other intangible assets	-	-	1,054	1,054	847	207	80.4%	3,988	3,436
Land and subsoil assets	-	-	16,271	16,271	16,271	-	100.0%	-	-
Total	4,119,063	-	-	4,119,063	4,069,733	49,330	98.8%	3,042,149	2,944,679

Statutory Appropriation

	2007/08							2006/07		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Direct charge against National Revenue Fund	-	-	-	-	-	-	0.0%	-	-	
List all direct charges against the Revenue Fund	-	-	-	-	-	-	0.0%	-	-	
President and Deputy President salaries	-	-	-	-	-	-	0.0%	-	-	
Member of executive committee / parliamentary officers	-	-	-	-	-	-	0.0%	-	-	
Judges salaries	-	-	-	-	-	-	0.0%	-	-	
Sector education and training authorities SETA	-	-	-	-	-	-	0.0%	-	-	
National Skills Fund	-	-	-	-	-	-	0.0%	-	-	
Total	-	-	-	-	-	-	0.0%	-	-	

APPROPRIATION STATEMENT

Programme per subprogramme	2007/08					2006/07				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
1. 1 Minister										
Current payment	908	-	-	908	908	-	100.0%	885	885	
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-	
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-	
1.2 Deputy Minister										
Current payment	1,476	-	-	1,476	1,476	-	100.0%	1,438	1,438	
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-	
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-	
1.3 Management										
Current payment	72,810	(10,933)	-	61,877	61,877	-	100.0%	51,880	46,340	
Transfers and subsidies	1,051	(1,041)	-	10	10	-	100.0%	41	41	
Payment for capital assets	1,539	-	-	1,539	211	1,328	13.7%	1,317	241	
2.2 Corporate Services										
Current Payment	285,389	(21,682)	27,186	290,893	295,932	(5,039)	101.7%	178,456	178,456	
Transfers and subsidies	2,850	(1,328)	-	1,522	1,166	356	76.6%	744	670	
Payment for capital assets	689,207	-	(15,198)	674,009	650,059	23,950	96.4%	275,153	170,685	
2.3 Human Capital Management										
Current Payment	129,866	32,615	-	162,481	162,481	-	100.0%	131,883	131,883	
Transfers and subsidies	4,800	2,369	-	7,169	7,169	-	100.0%	6,368	6,368	
Payment for capital assets	785	-	-	785	21	764	2.7%	485	94	
Total	1,190,681	-	11,988	1,202,669	1,181,310	21,359	98.2%	648,650	537,101	

APPROPRIATION STATEMENT

Programme 1	2007/08							2006/07			
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Current payment											
Compensation of employees	188,808	(65)	(20,262)	168,481	168,481	-	100.0%	143,873	140,965		
Goods and services	301,641	65	47,447	349,153	354,421	(5,268)	101.5%	220,654	218,086		
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-		
Financial transactions in assets and liabilities	-	-	1	1	(228)	229	-22800.0%	15	(49)		
Transfers and subsidies to:											
Provinces and municipalities	-	50		50	50	-	100.0%	97	97		
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	-	-		
Universities and technikons	-	-	-	-	-	-	0.0%	-	-		
Foreign governments and international organisations	50	(50)	-	-	-	-	0.0%	74			
Public corporations and private enterprises	7,600	-	-	7,600	7,245	355	95.3%	5,585	5,585		
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-		
Households	1,051	-	-	1,051	1,050	1	99.9%	1,397	1,397		
Payment for capital assets											
Buildings and other fixed structures	670,992	-	(20,503)	650,489	629,598	20,891	96.8%	216,294	118,160		
Machinery and equipment	20,539	-	(11,664)	8,875	3,725	5,150	42%	57,258	49,457		
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-		
Software and other intangible assets	-	-	698	698	697	1	99.9%	3,403	3,403		
Land and subsoil assets	-	-	16,271	16,271	16,271	-	100.0%	-	-		
Total	1,190,681	-	11,988	1,202,669	1,181,310	21,359	98.2%	648,650	537,101		

APPROPRIATION STATEMENT

Programme 2	2007/08										2006/07	
	Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000		R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
2.1 Africa Bilateral												
Current payment	484,364	9,424	-	493,788	493,788	-	100.0%	416,849	416,849			
Transfers and subsidies	-	(910)	4,810	3,900	3,900	-	100.0%	3,218	10,787			
Payment for capital assets	28,986	(2956)	-	26,030	23,713	2,317	91.1%	22,931	19,747			
2.2 Africa Multilateral												
Current payment	161,976	(10,915)	(17,291)	133,770	133,770	-	100.0%	120,358	124,751			
Transfers and subsidies	-	44	1,348	1,392	1,392	-	100.0%	3,055	3,055			
Payment for capital assets	1,895	-	-	1,895	610	1,285	32.2%	3,282	2,521			
2.3 Americas												
Current payment	277,020	137	1,193	278,350	276,571	1,779	99.4%	256,705	256,705			
Transfers and subsidies	-	866	2,587	3,453	3,453	-	100.0%	780	780			
Payment for capital assets	7,085	-	-	7,085	5,830	1,255	82.3%	7,693	3,455			
2.4 Europe												
Current payment	563,307	8,072	-	571,379	571,379	-	100.0%	470,080	505,546			
Transfers and subsidies	1,796	-	2,233	4,029	3,969	60	98.5%	4,997	4,997			
Payment for capital assets	10,978	277	-	11,255	11,255	-	100.0%	9,670	8,824			
2.5 Asia and Middle												
Current payment	434,730	(10,940)	-	423,790	423,790	-	100.0%	357,613	408,121			
Transfers and subsidies	7,680	-	(3,725)	3,955	3,955	-	100.0%	(1,508)	(1,508)			
Payment for capital assets	15,752	1,560	(5,050)	12,262	12,262	-	100.0%	8,215	7,553			

APPROPRIATION STATEMENT

Programme 2	2007/08							2006/07		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Programme per subprogramme	R'000	R'000		R'000	R'000	R'000	%	R'000	R'000	
2.6 Multilateral										
Current payment	145,022	4,222	-	149,244	149,244	-	100.0%	113,494	113,494	
Transfers and subsidies	420	-	-	420	420	-	100.0%	130	130	
Payment for capital assets	2,400	1,119	-	3,519	3,519	-	100.0%	1,203	1,203	
TOTAL	2,143,411	-	(13,895)	2,129,516	2,122,820	6,696	99.7%	1,798,765	1,887,010	

APPROPRIATION STATEMENT

Programme 2	2007/08										2006/07		
	Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Current													
Compensation of employees	1,062,472	(132)	10,908	1,073,248	1,073,248	1,073,248	-	100.0%	948,565	948,565		948,565	
Goods and services	1,003,947	(357)	(27,006)	976,584	974,805	974,805	1,779	99.8%	786,366	876,733		876,733	
Interest and rent on land	-	-	-	-	-	-	-	0.0%	-	-		-	
Financial transactions in assets and liabilities	-	489	-	489	489	489	-	100.0%	168	168		168	
Transfers & subsidies													
Provinces & municipalities	-	5,489	1,282	6,771	6,771	6,771	-	100.0%	107	107		107	
Dept agencies & accounts	-	-	-	-	-	-	-	0.0%	-	-		-	
Universities & Technikons	-	-	-	-	-	-	-	0.0%	-	-		-	
Foreign governments & international organisations	4,169	(5,489)	1,322	2	2	-	2	0.0%	-	-		-	
Public corporations & private enterprises	5,727	-	427	6,154	6,153	6,153	1	100.0%	5,003	5,003		5,003	
Non-profit institutions	-	-	-	-	-	-	-	0.0%	-	-		-	
Households	-	-	4,222	4,222	4,165	4,165	57	98.6%	5,562	13,131		13,131	
Gifts and donations	-	-	-	-	-	-	-	0.0%	-	-		-	
Capital													
Buildings & other fixed structures	-	32	-	32	32	32	-	100.0%	1,238	1,238		1,238	
Machinery & equipment	67,096	(32)	(5,406)	61,658	57,007	57,007	4,651	92.5%	51,197	42,032		42,032	
Biological or cultivated assets	-	-	-	-	-	-	-	0.0%	-	-		-	
Software & other intangible assets	-	-	356	356	150	150	206	42.1%	559	33		33	
Land & subsoil assets	-	-	-	-	-	-	-	0.0%	-	-		-	
TOTAL	2,143,411	-	(13,895)	2,129,516	2,122,820	2,122,820	6,696	99.7%	1,798,765	1,887,010		1,887,010	

APPROPRIATION STATEMENT

Programme 3	2007/08										2006/07								
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Programme per subprogramme	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
3.1 Protocol Matters																			
Current Payment	92,654	1,004	(13,584)	80,074	80,074	-	100.0%	70,030	68,903										
Transfers and subsidies	20,969	-	(3,564)	17,405	17,375	30	99.8%	23,028	23,028										
Payment for capital assets	1	334	20,248	20,583	20,583	-	100.0%	716	716										
3.2 Public Diplomacy																			
Current Payment	25,630	(1,004)	(1,193)	23,433	23,433	-	100.0%	25,317	25,317										
Transfers and subsidies	5	-	-	5	-	5	0.0%	85	85										
Payment for capital assets	455	(334)	-	121	82	39	67.8%	2,027	368										
3.3 Presidential Inauguration																			
Current Payment	-	-	-	-	-	-	0.0%	1	1										
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-										
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-										
TOTAL	139,714	-	1,907	141,621	141,547	74	99.9%	121,204	118,418										

APPROPRIATION STATEMENT

Programme 3		2007/08						2006/07			
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		R'000
Current											
Compensation of employees	61,557	-	(10,127)	51,430	51,430	-	100.0%	47,774	46,921		47,300
Goods and services	56,727	-	(4,650)	52,077	52,077	-	100.0%	47,574	47,300		-
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-		-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-		-
Transfers & subsidies											
Provinces & municipalities	20,000	-	(3,564)	16,436	16,436	-	100.0%	20,445	20,445		-
Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-		-
Universities & Technikons	-	-	-	-	-	-	0.0%	-	-		-
Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-		-
Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-		-
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-		-
Households	974	-	-	974	939	35	96.4%	2,668	2,668		-
Capital											
Buildings & other fixed structures	-	-	20,248	20,248	20,248	-	100.0%	-	-		-
Machinery & equipment	456	-	-	456	417	39	91.4%	2,717	1,084		-
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-		-
Software & other intangible assets	-	-	-	-	-	-	0.0%	26	-		-
Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-		-
TOTAL	139,714	-	1,907	141,621	141,547	74	99.9%	121,204	118,418		-

APPROPRIATION STATEMENT

Programme 4	2007/08							2006/07		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Programme per subprogramme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
4.1 Current Payment	-	-	-	-	-	-	0.0%	-	-	
Transfers and subsidies	645,257			645,257	624,056	21,201	96.7%	473,530	402,150	
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-	
TOTAL	645,257	-	-	645,257	624,056	21,201	96.7%	473,530	402,150	

APPROPRIATION STATEMENT

Programme 4	2007/08		2006/07						
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	-	-	-	-	-	-	0.0%	-	-
Goods and services	-	-	-	-	-	-	0.0%	-	-
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	-	-	-	-	-	-	0.0%	-	-
Dept agencies & accounts	300,000	-	-	300,000	300,000	-	100.0%	150,000	150,000
Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments & international organisations	345,257	-	-	345,257	324,056	21,201	93.9%	323,530	252,150
Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
Households	-	-	-	-	-	-	0.0%	-	-
Capital									
Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
Machinery & equipment	-	-	-	-	-	-	0.0%	-	-
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
TOTAL	645,257	-	-	645,257	624,056	21,201	96.7%	473,530	402,150

Notes to the Appropriation Statement

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):
Detail of these transactions can be viewed in note 9 (Transfers and subsidies) and Annexure 1 (A-K) to the Annual Financial Statements.
2. Detail of specifically and exclusively appropriated amounts voted (after Virement):
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
3. Detail on financial transactions in assets and liabilities
Detail of these transactions per programme can be viewed in note 8 (Financial transactions in assets and liabilities) to the Annual Financial Statements.
4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Programme 1 Administration	1,202,669	1,181,310	21,359	1.78%
Three capital projects were not completed because of unforeseeable circumstances. Refer to paragraph 1.4(a) of the accounting officer's report.				
Programme 2 Foreign Administration	2,129,516	2,122,820	6,696	0.31%
Programme 3 Public Diplomacy and Protocol	141,621	141,547	74	0.05%
An amount of R5, 539 million in respect of foreign rates and taxes was budgeted under this programme, but was expensed from programme 2.				
Programme 4 International Transfers	645,257	624,056	21,201	3.29%
The 21 million savings constitute the voluntary contribution to Africa Union projects which are largely discretionary payments. This amount should have been budgeted under goods and services and not under international transfers.				

Notes to the Appropriation Statement

4.2 Per Economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current expenditure:				
Compensation of employees	1,293,159	1,293,159	-	0%
Goods and services	1,377,814	1,381,303	(3,489)	0%
Interest and rent on land	-	-	-	0%
Financial transactions in assets and liabilities	490	261	229	47%
Unauthorised expenditure approved	-	-	-	0%
Transfers and subsidies:				
Provinces and municipalities	23,257	23,257	-	0%
Departmental agencies and accounts	300,000	300,000	-	0%
Universities and Technikons	-	-	-	0%
Public corporations and private enterprises	13,754	13,398	356	3%
Foreign governments and international organisations	345,259	324,056	21,203	6%
Non-profit institutions	-	-	-	0%
Households	6,247	6,154	93	1%
Payments for capital assets:				
Buildings and other fixed structures	670,769	649,878	20,891	3%
Machinery and equipment	70,989	61,149	9,840	14%
Heritage assets	-	-	-	0%
Biological or cultivated assets	-	-	-	0%
Software and other intangible assets	1,054	847	207	20%
Land and subsoil assets	16,271	16,271	-	0%

Statement of Financial Performance for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
REVENUE			
Annual appropriation	1	4,119,063	3,042,149
Statutory appropriation	2	-	-
Appropriation for unauthorised expenditure approved	11	-	-
Departmental revenue	3	65,056	46,282
Direct Exchequer receipts	3A	-	-
CARA Fund assistance	4A	-	-
Local and foreign aid assistance	4	-	-
TOTAL REVENUE		4,184,119	3,088,431
EXPENDITURE			
Current expenditure			
Compensation of employees	5	1,293,159	1,136,451
Goods and services	6	1,381,303	1,142,119
Interest and rent on land	7	-	-
Financial transactions in assets and liabilities	8	261	119
CARA Fund assistance	4A	-	-
Local and foreign aid assistance	4	-	-
Unauthorised expenditure approved	11	-	12,256
Total current expenditure		2,674,723	2,290,945
Transfers and subsidies	9	666,865	450,583
Expenditure for capital assets			
Buildings and other fixed structures	10	649,878	119,398
Machinery and equipment	10	61,149	92,573
Biological or cultivated assets	10	-	-
Software and other intangible assets	10	847	3,436
Land and subsoil assets	10	16,271	-
CARA Fund assistance	4A	-	-
Local and foreign aid assistance	4	-	-
Unauthorised expenditure approved	11	-	-
Total expenditure for capital assets		728,145	215,407

Statement of Financial Performance for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
TOTAL EXPENDITURE		<u>4,069,733</u>	<u>2,956,935</u>
SURPLUS/(DEFICIT)		114,386	131,496
Add back unauthorised expenditure	11	-	97,936
Add back fruitless and wasteful expenditure	12		
SURPLUS/(DEFICIT) FOR THE YEAR		<u>114,386</u>	<u>229,432</u>
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	19	49,330	183,150
Departmental Revenue	20	65,056	46,282
Direct Exchequer receipts	20A	-	-
Local and foreign aid assistance	4	-	-
CARA Fund assistance	4A	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		<u>114,386</u>	<u>229,432</u>

Statement of Financial Position for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
ASSETS			
Current assets		559,131	498,850
Unauthorised expenditure	11	104,816	104,816
Fruitless and wasteful expenditure	12	-	-
Cash and cash equivalents	13	146,455	87,323
Other financial assets	14	-	-
Prepayments and advances	15	3,280	4,666
Receivables	16	304,580	302,045
Investments	17	-	-
Loans	18	-	-
Local and foreign aid assistance receivable	4	-	-
Non-current assets		45,604	47,251
Investments	17	-	-
Loans	18	45,604	47,251
Other financial assets	14	-	-
TOTAL ASSETS		604,735	546,101
LIABILITIES			
Current liabilities		559,131	498,850
Voted funds to be surrendered to the Revenue Fund	19	232,480	183,150
Departmental revenue to be surrendered to the Revenue Fund	20	54,386	34,284
Direct Exchequer receipts to be surrendered to the Revenue Fund	20A	-	-
Bank overdraft	21	-	-
Payables	22	272,265	281,416
Local and foreign aid assistance repayable	4	-	-
Local and foreign aid assistance unutilised	4	-	-
Non-current liabilities			
Payables	23	-	-
TOTAL LIABILITIES		559,131	498,850
NET ASSETS		45,604	47,251
Represented by:			
Capitalisation reserve		45,604	47,251
Recoverable revenue (Staff and other debts recovered)		-	-
Retained funds (Legislatures/Parliament/CARA Fund assistance)		-	-
Revaluation reserves (Housing dept)		-	-
TOTAL		45,604	47,251

Statement of Changes in Net Assets for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Capitalisation Reserves			
Opening balance		47,251	38,215
Transfers:		-	9,036
Movement in Equity		(1,647)	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		<u>45,604</u>	<u>47,251</u>
Recoverable revenue			
Opening balance		-	-
Transfers:		-	-
Irrecoverable amounts written off	8.6	-	-
Debts revised	16.5	-	-
Debts recovered (included in departmental revenue)		-	-
Debts raised		-	-
Closing balance		<u>-</u>	<u>-</u>
Retained funds			
Opening balance		-	-
Transfer from Statement of Financial Performance		-	-
CARA Fund assistance	4A	-	-
Utilised during the year		-	-
Other		-	-
Closing balance		<u>-</u>	<u>-</u>
Revaluation Reserve			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		<u>-</u>	<u>-</u>
TOTAL		<u><u>45,604</u></u>	<u><u>47,251</u></u>

Cash Flow Statement for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4,179,161	3,087,263
Annual appropriated funds received	1.1	4,119,063	3,042,149
Statutory appropriated funds received		-	-
Appropriation for unauthorised expenditure received	11	-	-
Departmental revenue received	3	60,098	45,114
Direct Exchequer receipts	3A	-	-
CARA Fund assistance received	4A	-	-
Local and foreign aid assistance received	4	-	-
Net (increase)/decrease in working capital		(10,300)	(21,824)
Surrendered to Revenue Fund		(44,954)	(216,319)
Current payments		(2,674,723)	(2,278,689)
Unauthorised expenditure – current payment	11	-	85,680
Transfers and subsidies paid		(666,865)	(450,583)
Net cash flow available from operating activities	24	<u>782,319</u>	<u>205,528</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(728,145)	(215,407)
Payments for investments		-	-
Proceeds from sale of capital assets	3	4,958	1,168
Proceeds from sale of investments	3	-	-
Proceeds from sale of other financial assets		-	-
(Increase)/decrease in loans		1,647	(9,036)
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		<u>(721,540)</u>	<u>(223,275)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		(1,647)	9,036
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		<u>(1,647)</u>	<u>9,036</u>
Net increase/(decrease) in cash and cash equivalents		59,132	(8,711)
Cash and cash equivalents at the beginning of the period		87,323	96,034
Cash and cash equivalents at end of period	25	<u>146,455</u>	<u>87,323</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

1. Annual Appropriation

1.1 Annual Appropriation

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

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2006/07
Programmes	R'000	R'000	R'000	R'000
Administration	1,202,669	1,202,669	-	648,650
Foreign Relations	2,129,516	2,129,516	-	1,798,765
Public Diplomacy and Protocol Matters	141,621	141,621	-	121,204
International Transfers	645,257	645,257	-	473,530
Total	4,119,063	4,119,063	-	3,042,149

2.2 Conditional grants

	Note	2007/08 R'000	2006/07 R'000
Total grants received	Annex 1A	-	-
Provincial grants included in Total Grants received		-	-

2.3 Unconditional grants

Total grants received	Annex 1B	-	-
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2. Statutory Appropriation

President and Deputy President's salaries	-	-
Member of executive committee/parliamentary officers	-	-
Judges and magistrates salaries	-	-
Sector education and training authorities (SETA)	-	-
National Skills Fund	-	-
Total	-	-
Actual Statutory Appropriation received	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

3. Departmental revenue

	Note	2007/08 R'000	2006/07 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	2,871	382
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land	3.2	2,116	3,131
Sales of capital assets	3.3	4,958	1,168
Financial transactions in assets and liabilities#	3.4	55,111	41,601
Transfer received	3.5	-	-
Total revenue collected		<u>65,056</u>	<u>46,282</u>
Less: Departmental Revenue Budgeted	20	-	-
Departmental revenue collected		<u>65,056</u>	<u>46,282</u>

included in the amount of R55, 111 million is an amount of R30 million revenue accrued from the previous financial year. The R30 million will be paid to National Revenue Fund during the 2008/09 financial year.

3.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	2,332	-
Sales by market establishment	2,332	-
Administrative fees	-	-
Other sales	-	-
Sales of scrap, waste and other used current goods	539	382
Total	<u>2,871</u>	<u>382</u>

3.2 Interest, dividends and rent on land

Interest	2,116	3,131
Dividends	-	-
Rent on land	-	-
Total	<u>2,116</u>	<u>3,131</u>

3.3 Sale of capital assets

Land and subsoil assets	-	-
Other capital assets	4,958	1,168
Total	<u>4,958</u>	<u>1,168</u>

3.4 Financial transactions in assets and liabilities

Nature of loss recovered

Loans and advances	-	-
Repayment of Public Contributions	-	-
Receivables	-	-
Proceeds from investment	-	-
Forex gain	69	28,595
Stale cheques written back	-	-
Other Receipts including Recoverable Revenue	<u>55,042</u>	<u>13,006</u>
Total	<u>55,111</u>	<u>41,601</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

3.5 Transfers received

	Note	2007/08 R'000	2006/07 R'000
Other governmental units		-	-
Universities and technikons		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Total		<u>-</u>	<u>-</u>

3A Direct Exchequer receipts

Transfers received		-	-
Fines, penalties and forfeits		-	-
Interest and dividends		-	-
Restructuring of State assets		-	-
Debt portfolio receipts		-	-
Total		<u>-</u>	<u>-</u>

4. Local and foreign aid assistance

4.1 Assistance received in cash from RDP

Local			
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		<input type="text" value="-"/>	<input type="text" value="-"/>
Capital		<input type="text" value="-"/>	<input type="text" value="-"/>
Closing Balance		<u>-</u>	<u>-</u>
Foreign			
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		<input type="text" value="-"/>	<input type="text" value="-"/>
Capital		<input type="text" value="-"/>	<input type="text" value="-"/>
Closing Balance		<u>-</u>	<u>-</u>

4.2 Assistance received in cash: Other

Local			
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		<input type="text" value="-"/>	<input type="text" value="-"/>
Capital		<input type="text" value="-"/>	<input type="text" value="-"/>
Closing Balance		<u>-</u>	<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Foreign			
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		-	-
Capital		-	-
Closing Balance		-	-
Total assistance			
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		-	-
Capital		-	-
Closing Balance		-	-
Analysis of balance			
Local and foreign aid receivable		-	-
Local and foreign aid unutilised	20	-	-
Local and foreign aid payable to RDP fund/donors		-	-
Closing balance		-	-
4A CARA Fund assistance			
Opening Balance		-	-
Revenue received		-	-
Expenditure		-	-
Current		-	-
Capital		-	-
Closing Balance		-	-
5. Compensation of employees			
5.1 Salaries and Wages			
Basic salary		700,127	609,764
Performance award		10,844	7,192
Service Based		10	1,145
Compensative/circumstantial		35,868	31,432
Periodic payments		945	1,414
Other non-pensionable allowances		416,759	374,101
Total		1,164,553	1,025,048

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

5.2 Social contributions

5.2.1 Employer contributions

	Note	2007/08 R'000	2006/07 R'000
Pension		86,597	73,471
Medical		41,944	37,872
UIF		-	-
Bargaining council		64	60
Official unions and associations		-	-
Insurance		1	-
Total		128,606	111,403
5.2.2 Post Retirement benefits			
Medical		-	-
Total		-	-
Total compensation of employees		1,293,159	1,136,451
Average number of employees		4,290	4,313

6. Goods and services

Advertising		14,497	7,312
Attendance fees (including registration fees)		13,541	18,634
Bank charges and card fees		4,235	3,512
Bore waterhole drilling		-	-
Bursaries (employees)		568	508
Cash discount		-	-
Catering		21,766	-
Communication		65,322	64,311
Computer services		61,738	8,073
Commission		-	-
Consultants, contractors and special services		12,746	15,731
Courier and delivery services		10,331	4,690
Tracing agents & Debt collections		-	-
Drivers' licences and permits		957	2,425
Entertainment		24,354	40,273
External audit fees	6.1	5,597	3,237
Equipment less than R5000		3,620	5,561
Firearm handling fees		-	-
Freight service		29,090	22,962
Government motor transport		-	-
Helicopter services		-	-
Honoraria (Voluntary workers)		1,465	631
Inventory	6.2	41,062	38,797
Land reform/restitution		-	-
Learnerships		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Legal fees		10,005	4,154
Licence agency fees		-	-
Housing		-	-
Maintenance, repairs and running costs		64,490	76,026
Medical Services		27,974	15,532
Municipal Services		-	-
Operating leases		537,667	487,805
Mint of decorations/medals		-	-
Personnel agency fees		-	-
Photographic services		-	-
Plant flowers and other decorations		1,539	1,745
Printing and publications		875	590
Professional bodies and membership fees		1,166	1,159
Resettlement costs		4,437	3,390
Road laboratories		-	-
Roadworthy tests		-	-
School & boarding fees		-	-
Subscriptions		699	2,038
Storage of furniture		10,022	8,852
System access fees		-	-
Taking over of contractual obligations		-	-
Owned and leasehold property expenditure		71,565	50,697
Translations and transcriptions		1,067	1,740
Transport provided as part of the departmental activities		-	-
Travel and subsistence	6.3	279,904	211,506
Venues and facilities		52,591	34,312
Protective, special clothing & uniforms		2,285	1,891
Training & staff development		4,128	4,025
Town & regional planning		-	-
Water research/testing		-	-
Witness and related fees		-	-
Total		1,381,303	1,142,119
6.1 External audit fees			
Regularity audits		5,597	3,237
Performance audits		-	-
Other audits		-	-
Total		5,597	3,237

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

6.2 Inventory

	Note	2007/08 R'000	2006/07 R'000
Inventory surcharges		-	-
Medas inventory interface		-	-
Construction work in progress		-	-
Other inventory		-	-
Strategic stock		-	-
Domestic consumables		6,032	4,994
Agricultural		-	-
Learning and teaching support material		-	-
Food and food supplies		1,572	1,553
Fuel, oil and gas		9,357	6,898
Laboratory consumables		-	-
Other consumables		2,627	102
Parts and other maintenance material		60	1,839
Sport and recreation		-	-
Stationery and printing		20,843	22,772
Veterinary supplies		-	-
Restoration and fittings		-	-
Road construction and supplies		-	-
Medical supplies		571	639
Weapons and armaments		-	-
Total		<u>41,062</u>	<u>38,797</u>

6.3 Travel and subsistence

Local		41,017	49,083
Foreign		238,887	162,423
Total		<u>279,904</u>	<u>211,506</u>

7. Interest and rent on land

Interest expense		-	-
Rent on land		-	-
Total		<u>-</u>	<u>-</u>

8. Financial transactions in assets and liabilities

Material losses through criminal conduct		-	119
-Theft	8.4	-	119
-Other material losses	8.1	-	-
Other material losses written off	8.2	-	-
Debts written off	8.3	1,604	-
Forex losses	8.5	(1,343)	-
Total		<u>261</u>	<u>119</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

8.1 Other material losses

Note	2007/08 R'000	2006/07 R'000
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Nature of other material losses

Incident	Disciplinary Steps taken/ Criminal proceedings		
		-	-
Total		<u>-</u>	<u>-</u>

8.2 Other material losses written off

Nature of losses

Total	<u>-</u>	<u>-</u>
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8.3 Debts written off

Nature of debts written off

Smith A	1,515	-
Other Debtors	89	-
Total	<u>1,604</u>	<u>-</u>

8.4 Detail of theft

Detail of theft

Total	<u>-</u>	<u>119</u>
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8.5 Forex losses

Total	<u>(1,343)</u>	<u>-</u>
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8.6 Irrecoverable amounts written off

Receivables written off

	-	-
	<input type="text" value="-"/>	<input type="text" value="-"/>

Loans written off

	-	-
	<input type="text" value="-"/>	<input type="text" value="-"/>

Other

	-	-
	<input type="text" value="-"/>	<input type="text" value="-"/>

Total	<u>-</u>	<u>-</u>
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

9. Transfers and subsidies

	Note	2007/08 R'000	2006/07 R'000
Provinces and municipalities	Annex 1C, 1D, 1E & 1F	23,257	20,649
Departmental agencies and accounts	Annex 1G	300,000	150,000
Universities and technikons	Annex 1H	-	-
Foreign governments and international organisations	Annex 1J	324,056	252,150
Public corporations and private enterprises	Annex 1I	13,398	10,588
Non-profit institutions	Annex 1K	-	-
Households	Annex 1L	6,154	17,196
Unauthorised expenditure approved by Parliament		-	-
Total		666,865	450,583

10. Expenditure for capital assets

Buildings and other fixed structures	37	649,878	119,398
Machinery and equipment	37	61,149	92,573
Land and subsoil assets	37	16,271	-
Investment property	37	-	-
Biological or cultivated assets	37	-	-
Software and other intangible assets		847	3,436
Capitalised development costs	38	-	-
Computer software	38	847	3,436
Mastheads and publishing titles	38	-	-
Patents, licences, copyright, brand names, trademarks	38	-	-
Recipes, formulae, prototypes, designs, models	38	-	-
Services and operating rights	38	-	-
Other intangibles	38	-	-
Total		728,145	215,407

The following amounts have been included as project costs in Expenditure for capital assets

Compensation of employees	-	-
Goods and services	728,145	-
Total	728,145	-

Expenditure on Departmental employees involved in capital projects that are not currently capitalised

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

11. Unauthorised expenditure

11.1 Reconciliation of unauthorised expenditure

	Note	2007/08 R'000	2006/07 R'000
Opening balance		104,816	19,136
Unauthorised expenditure – current year		-	97,936
Amounts approved by Parliament/Legislature (with funding)		-	-
Current expenditure		-	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Amounts approved by Parliament/Legislature (without funding)		-	(12,256)
Current expenditure		-	(12,256)
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Transfer to receivables for recovery (not approved)		-	-
Unauthorised expenditure awaiting authorisation		<u>104,816</u>	<u>104,816</u>

Analysis of Current Year Unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	2007/08 R'000
Total		<u>-</u>

12. Fruitless and wasteful expenditure

12.1 Reconciliation of fruitless and wasteful expenditure

Opening balance		-	-
Fruitless and wasteful expenditure – current year		-	-
Current expenditure		-	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Amounts condoned		-	-
Current expenditure		-	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Transfer to receivables for recovery (not condoned)		-	-
Fruitless and wasteful expenditure awaiting condonement		<u>-</u>	<u>-</u>

12.2 Analysis of Current Year Fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2007/08 R'000
Total		<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

13. Cash and cash equivalents

	Note	2007/08 R'000	2006/07 R'000
Consolidated Paymaster General Account		(6,942)	67,749
Cash receipts		-	15
Disbursements		16	(58,261)
Cash on hand		174	3,182
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		153,207	74,638
Total		<u>146,455</u>	<u>87,323</u>

14. Other financial assets

Current			
Local			
(Group major categories, but list material items)		-	-
Total		<u>-</u>	<u>-</u>
Foreign			
(Group major categories, but list material items)		-	-
Total		<u>-</u>	<u>-</u>
Total Current Other Financial Assets		<u>-</u>	<u>-</u>
Non-current			
Local			
(Group major categories, but list material items)		-	-
Total		<u>-</u>	<u>-</u>
Foreign			
(Group major categories, but list material items)		-	-
Total		<u>-</u>	<u>-</u>
Total Non Current Other Financial Assets		<u>-</u>	<u>-</u>

15. Prepayments and advances

Description

Staff advances		-	-
Travel and subsistence		3,280	4,666
Prepayments		-	-
Advances paid to other entities		-	-
SOCPEN advances		-	-
Total		<u>3,280</u>	<u>4,666</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

16.Receivables

		Less than one year	One to three years	Older than three years	2007/08 Total	2006/07 Total
	Note	R'000	R'000	R'000	R'000	R'000
Households and non profit institutions	16.1	9,883	18,034	61,473	89,390	103,201
Private enterprises	16.2	-	-	-	-	-
Staff debtors	16.3	17,145	10,706	9,334	37,185	34,082
	16.4	10,611	5,075	-	15,686	7,390
Other debtors						
Intergovernmental receivables	Annex 4	94,539	14,801	52,979	162,319	157,372
Total		132,178	48,616	123,786	304,580	302,045

Include in the balance of R162 million for interdepartmental receivables, is an amount of R31 million that was already recommended for write off during 2006/2007 financial year. During the year under view the department could not realise savings for this write off. The amount will be written off from savings to be realised in the 2008/09 and coming financial years.

16.1. Households and non-profit institutions

	Note	2007/08 R'000	2006/07 R'000
Households and non-profit institutions			
Account C		65,303	59,034
ESKOM		-	41
IDC		-	1
Medical Research		-	14
MINTEK		-	43
Account G		-	1,659
Account A		4,126	10,386
Chamber of Mines		-	-
Parliament		9,491	10,134
HRSC		-	123
Mineral BURO		-	13
SABS		-	2
SASOL		-	7
SATOUR		3,501	7,058
NEPAD		2,520	5,215
UNISA		1,585	3,561
CSIR		12	82
Water Research C		-	11
SAPO		-	110
TELKOM		-	703
TRANSNET		-	30
State Library		-	270
Agriculture Research C		719	719
VAT Administration		-	94
Auditor General		16	23
Mental & Dental C		-	11

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
Other Accounts		157	-
University of Cape Town		-	-
University of Natal		-	83
University of the North		-	9
University of Free State		-	1
University of Potchefstroom		-	1
University of Pretoria		-	16
University of Western Cape		-	46
University of Witwatersrand		(1)	1
Other/0254-DRC Project (ARF)		588	3,109
IEC		-	1
SAMDI		1,256	490
IDT-0209		9	85
FIC-0246		43	15
SASSA		65	-
Total		<u>89,390</u>	<u>103,201</u>

16.2. Private enterprises

Total		<u>-</u>	<u>-</u>
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16.3. Staff Debtors

Departmental Debt Account		14,433	15,722
Staff debtors		22,334	18,012
Persal account		418	348
Total		<u>37,185</u>	<u>34,082</u>

16.4 Other debtors

Detainees		183	152
Debtors Governments		-	-
Sundry Debtors		2,517	2,607
Balance of the vote		-	-
Donor fund – Burundi -RDP		10,428	-
Advance to State Department		2,558	2,505
Belgium Government		-	2,126
Total		<u>15,686</u>	<u>7,390</u>

16.5. Debts revised

Total		<u>-</u>	<u>-</u>
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

17. Investments

	Note	2007/08 R'000	2006/07 R'000
Current	Annex 2A, 2B		
Securities other than shares		-	-
Shares and other equity		-	-
Insurance technical reserves		-	-
Financial derivatives		-	-
Total current		-	-
Non-Current			
Shares and other equity			
Total		-	-
Securities other than shares	Annex 2A		
Total		-	-
Total non-current		-	-
Analysis of non current investments			
Opening balance		-	-
Additions in cash		-	-
Disposals for cash		-	-
Non-cash movements		-	-
Closing balance		-	-

18. Loans

Public corporations	-	-
-Universities and technikons	-	-
Foreign governments	45,604	47,251
Private enterprises	-	-
Total	45,604	47,251
Analysis of Balance		
Opening balance	47,251	38,215
New Issues	-	9,036
Repayments	(1,647)	-
Write-offs	-	-
Closing balance	45,604	47,251
Current portion of loans		

The loan amount constitute rental deposits paid for properties leased in foreign countries, the amount of R45 million represents the rental deposits owing.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

19. Voted funds to be surrendered to the Revenue Fund

	Note	2007/08 R'000	2006/07 R'000
Opening balance		183,150	173,143
Transfer from Statement of Financial Performance		49,330	183,150
Voted funds not requested/not received	19.1	-	-
Paid during the year		-	(173,143)
Closing balance		<u>232,480</u>	<u>183,150</u>

19.1. Voted funds not requested/not received

Funds to be rolled over		-	-
Funds not to be requested		-	-
		<u>-</u>	<u>-</u>

20. Departmental revenue to be surrendered to the Revenue Fund

Opening balance		34,284	31,178
Transfer from Statement of Financial Performance		65,056	46,282
Departmental revenue budgeted	3	-	-
Transfer from local and foreign aid assistance	4	-	-
Paid/collected during the year		(44,954)	(43,176)
Closing balance		<u>54,386</u>	<u>34,284</u>

included in the amount of R44, 954 million is the amount of R14 million that was paid over to National Revenue Fund during 2007/08 financial year and R30 million revenue accrued from the previous financial year. The R30 million will be paid to National Revenue Fund during the 2008/09 financial year.

20A Direct Exchequer Receipts to be surrendered to the Revenue Fund

Opening balance		-	-
Transfer from Statement of Financial Performance		-	-
Paid during the year		-	-
Closing balance		<u>-</u>	<u>-</u>

21. Bank overdraft

Consolidated Paymaster General Account		-	-
Fund requisition account		-	-
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		<u>-</u>	<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

22. Payables – current

Description	Notes	2007/08			2006/07
		R'000	R'000	R'000	R'000
		30 Days	30+ Days	Total	Total
Amounts owing to other entities		-	199,352	199,352	155,959
Advances received	22.1	-	55,049	55,049	56,632
Clearing accounts	22.2	-	-	-	-
	22.3				
Other payables		-	17,864	17,864	68,825
Total		-	272,265	272,265	281,416

22.1. Advances received

Description	2007/08	2006/07
Advances received		
Labour	367	5,378
Trade & Industry	2,037	2,238
Minerals & Energy Affairs	-	-
Transport	1,196	-
Health	930	-
Public Works	169	719
Housing	321	708
Justice	-	142
Agriculture	359	-
Welfare & Population Development	-	-
Art, Culture, Science & Technology	264	-
Inland Revenue	-	864
South African Police Service	-	4,448
South African Defence Force	20	-
Others	1,102	964
South African Communication Service	-	-
North West Province	-	-
Western Cape Province	-	-
Mpumalanga Province	48	97
Home Affairs	-	1,185
GCIS	-	5
Advance from institutions	31,271	39,834
Amscor	-	3
TSA	-	38
RAU	-	9
Gauteng Province	511	-
KwaZulu Natal	4,374	-
Northern Cape	9	-
UNISA	57	-
Sport and Recreation	11,889	-
Limpopo	125	-
Total	55,049	56,632

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

22.2. Clearing accounts

Description	2007/08 R'000	2006/07 R'000
Total	-	-

22.3. Other payables

Description	2007/08 R'000	2006/07 R'000
Persal accounts	233	588
Other receipts payable	-	-
Debt receivable income	1,975	2,955
Debt receivable interest	55	74
African Renaissance Fund	15,601	31,863
ABSA Bank	-	33,345
Total	17,864	68,825

23. Payables – Non-current

Description	Note	One to two years R'000	Two to three years R'000	More than three years R'000	2007/08 R'000 Total	2006/07 R'000 Total
Amounts owing to other entities						
Advances received	23.1	-	-	-	-	-
Other payables	23.2	-	-	-	-	-
Total		-	-	-	-	-

23.1. Advances received

-	-
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23.2. Other payables

Description	2007/08 R'000	2006/07 R'000
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

24. Net cash flow available from operating activities

	Note	2007/08 R'000	2006/07 R'000
Net surplus/(deficit) as per Statement of Financial Performance		114,386	229,432
Add back non cash/cash movements not deemed operating activities		667,933	(23,904)
(Increase)/decrease in receivables – current		(2,535)	15,809
(Increase)/decrease in prepayments and advances		1,386	903
(Increase)/decrease in other current assets		-	(85,680)
Increase/(decrease) in payables – current		(9,151)	47,144
Proceeds from sale of capital assets		(4,958)	(1,168)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		728,145	215,407
Surrenders to Revenue Fund		(44,954)	(216,319)
Voted funds not requested/not received		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		<u>782,319</u>	<u>205,528</u>

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

Consolidated Paymaster General account	(6,942)	67,749
Fund requisition account	-	-
Cash receipts	-	15
Disbursements	16	(58,261)
Cash on hand	174	3,182
Cash with commercial banks (Local)	-	-
Cash with commercial banks (Foreign)	153,207	74,638
Total	<u>146,455</u>	<u>87,323</u>

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

These amounts are not recognised in the financial statements but are disclosed to enhance the usefulness of the financial statements.

26. Contingent liabilities

			2007/08 R'000	2006/07 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 3A	242	281
Housing loan guarantees	Employees	Annex 3A	2,162	2,243
Other guarantees		Annex 3A	91,420	145,454
Claims against the department		Annex 3B	10,280	6,562
Other departments (interdepartmental unconfirmed balances)		Annex 5	-	-
Environmental rehabilitation liability		Annex 3B	-	-
Other		Annex 3B	-	-
Total			<u>104,104</u>	<u>154,540</u>

27. Commitments

Current expenditure				
Approved and contracted			-	-
Approved but not yet contracted			-	-
Capital expenditure				
Approved and contracted			-	-
Approved but not yet contracted			-	-
Total Commitments			<u>-</u>	<u>-</u>

28. Accruals

Listed by economic classification	R'000		2007/08 R'000	2006/07 R'000
	30 Days	30+ Days	Total	Total
Compensation of employees	-	-	-	-
Goods and services	-	21,159	21,159	7,199
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	-	252	252	-
Land and subsoil assets	-	-	-	-
Investment property	-	-	-	-
Biological or cultivated assets	-	-	-	-
Software and other intangible assets	-	-	-	-
Other	-	-	-	-
Total	<u>-</u>	<u>21,411</u>	<u>21,411</u>	<u>7,199</u>

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	R'000	R'000	2007/08 R'000	2006/07 R'000
Administration			20,503	5,685
Foreign Relations			860	1,390
Public Diplomacy and State Protocol			48	124
Total			<u>21,411</u>	<u>7,199</u>
Confirmed balances with other departments		Annex 5	199,352	155,959
Confirmed balances with other government entities		Annex 5	-	-
Total			<u>199,352</u>	<u>155,959</u>

29. Employee benefits

			2007/08 R'000	2006/07 R'000
Leave entitlement			27,128	15,878
Thirteenth cheque			14,732	13,724
Performance awards			8,322	6,384
Capped leave commitments			59,197	56,177
Total			<u>109,379</u>	<u>92,163</u>

30. Lease Commitments

30.1 Operating leases

2007/2008	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	374,137	-	374,137
Later than 1 year and not later than 5 years	-	473,595	-	473,595
Later than five years	-	121,923	-	121,923
Total present value of lease liabilities	-	969,655	-	969,655

2006/2007	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	303,473	4,994	308,467
Later than 1 year and not later than 5 years	-	318,818	5,715	324,533
Later than five years	-	55,976	3	55,979
Total present value of lease liabilities	-	678,267	10,712	688,979

30.2 Finance leases

2007/2008	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	31,740	31,740
Later than 1 year and not later than 5 years	-	-	29,189	29,189
Later than five years	-	-	4,830	4,830
Total present value of lease liabilities	-	-	65,759	65,759

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

2007/2008	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Analysis				
Condoned	-	-	-	-
Not condoned	-	-	-	-
Total	-	-	-	-

2006/2007	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	651	651
Later than 1 year and not later than 5 years	-	-	2,076	2,076
Later than five years	-	-	177	177
Total present value of lease liabilities	-	-	2,904	2,904

Analysis				
Condoned	-	-	-	-
Not condoned	-	-	-	-
Total	-	-	-	-

31.Receivables for departmental revenue

	2007/08 R'000	2006/07 R'000
Tax revenue	-	-
Sales of goods and services other than capital assets	-	-
Fines, penalties and forfeits	-	-
Interest, dividends and rent on land	-	-
Sales of capital assets	-	532
Financial transactions in assets and liabilities	-	-
Transfers received	-	-
Other	-	-
Total	-	532

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

32. Irregular expenditure

32.1 Reconciliation of irregular expenditure

	2007/08 R'000	2006/07 R'000
Opening balance	-	-
Add: Irregular expenditure – current year	-	-
Less: Amounts condoned	-	-
Current expenditure	-	-
Transfers and subsidies	-	-
Expenditure for capital assets	-	-
Less: Not condoned	-	-
Current expenditure	-	-
Transfers and subsidies	-	-
Expenditure for capital assets	-	-
Irregular expenditure awaiting condonement	-	-
Analysis of awaiting condonement per classification	-	-
Current expenditure	-	-
Transfers and subsidies	-	-
Expenditure for capital assets	-	-
Analysis of awaiting condonement per age classification	-	-
Current year	-	-
Prior years	-	-

32.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings		
		-	-
		-	-

33. Related party transactions

Revenue received/(paid)		
Tax revenue/ User charges	-	-
Sales of goods and services other than capital assets	-	-
Fines, penalties and forfeits	-	-
Interest, dividends and rent on land	-	-
Sales of capital assets	-	-
Financial transactions in assets and liabilities	-	-
Transfers	-	-
Total	-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	2007/08 R'000	2006/07 R'000
Movement of funds between department and related party		
Investment	-	-
Non-interest bearing loans to/ (from)	-	-
Interest bearing loans to/ (from)	-	-
Debtor balances	-	-
Creditor balances	-	-
Sales of assets	-	-
Guarantees provided	-	-
Total	-	-
Balances between department and related party		
Investment	-	-
Non-interest bearing loans to/ (from)	-	-
Interest bearing loans to/ (from)	-	-
Debtor balances	-	-
Creditor balances	15,601	31,863
Sales of assets	-	-
Guarantees provided	-	-
Total	15,601	31,863

34.Key management personnel

	No. of Individuals	2007/08 R'000	2006/07 R'000
Political office bearers	3	2,384	2,323
Officials			
Level 15 to 16	12	9,646	8,898
Level 14 (incl CFO if at a lower level)	63	40,644	33,906
Family members of key management personnel			
Total		52,674	45,127

35.Public Private Partnership

Public Private Partnership for the financing, design, construction, operation and maintenance of suitable and sustainable consolidated Head Office for the Department. The agreement is currently under final stages of negotiations.

	2007/08 R'000	2006/07 R'000
Contract fee received (Specify)	-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

	2007/08 R'000	2006/07 R'000
Contract fee paid		
Fixed component	-	-
Indexed component	-	-
Current Expenditure		
Compensation of employees	-	-
Goods and services (excluding lease payments)	-	-
Operating leases	-	-
Finance leases	-	-
Interest	-	-
Capital/ (Liabilities)		
Tangible rights	-	-
Intangible rights	-	-
Property	-	-
Plant and equipment	-	-
Loans	-	-
Other		
Prepayments and advances	-	-
Pre-production obligations	-	-
Other obligations	-	-
Total	-	-

36.Provisions

Potential irrecoverable debts		
Households and non profit institutions	-	-
Private enterprises	-	-
Staff debtors	-	-
Other debtors	-	2,000
Claims recoverable	31,573	31,000
Total	31,573	33,000
Provisions		
Impairment of investments	-	-
Provision for non-recoverable loans	-	-
Other – Specify one per line	-	-
Total	31,573	33,000

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

37. Tangible Capital Assets

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Bal- ance
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	310,117	(3,393)	649,878	-	956,602
Dwellings	270,233	63,222	126,992	-	460,447
Non-residential buildings	39,884	(66,615)	522,886	-	496,155
Other fixed structures	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	354,497	11,896	61,149	4,958	422,584
Transport assets	35,505	8,413	7,133	1,053	49,998
Specialised military assets	-	-	-	-	-
Computer equipment	70,390	(24)	1,476	-	71,842
Furniture and office equipment	115,617	39,184	23,266	3,905	174,162
Other machinery and equipment	132,985	(35,677)	29,274	-	126,582
LAND AND SUBSOIL ASSETS	-	-	16,271	-	16,271
Land	-	-	16,271	-	16,271
Mineral and similar non-regenerative resources	-	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-	-
Investment property	-	-	-	-	-
BIOLOGICAL AND CULTIVATED AS- SETS	-	-	-	-	-
Biological and cultivated assets	-	-	-	-	-
TOTAL TANGIBLE ASSETS	664,614	8,503	727,298	4,958	1,395,457

included in the assets register are all the minor assets that are major in nature such as land and buildings.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

37.1 ADDITIONS TO TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Cash Cost	Non-cash Fair Value/R1	(Capital Work in Progress current costs) Cost	Received current, not paid (Paid current year, received prior year) Cost	Total Cost
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	649,878	-	-	-	649,878
Dwellings	126,992	-	-	-	126,992
Non-residential buildings	522,886	-	-	-	522,886
Other fixed structures	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	61,149	-	-	-	61,149
Transport assets	7,133	-	-	-	7,133
Specialised military assets	-	-	-	-	-
Computer equipment	1,476	-	-	-	1,476
Furniture and office equipment	23,266	-	-	-	23,266
Other machinery and equipment	29,274	-	-	-	29,274
LAND AND SUBSOIL ASSETS	16,271	-	-	-	16,271
Land	16,271	-	-	-	16,271
Mineral and similar non-regenerative resources	-	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-	-
Investment property	-	-	-	-	-
BIOLOGICAL AND CULTIVATED ASSETS	-	-	-	-	-
Biological and cultivated assets	-	-	-	-	-
TOTAL	727,298	-	-	-	727,298

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

37.2. DISPOSALS OF TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Sold for cash	Non Cash Fair Value	Total Cost	Cash Received Actual
	Cost/value price as per	Cost/value price as per		
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	-	-	-	-
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	4,958	-	4,958	4,958
Transport assets	1,053	-	1,053	1,053
Specialised military assets	-	-	-	-
Computer equipment	-	-	-	-
Furniture and office equipment	3,905	-	3,905	3,905
Other machinery and equipment	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-
Investment property	-	-	-	-
BIOLOGICAL AND CULTIVATED ASSETS	-	-	-	-
Biological and cultivated assets	-	-	-	-
TOTAL	4,958	-	4,958	4,958

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

37.3 MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDING AND OTHER FIXED STRUCTURES	221,876	88,241	-	310,117
Dwellings	181,992	88,241	-	270,233
Non-residential buildings	39,884	-	-	39,884
Other fixed structures	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	227,324	128,341	1,168	354,497
Transport assets	29,177	7,071	743	35,505
Specialised military assets	-	-	-	-
Computer equipment	69,460	930	-	70,390
Furniture and office equipment	81,482	34,560	425	115,617
Other machinery and equipment	47,205	85,780	-	132,985
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-
Investment property	-	-	-	-
BIOLOGICAL AND CULTIVATED ASSETS	-	-	-	-
Biological and cultivated assets	-	-	-	-
TOTAL TANGIBLE ASSETS	449,200	216,582	1,168	664,614

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

38. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance Cost	Current Year Adjust- ments to prior year balances	Additions Cost	Disposals Cost	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Capitalised development costs	-	-	-	-	-
Computer software	52,339	2,213	847	-	55,399
Mastheads and publishing titles	-	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-	-
Services and operating rights	-	-	-	-	-
Other intangibles	-	-	-	-	-
Total intangible assets	52,339	2,213	847	-	55,399

38.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Cash Cost	Non-Cash Fair Value/ R1	(Develop-ment work in progress – current costs) Cost	Received current year, not paid (Paid current year, received prior year) Cost	Total Cost
	R'000	R'000	R'000	R'000	R'000
Capitalised development costs	-	-	-	-	-
Computer software	847	-	-	-	847
Mastheads and publishing titles	-	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-	-
Services and operating rights	-	-	-	-	-
Other intangibles	-	-	-	-	-
Total intangible assets	847	-	-	-	847

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

38.2 DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Sold for cash Cost/value price as per	Transfer out or destroyed or scrapped Cost/value price as per	Total disposals	Cash Received Actual Cost
	R'000	R'000	R'000	R'000
Capitalised development costs	-	-	-	-
Computer software	-	-	-	-
Mastheads and publishing titles	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-
Services and operating rights	-	-	-	-
Other intangibles	-	-	-	-
Total intangible assets	-	-	-	-

38.3 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Capitalised development costs	-	-	-	-
Computer software	47,045	5,294	-	52,339
Mastheads and publishing titles	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-
Services and operating rights	-	-	-	-
Other intangibles	-	-	-	-
Total intangible assets	47,045	5294	-	52339

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1F
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2006/07
	Amount R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Amount received by municipality R'000	Amount spent by municipality R'000	% of available funds spent by municipality	
Tshwane & PW Municipality	-	-	-	-	-	0.0%	-	-	0.0%	5,353
Municipal rates & Taxes: PW Municipality	17,718	-	-	17,718	17,718	100.0%	-	-	0.0%	15,059
RSCL: Tshwane metropolitan municipality	5,541	-	-	5,541	5,539	100.0%	-	-	0.0%	237
	23,259	-	-	23,259	23,257	100.0%	-	-	0.0%	20,649

ANNEXURE 1G
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER			2006/07	
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Final Appropriation Act R'000	
African Renaissance Fund	300,000	-	-	300,000	300,000	100.0%	150,000	
	300,000	-	-	300,000	300,000	100.0%	150,000	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1I
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2006/07 Appropriation Act	Final R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Capital R'000	Current R'000		
Public Corporations										
Transfers	-	-	-	-	-	0.0%	-	-	-	-
Non life insurance premium	13,737	-	-	13,737	13,398	97.5%	-	-	-	10,588
Subtotal	13,737	-	-	13,737	13,398	97.5%	-	-	-	10,588
Subsidies										
Subtotal	-	-	-	-	-	-	-	-	-	-
Total	13,737	-	-	13,737	13,398	97.5%	-	-	-	10,588

ANNEXURE 1J
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION			EXPENDITURE			2006/07 Appropriation Act	Final R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred		
Transfers								
Transfers								
African Caribbean & Pacific	2,310	-	-	2,310	3,192	138.2%	-	3,058
Common Wealth	7,350	-	-	7,350	8,113	110.4%	-	7,006
United Nations Development Programme: Local Office Costs	2,400	-	-	2,400	5,500	229.2%	-	3,668
African Union Membership fees	147,048	-	-	147,048	110,434	75.1%	-	85,019
South Centre	1,050	-	-	1,050	1,045	99.5%	-	495
United Nations Human Rights	300	-	-	300	-	0.0%	-	148
United Nations Development Programme	998	-	-	998	1,297	130.0%	-	6,556
Indian Ocean Rim Research Centre	126	-	-	126	81	64.3%	-	-
Perrez-Guerrero Trust Fund	53	-	-	53	52	98.1%	-	50
Comprehensive Test Ban Treaty	5,235	-	-	5,235	2,909	55.6%	-	2,379

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1J

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION					EXPENDITURE			2006/07 Appropriation Act	Final R'000
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	2006/07 Appropriation Act			
	R'000	R'000	R'000	R'000	R'000			%		
Southern African Development Community: Membership Fees	27,250	-	-	27,250	29,605	108.6%		25,255		
New Partnership for Africa's Development	30,000	-	-	30,000	30,000	100.0%		30,000		
Inter Seabed Authority	286	-	-	286	-	0.0%		-		
Humanitarian Aid	32,326	-	-	32,326	34,046	105.3%		17,801		
United Nations Membership fees	79,000	-	-	79,000	86,127	109.0%		64,326		
United Nations Development Programme- Rentals	-	-	-	-	-	0.0%		-		
Group of 77 Countries	100	-	-	100	99	99.0%		-		
Bacterial and Toxic Weapons Convention	435	-	-	435	-	0.0%		100		
United Nations Convention on the Law of Sea	500	-	-	500	-	0.0%		-		
United Nations Economic Community	200	-	-	200	-	0.0%		-		
Permanent Court of Arbitration	115	-	-	115	96	83.5%		-		
Indian Ocean Rim Research Centre	126	-	-	126	-	0.0%		76		
Intern Tribunal Law of Sea	458	-	-	458	623	136.0%		-		
United Nations Childrens Fund	200	-	-	200	370	185.0%		285		
United Nations Technical Co-operation	100	-	-	100	-	0.0%		168		
Asia-African Legal Consultative Organisation (AALCO)	120	-	-	120	97	80.8%		218		
Bureau of International Exposition: Mem- bership Fees	26	-	-	26	11	42.3%		99		
India, Brazil, SA Dialogue Forum	7,000	-	-	7,000	10,064	143.8%		-		
Organisation for Economic Co-operation & Development	205	-	-	205	295	143.9%		5,443		
Total	345,317	-	-	345,317	324,056			252,150		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1L
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2006/07 Appropriation Act	Final Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		
Household Empl Social Benefit - cash res	R'000 4,709	R'000 -	R'000 -	R'000 4,709	R'000 4,200	% 89.2%	R'000 11,821	
Household Empl social Benefit - Local recruited staff	1,538	-	-	1,538	1,954	127.0%	5,375	
Total	6,247	-	-	6,247	6,154		17,196	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1M

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08	2006/07
		R'000	R'000
Received in cash	-	-	-
Subtotal			
Received in kind			
Several as disclosed in 2006/07			2,880
Petro SA	Bed sheet, Body product and vegetables	5	
Ms Anne Lauvergeon	Small bedside clock	2	
Ambassador of Berlin in Germany	Wines	5	
Diplomatic Shop in Accra - Ghana	Champaign and ice bucket	2	
Mt Herbert Mensah	Sheep	1	
Stanbic Bank	Food	35	
Labadi Beach Hotel	Catering services	7	
Alamo Car Rental	Photographs	3	
Drink Direct	5 Cases of Wine	4	
Multichoice Ghana Ltd	Decoration	7	
Accra Brewery	Beer & Minerals	5	
TT Brothers	Wines and Juice	7	
Vodacom	400 T Shirts	40	
PSCBC	African Art	1	
PSCBC	2X Pens Africn Art from wood	1	
Mr George Hagymasi	Nokia Cell phone	1	
University of Oslo	Raffle ticket	2	
University of Oslo	Cash entrance	2	
Ms Liv Torres	Fresh flowers	1	
CEO-MTN Rwandacell	2xOil Perfume	5	
CEO-MTN Rwandacell	Rose Oil Perfume	1	
Shyrongi Senior Paster-Free Methodist Church	Interlink Watch	1	
Mahmood Saeed Company	Hotel Room	1	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 1M

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08 R'000	2006/07 R'000
Sheraton Hotel	Rwanda Suites 2x nights	1	
BMW	Sponsorship: Opening Parliament 07/08	312	
Burgers Park Hotel	Sponsorship: Opening Parliament 07/08	40	
KWV International	Sponsorship: Opening Parliament 07/08	16	
Anglo American	Sponsorship: Opening Parliament 07/08	4	
Vodacom	Sponsorship: Opening Parliament 07/08	120	
Subtotal		632	2,880
Received in kind		-	-
Subtotal		-	-
Total		632	2,880

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 10

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2008

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2007/08	2006/07
	R'000	R'000
Paid in cash		
Subtotal	-	-
Made in kind		
Several as disclosed in 2006/07		1,004
DRC	9	
Czech Republic	8	
Several	18	
Italy	11	
USA United Nations	5	
People's Republic of China	16	
Sweden	21	
Poland	2	
France	12	
Germany	6	
Namibia	15	
Lesotho	6	
Namibia	33	
France (Rugby World Cup Finals)	6	
Sudan	12	
Senegal	1	
Argentina	1	
Egypt	2	
Portugal	9	
France	10	
Indonesia	6	
Argentina	1	
Botswana	1	

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2007/08	2006/07
	R'000	R'000
Czech Republic	3	
DRC	40	
Egypt	2	
France	28	
Germany	18	
Ghana	10	
Guinea Bissau	10	
India	2	
Indonesia	6	
Italy	15	
Ivory Coast	5	
Kenya	11	
Lesotho	19	
Lithuania	2	
Namibia	48	
Nigeria	8	
Pakistan	2	
People's Republic of China	16	
Poland	2	
Portugal	9	
Republic of Zambia	9	
Senegal	1	
Singapore	6	
Sudan	12	
Sweden	21	
USA United Nations	5	
Vietnam	12	
Subtotal	533	1,004
Remissions, refunds, and payments made as an act of grace		
Subtotal	-	-
Remissions, refunds, and payments made as an act of grace		
TOTAL	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2007	Guarantees draw downs during the year	Guarantees repaid/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2008	Guaranteed interest for year ended 31 March 2008	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Motor Vehicles									
Stannic	Motor Vehicles	292	281	-	39	-	242	-	-
		292	281	-	39	-	242	-	-
Housing									
Standard Bank	Housing loans	504	451	-	-	20	471	-	-
Ned Bank Ltd.	Housing loans	378	331	-	33	-	298	-	-
First Rand Bank: FNB	Housing loans	399	334	-	-	4	338	-	-
ABSA Bank	Housing loans	690	72	-	-	39	111	-	-
Fidelity Bank	Housing loans	46	-	-	-	-	-	-	-
BOE Bank (NBS Division)	Housing loans	464	412	-	30	-	382	-	-
FNB/ Saambou Bank	Housing loans	898	413	-	84	-	329	-	-
Peoples/ Permanent Bank	Housing loans	259	183	-	154	-	29	-	-
Old Mutual	Housing loans	23	20	-	-	-	20	-	-
VBS Mutual Bank	Housing loans	-	23	-	-	-	23	-	-
Hlano Fin Services	Housing loans	4	4	-	-	-	4	-	-
Old Mutual	Housing loans	157	-	157	-	-	157	-	-
		3,822	2,243	157	301	63	2,162	-	-
	Other	-	-	-	-	-	-	-	-
	Total	4,114	2,524	157	340	63	2,404	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2007	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2008	Guaranteed interest for year ended 31 March 2008	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
South African Development Bank	Lesotho Highlands Development Authority for the northern access road project IHT 02021	54,045	19,582		10,555		9,027	980	
South African Development Bank	Lesotho Highlands Development Authority for the northern access road project IHT 02022	154,279	70,914		26,325		44,589	3,635	
South African Development Bank	Lesotho Highlands Development Authority for the northern access road project IHT 02023	2,385	619	-	479	-	140	19	
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for northern access road project IHT 01 678	24,805	6,681		5,350		1,331	386	
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for Lesotho infrastructure (construction northern access road project) IHT 02 485	41,600	20,347		7,727		12,620	1,224	
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for Katze-town programme (project1) IHC 02 024	21,393	15,464		6,548		8,916	1,732	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2007	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2008	Guaranteed interest for year ended 31 March 2008	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for advanced infrastructure. Upgrading of boarder post facilities Maputo and Caledon-spoort IHT 02 270/2	7,530	4,334	-	1,659	-	2,675	293	-
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for advanced infrastructure. Upgrading of current roads IHT 02 214/2	29,059	7,513	-	4,146	-	3,367	486	-
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for communication system IHk 02 653	,546	-	-	-	-	-	-	-
Total		336,642	145,454	-	62,789	-	82,665	8,755	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2008

Nature of Liability	Opening Balance 01/04/2007	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable(Provide details hereunder)	Closing Balance 31/03/2008
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Catlin V Minister of Foreign affairs	280	-	-	-	280
Vespa- Munich, Germany V Republic of South Africa	12	-	12	-	-
De Souza - Brasilia, Brazil Vs Republic of South Africa	55	-	55	-	-
Gangat V Minister of Foreign Affairs	2,500	115	2,615	-	-
Madencilik Metal Ticaret Anonm Sirket (Istanbul) V Government of South Africa	200	-	200	-	-
Deleb v Minister of Foreign Affairs	-	-	-	-	-
Kwepile v minister of Foreign Affairs	935	89	1,024	-	-
Van Zyl Vs President of South Africa	1,500	600	2,100	-	-
Feldman v Minister of Foreign Affairs	1,056	-	1,056	-	-
Ngaki v Minister of Foreign Affairs	24	7	31	-	-
Runz v Minister of Foreign Affairs	-	244	244	-	-
Rajoo v Department of Foreign Affairs	-	427	427	-	-
Sobanzile v Minister of Foreign Affairs	-	22	22	-	-
Rabaloi v Minister of Foreign Affairs	-	75	75	-	-
Pitso v Minister of Foreign Affairs	-	223	223	-	-
Madigage v Minister of Foreign Affairs	-	-	-	-	-
Von Abo v Govt of Republic of South Africa	-	43	43	-	-
Lesotho Steel Product v Republic of South Africa	-	10,000	-	-	10,000
Holmes v republic of South Africa	-	-	-	-	-
Cruz v Republic of South Africa	-	-	-	-	-
Subtotal	6,562	11,845	8,127	-	10,280
Environmental Liability					
Other					
Total	6,562	11,845	8,127	-	10,280

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 4
INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Department						
Eastern Cape		163	3,796	2,416	3,796	2,579
Northern Cape		208	900	697	900	905
Free State		242	2,223	2,580	2,223	2,822
Limpopo		598	5,090	4,656	5,090	5,254
Mpumalanga		83	554	1,109	554	1,192
North West		152	1,141	1,374	1,141	1,526
KwaZulu-Natal		123	5,100	2,650	5,100	2,773
Gauteng		384	3,123	3,029	3,123	3,413
Western Cape		45	1,091	1,934	1,091	1,979
Arts and Culture		-	248	-	248	-
Science & Technology		913	2,002	2,688	2,002	3,601
Social development		589	-	563	-	1,152
Agriculture		1,946	4,232	3,416	4,232	5,362
National Prosecution Authority		-	154	164	154	164
Justice		4	2,557	3,310	2,557	3,314
Public Service and Administration		1,251	2,067	2,501	2,067	3,752
Housing		20	59	493	59	513
Public Service Commission		-	5	13	5	13
Environmental Affairs		642	1,469	1,377	1,469	2,019
Public Works		-	2,462	-	2,462	-
Health		513	3,758	2,529	3,758	3,042
Office of the President		-	3,030	9,191	3,030	9,191
Transport		492	1,265	408	1,265	900
Minerals and Energy		919	445	1,026	445	1,945
Office for the Public Enterprises		-	(171)	44	(171)	44
Trade & Industry		291	32,348	19,661	32,348	19,952
Water Affairs and Forestry		-	245	1,322	245	1,322
Home Affairs		-	-	-	-	-
Labour		-	899	-	899	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 4
INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Land Affairs		9	63	52	63	61
National Treasury		6	-	248	-	254
Finance		28	1,846	3,490	1,846	3,518
Finance Pension		1,911	2,037	437	2,037	2,348
Post & Telecommunication		-	733	905	733	905
Sports & Recreation		1,399	347	282	347	1,681
South African Commission Service		48	-	6	-	54
South African Revenue Service		123	291	1,157	291	1,280
South African Police Services		3,575	28,192	37,660	28,192	41,235
Education		235	34	23	34	258
National Defence Force		8,779	13,681	9,122	13,681	17,901
Provincial and Local Affairs		87	167	242	167	329
Government Printers		-	-	101	-	101
Central Statistical Services		-	-	3	-	3
Correctional Services		38	11	45	11	83
Amount to be written-off		-	31,573	6,887	31,573	6,887
Departmental interface		-	-	155	-	155
Other		-	-	-	-	-
National intelligence		156	(33)	1,434	(33)	1,590
Social development		-	3,198	-	3,198	-
GCIS		-	87	-	87	-
Subtotal	-	25,972	162,319	131,400	162,319	157,372
Other Government Entities						
African Renaissance and International co-operation Fund	-	-	-	-	-	-
TOTAL	-	25,972	162,319	131,400	162,319	157,372

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2008

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Current						
Home Affairs	199,352	155,959	-	-	199,352	155,959
Subtotal	199,352	155,959	-	-	199,352	155,959
Non-current						
Subtotal	-	-	-	-	-	-
Total	199,352	155,959	-	-	199,352	155,959
OTHER GOVERNMENT ENTITY						
Current						
Subtotal	-	-	-	-	-	-
Non-current						
Subtotal	-	-	-	-	-	-
Total	-	-	-	-	-	-

Abbreviation of Government Departments

DA	Department of Agriculture
DACST	Department of Arts and Culture
DEAT	Department of Environmental Affairs and Tourism
DOC	Department of Communications
DCS	Department of Correctional Services
DOE	Department of Education
DFA	Department of Foreign Affairs
DOH	Department of Health
DHA	Department of Home Affairs
DJCD	Department of Justice and Constitutional Development
DOL	Department of Labour
DLA	Department of Land Affairs
DME	Department of Minerals and Energy
DPE	Department of Public Enterprises
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DPLG	Department of Provincial and Local Government
DSS	Department of Safety and Security
DST	Department of Science and Technology
DSD	Department of Social Development
DSR	Department of Sports and Recreation
DTI	Department of Trade and Industry
DOT	Department of Transport
DWAF	Department of Water Affairs and Forestry
GCIS	Government Communication and Information System
NIA	National Intelligence Agency
NT	National Treasury
ORC	Office on the Rights of the Child
OSDP	Office on the Status of Disabled Persons
OSW	Office on the Status of Women
SAAF	South African Air Force
SANDF	South African National Defence Force
SAPS	South African Police Service
SARB	South African Reserve Bank
SASS	South African Secret Service
SASSA	South African Social Security Agency
SARS	South African Revenue Service



List of Acronyms

APRM	African Peer Review Mechanism
ARF	African Renaissance Fund
ASF	African Standby Force
ASGISA	Accelerated Shared Growth Initiative
AU	African Union (formerly OAU)
BI	Business Intelligence
BNC	Binational Commission
BPM	Business Process Management
BWIs	Bretton Woods Institutions
CAS	Consular and Agency Services
CFO	Chief Financial Officer
CMS	Consular Management System
CSD	Commission on Social Development
CSD15/16	Commission on Sustainable Development
CSW52	Commission on the Status of Women
CTIA	Cape Town International Airport
DDG	Deputy Director-General
DDPA	Durban Declaration and Programme of Action
DFA	Department of Foreign Affairs
DGF	Director-General's Forum
DIAP	Diplomatic Immunities and Privileges
DoD	Department of Defence
DPSA	Department for Public Service and Administration
DRC	Democratic Republic of the Congo
DTI	Department of Trade and Industry
ECDC	Economic Co-operation amongst Developing Countries
EE	Employment Equity
EPA	European Partnership Agreement
EU	European Union
EWC	Employee Wellness Centre
FDI	Foreign Direct Investment
FfD	Financing for Development
FIFA	Fédération Internationale de Football Association
FOCAC	Forum for China-Africa Co-operation
FSD	Foreign Service Dispensation
FSI	Foreign Service Institute
FTA	Free Trade Agreement
G20	Group of Twenty related to the BWI's
G77	Group of 77 (and China)
G8	Group of eight (Canada, France, Germany, Italy, Japan, Russia, UK, USA)
GOSS	Government of Southern Sudan
HR	Human Resources
HSGIC	Heads of State and Government Implementation Committee
HRM	Human Resources Management
IDRL	International Disaster Response Laws, Rules and Principles Programme
IBSA	India, Brazil, South Africa Dialogue Forum
ICERD	International Convention on the Elimination of All Forms of Racial Discrimination
ICRC	International Committee of the Red Cross
ICT	Information and Communications Technology
ICTC	Information Communication Technology Committee



IFDT	International Forum for the Deans of Diplomatic Academies
IHL	International Humanitarian Law
IRPS	International Relations-Peace and Security Cluster
ISDSC	Interstate Defence and Security Committee
ISPDC	Interstate Politics and Diplomacy Committee
ITEC	Intergovernmental Committee on Trade and Economic Co-operation
ITGS	International Tourism Growth Strategy
ITIL	Information Technology Infrastructure Library
JBCC	Joint Bilateral Commission for Co-operation
JBC	Joint Bilateral Commission
JCC (EU)	Joint Commission for Economic, Technical, Scientific and Cultural Co-operation
JCC	Joint Coordination Committee of the NAM and G77 and China
JIPSA	Joint Initiative Priorities for Skills Acquisition
JMC	Joint Ministerial Committee
JPCDS	Joint Commission on Defence and Security
KAPB	Knowledge, Attitudes, Perceptions and Behaviours
KPCS	Kimberley Process Certification Scheme
LGSL	Leading Group on Solidarity Levies
LOC	Local Organising Committee
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MEPP	Middle East Peace Process
MISS	Minimum Information Security Standards
MOF	Microsoft Operations Framework
MOU	Memorandum of Understanding
NAASP	New Africa Asia Strategic Partnership
NAM	Non-Aligned Movement
NEPAD	New Partnership for Africa's Development
NQF	National Qualifications Framework
NPT	Nuclear Non-Proliferation Treaty
NSG	Nuclear Suppliers Group
OECD	Organisation for Economic Co-operation and Development
ORTIA	OR Tambo International Airport
PAP	Pan African Parliament
PAIA	Promotion of Access to Information Act
PAWO	Pan African Women's Organisation
PCRD	Post Conflict Reconstruction and Development
PFMA	Public Finance Management Act
PGTF	Perez-Guerrero Trust Fund
PPP	Public Private Partnership
PRC	People's Republic of China
PrepCom	Preparatory Committee Meeting
PSCBC	Public Service Coordinating Bargaining Council
PTA	Preferential Trade Agreement
R&D	Research and Development
REC	Regional Economic Communities
RIM	Regional implementation Meeting
RISDP	Regional Indicative Strategic Development Plan
ROSA	Registration of South Africans Abroad
RRT	Rapid Response Team
SA	South Africa
SACU	Southern African Customs Union (SA, BLSN)



SADC	Southern African Development Community
SADR	Saharawi Arab Democratic Republic
SANDF	South African National Defence Force
SAPS	South African Police Service
SARS	South African Revenue Services
SASS	South African Secret Service
SAPMUN	South African Permanent Mission to the United Nations
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SIPO	Strategic Indicative Plan for the Organ on Politics, Defence and Security Co-operation
SKA	Square Kilometre Array Bid
SLA	Service Level Agreement
SMS	Seat Management Service
STC	Specialised Technical Committee
TDCA	Trade and Development Co-operation Agreement (with EU)
TICAD	Tokyo International Conference on Africa's Development
TOR	Terms of Reference
UAE	United Arab Emirates
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNGA	United Nations General Assembly
UNITAR	United Nations Institute for Training and Research
UNIVISA	United VISA
UNSC	United Nations Security Council
UNSG	United Nations Secretary-General
USA	United States of America
VIP	Very Important Person
VOIP	Voice Over Internet Protocol
VCCR	Vienna Convention on Consular Relations
WCAR	World Conference Against Racism
WMD	Weapons of Mass Destruction
WSIS	World Summit on Information Society
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation

