

the dirco



"We will have a South Africa which will live in peace with its neighbours and with the rest of the world. It will base its foreign relations on mutually advantageous assistance among the peoples of the world."

OR Tambo in 1976

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TABLE OF CONTENT

PART 1: GENERAL INFORMATION		2-11
Submission of the Annual Report to the Executive Authority		2
1.1	Executive Summary by the Director-General	4-5
1.2	Report of the Minister of the Department of International Relations and Cooperation (DIRCO)	6-11
1.3	The Mission Statement	12
1.4	Legislative Mandate	12-13
PART 2: HUMAN RESOURCES		14- 37
1.	Service Delivery	16
2.	Expenditure	17
3	Employment and Vacancies	18
4.	Job Evaluation	19
5.	Employment changes	20-22
6.	Employment Equity	23-25
7.	Performance Rewards	26-27
8.	Foreign Workers	28
9.	Leave Utilisation for the period 1 January 2006 to 31 December 2006	29-30
10.	HIV AND AIDS and Health Promotion programmes	31
11.	Labour Relations	32-34
12.	Skills Development	35-36
13.	Injury on duty	37

PART 3: PROGRAMME PERFORMANCE		38-95
Programme 1: Administration		40-45
Programme 2: Foreign Relations		45-64
1. CONSOLIDATION OF THE AFRICAN AGENDA		45-48
2. STRENGTHENING SOUTH-SOUTH CO-OPERATION		48-49
3. STRENGTHENING NORTH-SOUTH CO-OPERATION		49-50
4. PARTICIPATE IN THE GLOBAL SYSTEM OF GOVERNANCE		50-56
5. STRENGTHENING POLITICAL AND ECONOMIC RELATIONS		57-64
Programme 3: Protocol and Public Diplomacy		65-66
State Protocol		65
Public Diplomacy		66
Performance Information		67-94
Programme 4: International Transfers		95

PART 4: REPORT OF THE AUDIT COMMITTEE		96-97
P PART 5: THE ANNUAL FINANCIAL STATEMENTS		
(Separate table of contents)		

Abbreviations of Government Department and Acronyms	
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PART 1 General Information

Submission of the Annual Report to the Executive Authority

To the Minister of International Relations and Cooperation, Ms Maite Nkoana-Mashabane; I have the honour of presenting the 2009-10 Annual Report of the Department of International Relations and Cooperation.



Dr Ayanda Ntsaluba
Director-General:
Department of International Relations and Cooperation



Minister Maite Nkoana-Mashabane

1.1 Executive Summary by the Director-General of the Department of International Relations and Cooperation (DIRCO)

During March 2009, the Department of International Relations and Cooperation tabled its three year Medium Term Strategic Plan for the period 01 April 2009 to 31 March 2012 to Parliament. The plan was informed by Government's Medium Term Strategic Framework 2009–2014 whose central objective was to set the country on a higher and sustainable growth trajectory by the end of 2014. The 2009/12 strategic plan built on the foundations that had already been laid in previous years and affirmed the role and work of the Department as the custodian of International Relations policy implementation of the country.

In the Department's 2009/12 Strategic Plan seven key priority areas had been identified as follows:

- Continued prioritisation of the African Continent
- Strengthen South – South Relations
- Strengthen Relations with formations of the North
- Strengthen Political and Economic Relations
- Participate in the Global System of Governance
- Organisational Strengthening
- The Provision of Operational Support Services

The seven key priority areas aligned the work of the Department to contribute to Government's domestic priorities. The continued prioritisation of the African Continent remained the principal focus of South Africa's foreign policy during the year under review. In this regard, the Department continued its African Union (AU) processes to promote African Unity and integration.

Furthermore, South Africa also contributed to the debates on the rationalisation and harmonisation of the Regional Economic Communities (REC's). These REC's are deemed to be building blocks of economic and political integration that recognises the eventual establishment of the Union Government of Sovereign States as its key objective.

During the year under review, South Africa was elected into the AU Peace and Security Council for a two-year term, was also re-elected to the United Nations Human Rights Committee and received the endorsement of the African Union (AU) for South Africa's candidature for the non-permanent seat of the United Nations Security Council (UNSC) for the period 2011–2012.

South Africa continued to provide the technical and logistical support to the Pan African Parliament, in accordance with the Host Country Agreement. South Africa also continued to promote and support the operationalisation of the AU Financial Institutions and in this regard, participated in the Extra-Ordinary Conference of African Ministers of Economy and Finance (CAMEF) and played an instrumental role in the review of the African Investment Bank (AIF) statutes.

NEPAD remains the Social development blueprint for Africa and the framework for Africa's engagement with the North and other international fora/actors. South Africa continues to support NEPAD in its work and participated in the AU Summit in August 2009 and the Heads of State and Implementation Committee (HSGIC) Summit in February 2010. The 14th AU Summit adopted the establishment of the NEPAD Planning and Coordinating Agency (NPCA) as a technical body of the AU, to replace the NEPAD Secretariat. The Summit also adopted the recommendations on the integration of NEPAD into the structures and processes of the AU. SA continues to host and support both the NEPAD Agency as well as the Secretariat of the APRM.

South Africa has continued with and maintained its engagement in the AU-UN peace missions on the African Continent and intensified such peace efforts with the launching of the Southern African Development Community Standby Force. South Africa's peacekeeping efforts include deployment in the DRC (MONUC) the Sudan (UNAMID) as well as mediation efforts in Madagascar and Zimbabwe.

South Africa continued to strengthen bilateral relations with African countries through high-level engagements and visits and through engagement at various bilateral and multilateral forums.

Our priority of strengthening relations with countries and formations of the South continued. In this regard South Africa participated in the IBSA Ministerial Trilateral Commission during 31 August to 01 September 2009 at which Commission the Ministers agreed to enhance political coordination among IBSA countries, to formulate joint positions and to enhance IBSA's role and visibility within the global system of governance.

South Africa also participated, inter alia, in the NAASP Coordinating Unit on Capacity Building for Palestine in June 2009, the IOR-ARC 9th Council of Ministers meeting also in June 2009, the Ministerial meeting of the coordinating Bureau (COB) of the Non-Aligned Movement (NAM) during April 2009 and in meetings of the Group of 77 (G77) and China.

South Africa continued to prioritise Africa on the agenda of EU, G8, Commonwealth and other organisations of the North. SA-EU bilaterals were considerably strengthened during 2009/10, with the primary focus being on fully implementing the SA-EU Trade, Development and Cooperation Agreement (TDCA) and implementing the SA-EU Strategic Partnership Joint Action Plan.

South Africa continues to advance the importance of multilateralism in addressing global challenges. The Department facilitated, coordinated and supported a number of Presidential and Ministerial engagements relevant to our participation in the Global System of Governance. Such engagements included amongst others, the UNGA64, G5 Ministerial debate on General Assembly Revitalisation, the Thirty Sixth Session of the Food and Agricultural Organisation's Conference and COP15. Subsequent to the AU endorsement of South Africa as the candidate for the non-permanent seat of the United Nations Security Council during 2011-2012, South Africa has implemented measures to ensure effective participation in this body.

The 2009/10 financial year saw the inauguration of the new President and a number of outgoing State Visits as well as foreign Heads of State and Government visiting South Africa on official state matters. The Department played a key role in the Presidential Inauguration and continued to provide the necessary Protocol services to the President, Deputy President and Ministers.



Director-General Dr Ayanda Ntsaluba

One of the key objectives of the Department's Strategy for 2009/10 was to engage in programmes that will take the work of the department to the people of South Africa. Consequently, a number of outreach programmes hosted by the Minister of International Relations and Cooperation were undertaken as part of the department's Public Diplomacy mandate.

The Department continued the roll-out of its 3 year Human Resources Strategy to ensure that the Department builds the necessary capacity to deliver on its mandate. Furthermore the Department, through the Diplomatic Training, Research and Development Unit addressed the skills developmental needs of DIRCO and also carried out policy research on priority issues for South Africa's foreign policy. Significant amongst these is the draft paper on Economic Diplomacy which will be given further attention during the 2010/11 financial year.

During September 2009 the Department relocated to its new Head Quarters, OR Tambo Building in Soutpansberg Road, Rietondale, Pretoria. The building was inaugurated by the President on 11 December 2009. The implementation of a world-wide Voice over Internet Protocol ICT infrastructure has continued and is reaching its final stages. The implementation of the VOIP infrastructure has considerably improved the efficiency of departmental operations. The Department

continued to take steps to improve its financial management processes, procedures and systems and also its compliance with Government's Financial Management Regulatory Framework. Once again the department received an unqualified audit report without any other matters being reported. The financial improvement plans implemented by the Department have thus achieved the desired results. I wish to thank the Corporate Services and Internal Audit teams for their efforts in ensuring that the department adheres to the Financial Management Regulatory Framework, as well as Governance prescripts. I also place on record my profound gratitude to the Audit Committee for their stewardship, support and the firm yet always professional manner in carrying out their oversight functions and also for continuing to be a source of inspiration to both myself and the Management of the Department.

I am indeed grateful to Minister Maite Nkoana-Mashabane, Deputy Minister Ebrahim Ebrahim and Deputy Minister Sue van der Merwe for their wisdom and continuous tireless support and guidance in the execution of the Department's mandate during this period. The Department also recognises the exceptional support of the International Cluster (ICTS), The Portfolio Committee on International Relations and Cooperation and the Select Committee on Economic and Foreign Affairs as well as the Staff at Head Office and our Missions abroad. I thank you for your contribution to the success of the Department.

1.2 Report of the Minister of the Department of International Relations and Cooperation (DIRCO)

During 2009/10, we marked 15 years of a democratic South Africa; the 20th anniversary of Ntate Rolihlahla Nelson Mandela's release from prison; the 50th Commemoration of the Sharpeville massacre as well as the golden jubilees (50th anniversary) of at least 17 African States including the DRC, Cameroon, Togo, Madagascar, Democratic Republic of Congo, Somalia, Benin, Niger, Burkina Faso, Côte d'Ivoire, Chad, Central African Republic, Gabon, Senegal, Mali, Nigeria and Mauritania. This was also a year that we celebrated the 110th year of the birth of the Pan-African Movement.

Despite the numerous challenges of governance, underdevelopment, poverty, disease, conflicts, and experienced exploitation, Africans continued to display remarkable resilience, determination and will to retain their dignity. It was heartening to note that the advent of peace, security, stability and the spread of democracy and sustainable development in Africa were finally taking root.

Our foreign policy programmes and activities continued to rest on a number of key focal areas, five (5) of which are the prioritization of the African Agenda; the strengthening of South-South relations; the strengthening of relations with formations of the North; participating in the Global System of Governance; and the strengthening of our Bilateral Economic and Political relations.

THE AFRICAN AGENDA

As our country progresses into the future, our engagements on the African continent, i.e. our African Agenda, continue to be guided by our resolve to seek and promote development; contribute to the resolution of conflicts; and the building of an environment in which socio-economic development can take place.

REGIONAL INTEGRATION

Our approach to regional integration continued to be informed by the fact that South Africa's destiny remains inextricably linked to the SADC region and the entire African continent. We remain committed to supporting regional and continental integration programmes. Our foreign policy framework in relation to our engagements at the continental and regional levels still remain premised on the twin pillars of promoting peace, security and stability; whilst advancing a regional developmental agenda.

Our position still remains that socio-economic development cannot take place in the absence of peace and stability, let alone, it being critical for addressing the root causes of conflict and instability. We held and continue to hold the belief that the political and economic integration of Africa has been and will continue to drive the African Agenda. As we sought to defend the geo-strategic interests of the Continent, we believe that SADC has to remain the primary vehicle for the eventual achievement of regional integration and development.

Having been instrumental in the development of the African Peer Review Mechanism (APRM), we remained convinced that it is a unique system of self review by African peers. We remain supportive of the APRM, as we believe it holds the potential to enhance the popularization of these progressive values in our continent.



President Jacob Zuma and Minister Maite Nkoana-Mashabane at the SADC Summit

We have also reiterated our unshaken commitment and resolve towards our Continent's integration programme. In view of our belief that Regional Economic Communities (RECs) are the building blocks of an envisaged strong and focused African Union – we supported the view that our SADC be strengthened and focused. In our own context, SADC remains our primary vehicle for the realization of our programme of regional integration and development.

Our strategy in SADC continued to rest on three pillars, i.e. restoring, strengthening and maintaining political unity and cohesion within deepening regional economic integration; and intensifying regional infrastructural development.

South Africa continued to carry out its SADC mandate of facilitating negotiations between Zimbabwe's ZANU-PF and the two MDC formations with a view to finding a solution to outstanding issues in the implementation of the Global Political Agreement. We noted progress in the constitution making process, the conclusion of which we remain convinced will open the way for a national plebiscite, thus paving the way for holding of free and fair elections.

South Africa remained committed to promoting the New Economic Partnership for Africa's Development (NEPAD) since its adoption as a socio-economic development programme of the AU. South Africa has over the last decade, contributed to two tangible elements of the African Renaissance, namely the transformation of the continent's political architecture, the OAU to the AU and the integration of NEPAD.



SOUTH-SOUTH RELATIONS

In our commitment to strengthen South-South Cooperation, we continued working with countries of the South in finding political, economic and social convergence in our fight against poverty and underdevelopment. The motivation to strengthen and broaden our South-South Cooperation is informed by our shared history and current challenges as well as a need to diversify our trade partners.

As we seek to contribute to the strengthening of South-South Cooperation, South Africa will continue to participate in forums such as the NAM, G77 + China, the India-Brazil-South Africa Dialogue Forum (IBSA); the New Asia-Africa Strategic Partnership (NAASP); and in Africa's multilateral partnerships with countries of the South.

Our engagements with countries of the South continued to be governed and informed by the key principles of partnership, solidarity, equality, mutual respect and mutual benefit. Our view remained that South-South Cooperation provided the necessary space to confront our common challenges; and is a complement to, rather than a substitute for our engagements with the North.

In the aftermath of the global financial and economic crises, we noted that as countries of the South, we needed, amongst others, to support one another by broadening the scope of our economic engagement and by enhancing technical, financial, and institutional partnerships.



Above: President Jacob Zuma and Minister Maite Nkoana-Mashabane at the AU Summit

Above left: President Jacob Zuma with Brazilian President Lula da Silva and Indian Prime Minister Manmohan Singh during the IBSA Summit, Brasilia

Left: President Jacob Zuma with (from left) Swedish Prime Minister Fredrik Reinfeldt, Secretary-General Javier Solana and EU Commissioner Karel De Gucht during the SA-EU Strategic Partnership

STRENGTHENING RELATIONS WITH FORMATIONS OF THE NORTH

In our interactions with developed countries of the North, we sought to identify, build and reinforce mutually beneficial relations. Such mutuality helped us to push back the frontiers of poverty, as we launched and took forward our struggles against poverty, lack of sufficient health resources, insufficient job opportunities, challenges of crime and agrarian reform and the skilling and training of our young in all fields of education.

We continued to embrace a developmental and investment-oriented approach to our engagements with the European Union, G8, G20 and other OECD countries. In all our interactions, we pursued a more inclusive process that is based on the principles of partnership, equality and mutual respect.

Through our membership of the Africa Caribbean Pacific (ACP) Group, we continued to engage the European Union in support of the global development agenda, and specifically their support for Africa's developmental priorities. With our national priorities continuing to inform the basis of our engagements with countries of the North, we have ensured that we implement the provisions of the South Africa-EU Strategic Partnership.

To this end we have already signed the first Revision Agreement to the Trade and



Above: Minister Maite Nkoana-Mashabane addressing the United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development.

Above right: Deputy Minister Ebrahim Ebrahim participating in the UN Security Council

Bottom right: Deputy Minister Sue van der Merwe participating in the discussion on the role of the UN Security Council in supporting security sector reform

Development Cooperation Agreement (TDCA) in 2009, which together with the Joint Action Plan for the SA-EU Strategic Partnership, laid the ground for an enhanced and deepened relationship in existing diverse and new areas of cooperation.

PARTICIPATION IN THE GLOBAL SYSTEM OF GOVERNANCE

Our continued participation in the Global System of Governance remained in pursuance of global political and socio-economic stability and security within the multilateral system. In every conceivable forum, we also sought to enhance developmental objectives of the developing world, including the attainment of equitable global order.

ENVIRONMENT

In view of our commitment to addressing the issue of climate change, South Africa participated in the 15th Conference of Parties (COP15) held in Copenhagen within the UN Framework Convention on Climate Change (UNFCCC). We believed then, as we do now, that we have to give effect to the principle of common but differentiated responsibilities enshrined in the UNFCCC.

South Africa, together with like-minded countries of the South, including Brazil, Indian and China (BASIC) emerged from COP15 in Copenhagen a more coherent grouping - in response to developed countries targeting "major developing countries," to shoulder more of the burden for climate change support and mitigation than provided for by the UNFCCC.

As per the decisions of COP15, the negotiations process stemming from the Bali



Action Plan will carry on to COP16 in Cancun, Mexico at the end of 2010. South Africa will take over the baton from Mexico when we host COP17 in 2011.

GENDER

South Africa will continue to play an active role in advancing the UN Secretary-General's proposals on strengthening the UN Gender machinery. The idea is that gender issues will be mainstreamed into peace-making, peace-keeping and peace-building operations of the UN. We also expect gender issues to be mainstreamed into all activities of the AU.

There is no disputing the fact that the plight of women and the girl child in Africa (and elsewhere in the world) needs our urgent and undivided attention. Women of Africa, regardless of which country they originate from, seek economic, political and social emancipation. We remain convinced that no country is free until its women are free.

THE RSA AT THE UNITED NATION'S SECURITY COUNCIL (UNSC)

It is common knowledge that South Africa's candidature for a non-permanent seat at the UN Security Council was endorsed by the SADC region and the African Union for 2011-2012. Following our occupancy of the non-permanent seat of the Security Council in 2007 and 2008 - and the experience gained - South Africa is confident that it will be able to champion the cause of Africa at the UNSC and contribute positively to the core mandate of the UNSC - which is the maintenance of global peace and security.



President Jacob Zuma and Minister Maite Nkoana-Mashabane holding bilaterals with President Hugo Chavez at the side lines of the Africa-South America Summit, Venezuela



Minister Maite Nkoana-Mashabane with her American counterpart Secretary of State Hillary Clinton at the launch of the South Africa - United States of America Strategic Dialogue

STRENGTHENING OF BILATERAL ECONOMIC AND POLITICAL RELATIONS

In the context of strengthening our bilateral economic and political relations, the Department of International Relations and Cooperation continued to be guided by the need to be relevant to the five key priorities of government. Our Department has, at all times, committed itself to pursuing engagements and interactions that promise to breathe life to our priorities of education, health, job creation, crime prevention, and agrarian reform.

We continued to find more creative ways of strengthening our capacity to tap into economic diplomacy opportunities here at home and abroad through our Missions, including improving the marketing of our country and Africa. Having noted the importance of communicating with both our internal and external audiences, we have prioritized communication of our foreign policy positions and preoccupations using our public diplomacy tools.



Deputy President, Kgalema Motlanthe addressing media at the close of the London Summit at the ExCel Arena in London, UK

In this regard, we continued to place high priority on our strategic partnership with the People's Republic of China, the Republic of Korea, India, Russia and Japan. Our relations with countries from the Gulf continued to be important and strategic.

Notwithstanding, the Gulf is also a source of investment and home to a sizeable community of South African expatriates, but our companies continue to be involved in major projects in the areas of defense, construction and petrochemicals.

Traditionally, we have had very beneficial relations with the Americas, at the centre of which we placed our focused and strategic platforms for cooperation.

We were pleased to note that countries of North America, i.e. Canada and the USA, continued to be major contributors to Foreign Direct Investment and Official Development Assistance in South Africa. Despite FDIs and ODA as the defining feature of our relations, we acknowledged that there is still potential for growth in our bilateral relations, especially as this relates to trade, investment and tourism.



Deputy President Kgalema Motlanthe launching the new VW South Africa's Parts and Distribution Centre in Centurion, Tshwane

DIRCO AND THE PRIVATE SECTOR

Our Department remained supportive of South African private sector expansion on the continent as there were and still are clear win-win opportunities. In this respect, we also remained of the view that a voluntary code of Good Business practice be developed in conjunction with a wide range of role-players (including academic institutions, BUSA, national departments). Such a Code, we maintain, will represent a commitment to promote peace and stability, democracy, sound economic management, accountability and people-centred development.

DIRCO AND THE FIFA WORLD CUP

Our Department committed itself to making sure that the 2010 FIFA World Cup soccer extravaganza became one of the most memorable, successful and historic event ever to be staged on African soil. In our participation during the preparatory stages, we moved from the premise that a successful World Cup would create a new momentum for the regeneration of Africa as envisioned by our forefathers, something that will help contribute immensely to a change in perception and a shift in paradigm of Africa.

As we moved from one country to the other popularizing the event, we believed that it will be advisable for all of Africa to use the event to reverse the negative trend that has characterised the contemporary narrative on Africa and its prospects for prosperity and development. Our vision beyond the World Cup was that we will have to find ways of utilizing the momentum generated by the collective impact and positive mood of the World Cup to promote peace, tolerance and social cohesion.

PUBLIC DIPLOMACY

In the area of public diplomacy, we have in the past year committed DIRCO to undertaking annual journeys to all the provinces across South Africa, in an effort to roll-out our Department's public participation programme. Our public participation programme sought to create the necessary space and time to engage other non-state actors like our academia, NGOs, business and broader society on matters that relate to the country's foreign policy and our department.

It remains our intention to use these interactions to familiarize the public on our foreign policy preoccupations and our mandate; ensure that our ordinary folk can link our country's domestic priorities and our Department's international engagements, amongst others.

In conclusion and with the positive mood generated by the recent success of the FIFA World Cup, we are more determined to seize this opportunity in consolidating the African Agenda so that we can contribute towards the new-found Afro-Optimism – from which our Continent can regenerate economically, politically, socially and technologically. We owe it to our future generations to seize the moment.

Thank you,
Je vous remerci
Mucho gracias
Ke a leboga



Minister Maite Nkoana-Mashabane being interviewed by the media, OR Tambo Building



Minister Maite Nkoana-Mashabane visiting the Mashishing Old Age Home in Lydenburg, Mpumalanga



international relations & cooperation

Department:
International Relations and Cooperation
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 International Relations and Cooperation 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 International Relations and Cooperation, 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 Minister's 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 International Relations and Cooperation 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 Cooperation, Trade and Security Cluster (ICTS).

The Parliamentary Portfolio Committee on International Relations and Cooperation 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 124 missions in 107 countries abroad, and through the accreditation of more than 160 countries and organisations resident in South Africa.

Defining South Africa's International Relations (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 International Relations 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 speeches, statements and documents on South Africa's foreign policy.

Principles underpinning South Africa's International Relations Policy
The principles which serve as guidelines in the conduct of our International 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 these 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 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.

PART 2

Human Resources

The Human Resources Strategy has been central in guiding and shaping our efforts as we deepen and entrench people management processes. We remain committed to ensuring that the department has people who make a difference for South Africa through effective, efficient and professional human resources services. The commitment has been demonstrated in a number of areas including the ones below.

Effective Organisational Arrangements

The foundation for provision of professional human resources services has been laid and is underpinned, amongst others, by an appropriate Organisational Structure, Policies, Systems and Procedures for Managing Performance, Labour Relations, Organisational Development, Transformation and Employee Wellness.

The year under review has been characterised by a number of interventions and developments including the following:

A number of policies have been subjected to a review process including, Recruitment and Selection, Placement, HIV/AIDS and will be finalised in the next financial year.

The reviewed Performance Management Policy has been implemented, however, there is still room for improvement especially in ensuring that we use Performance Management as a management tool to address day to day management issues.

The Department continued with education and training programmes on Labour Relations processes especially for those preparing for posting abroad. The collective bargaining and consultative structures were engaged and solutions were found to human resources issues arising from the move to the OR Tambo Building, such as, finding alternate positions for employees affected by the move.

Advocacy work aimed at enhancing the awareness of employees about key labour relations processes and training of managers in disciplinary processes has been undertaken. The review of the Labour Relations Framework started in earnest and will be concluded during the next financial year.

The Employee Wellness Centre (EWC) continues to implement health promotion programmes and render psycho-social support to all DIRCO employees and their family members. During the year under review, the EWC intensified its efforts to support transferred employees and their families. To this end, DIRCO developed and commenced with enhanced implementation of strategies aimed at supporting employees and families in Hardship Missions.

The Culture and Climate Survey outcomes were translated into five key projects to be implemented in the context of a shared vision of the desired culture.

Recruitment, Selection and Placement

During the year under review the Department filled 319 posts, 134 of which represented the promotion of internal candidates whilst 185 were external candidates. Over and above this, the cadet programme which serves as the talent pipeline for postings abroad was voted as the best internship programme in government.



Employee Wellbeing Center HIV/AIDS Day aids testing done at Head Office

Career, Succession and Talent Management

Through its concerted employee branding activities, the Department was rated as the second best employer of choice by tertiary students studying towards qualifications in Humanities. This graduate survey conducted by Magnet Communications annually, involves over 100 private organisations from a variety of industries and focuses on students from across the 23 Universities in South Africa. The Department was also rated the second best employer amongst Public Sector employers in the same survey.

For the first time, the Department hosted a Career Exhibition Day at Head Office on 18 March 2010. A varied audience was invited to engage with officials on the work of the Department as well as available career opportunities. There was also a strong focus on career management in the Department, involving interventions such as individual career counseling, group career counseling and a career website. These initiatives were undertaken with the aim of assisting employees take advantage of available career opportunities within the Department and to manage their careers in a proactive manner.

Diplomatic Training, Research & Development (DTRD)

The Department, through the Branch: Diplomatic Training, Research & Development, addresses the skills developmental needs of the DIRCO and carries out policy research on priority issues for South Africa's foreign policy. The Diplomatic Academy as an accredited training institution with the Public Services Sector Education and Training Authority (PSETA) offers training in preparation for Foreign Service to departmental officials. Diplomatic training was offered to 19 Heads of Mission, 26 senior level Counsellors, 55 mid-level Diplomatic Trainees.

Protocol training was extended to a total of 1738 officials from all levels of the public sector as well as from semi-state and private enterprises such as Telkom, the Justice College and the organisers of the 2010 FIFA World Cup. In addition to diplomatic training the following training was delivered: Mission Administration, Foreign Languages, Computer training, English Language training, various courses for Management Development and generic training in line with the Workplace Skills Plan (WSP).



Above and below: Future diplomats receiving training in the Conference Centre



The Diplomatic Class of 2010 (first group) Class of OR Tambo with their facilitators

The Diplomatic Academy has increased the Foreign Language training offered to the public sector and established an Inter governmental Forum with a steering committee to consider areas of foreign language training and interpreting and translation within the public sector & state agencies. Answering the call to job creation and skills development the Department's Cadet programme offered 52 unemployed graduates a chance to further their learning and pursue their career in the Department. In addition, the Department enrolled a second group of senior officials in the Masters in Diplomacy Programme to further enhance the skills profile of the senior management dealing with international relations in the public sector.

As part of DIRCO's contribution towards enhancing the skills level of all South Africans, 15 unemployed youth completed a Human Resource Learnership Programme. Internships providing work experience were offered to 20 university graduates in Information Technology and to 4 university graduates in Internal Audit. Further to that DIRCO is responsible for addressing illiteracy to 60 officials that are enrolled on an ABET programme. The Diplomatic Academy in collaboration with the Department of Trade and Industry and GCIS, finalised the development of a curriculum on Economic Diplomacy for all international relations practitioners from the three spheres of Government. A first Pilot Programme on

Economic Diplomacy was successfully concluded in November 2009. In pursuit of the consolidation of the African Agenda the Diplomatic Academy offered diplomatic training to 10 diplomats from SADC countries and to a similar number of Palestinian Diplomats. The Diplomatic Academy in partnership with UNITAR offered an e-learning course in multilateral conferencing and international negotiations to 170 learners from some 50 countries.

The Diplomatic Academy facilitated the access to various international training programmes. The Diplomatic Academy facilitated diplomatic and administrative training programmes to the DRC Diplomatic Academy under the DRC Capacity Building Project.

PRAU hosted various Discussion and Current Affairs Fora which serves as a catalyst for both internal and external debates on priority issues for South Africa's foreign policy. Through its research and analysis of foreign policies and global issues, various papers were produced. The third annual conference was hosted and the proceedings published. PRAU hosted the Intergovernmental Forum on international relations as well as the Academic/Research Forum where various research topics were shared to improve coordination and avoid duplication.

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 plan.

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 DIRCO 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, they provide an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department. (Staff additional to establishment are included in Prog 1 and the LRP's are included in Prog 2)

TABLE 2.1 – Personnel cost by programme, 2009-2010

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1	1,211,551	237,254	4,860	6,260	20	258
Programme 2	2,692,751	1,523,284	1,408	3,436	56	425
Programme 3	252,855	72,733	3	22	29	256
Total	4,157,157	1,833,271	6,271	9,718	44	383

TABLE 2.2 – Personnel cost, 2009-2010

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	1,833,271	44	383
Total	1,833,271	44	383

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

The following table provides 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, 2009-2010

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	156,350	65.9	14,450	6.1	4,119	1.7	8,182	3.4
Programme 2	705,041	46.2	13,529	0.9	5,162	0.3	44,090	2.9
Programme 3	48,064	66.1	3,741	5.1	1,535	2.1	3,313	4.6
Total	909,455	49.6	31,720	1.7	10,816	0.6	55,585	3.0

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:- programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). The Department has identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the 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 2010

Programme	Number of posts as at 31 March 2010	Number of posts filled 31 March 2010	Vacancy Rate %	Number of posts filled additional to the establishment
Programme 1	1063	810	23.8	
Programme 2	1353	1136	16	0
Programme 3	358	284	20.7	0
Additional to Establishment	0	111	0	111
Total	2774	2341	15.6	111

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2010

Salary band	Number of posts as at 31 March 2010	Number of posts filled 31 March 2010	Vacancy Rate %	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	83	63	24.1	0
Skilled(Levels 3-5)	386	327	15.3	4
Highly skilled production(Levels 6-8)	723	618	14.5	81
Highly skilled supervision (Levels 9-12)	1298	1087	16.3	20
Senior management (Levels 13-16)	281	243	13.5	6
Political Office Bearers	3	3	0	0
Total	2774	2341	15.6	111

TABLE 3.3 – Employment and vacancies by critical occupations as at 31 March 2010

Critical occupations	Number of posts as at 31 March 2010	Number of posts filled 31 March 2010	Vacancy Rate %	Number of posts filled additional to the establishment
Heads of Missions	124	112	9.7	0
Diplomatic Corps	639	561	12.2	0
Senior Management	156	120	23.1	0
Total	919	793	13.7	0

4. JOB EVALUATION

The Public Service Regulations, 2001 (as amended) introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, the executing authority 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 2009 to 31 March 2010

Salary band	Number of posts as at 31 March 2010	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)	83	0	0	0	0	0	0
Skilled (Levels 3-5)	386	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	723	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	1298	7	0.5	523	40.3	0	0
Senior Management Service Band A	211	0	0	0	0	0	0
Senior Management Service Band B	55	0	0	0	0	0	0
Senior Management Service Band C	14	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	2771	7	0.3	523	18.9	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.

The 2771 number of posts dose not include the three Political Office Bearers.

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2009 to 31 March 2010

Beneficiaries	African	Indian	Coloured	White	Total
Female	92	21	5	48	166
Male	151	15	9	65	240
Total	243	36	14	113	406

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 2009 to 31 March 2010 (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 2009/ 10				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 2009 to 31 March 2010

Salary Band	Number of employees as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Lower skilled (Levels 1-2)	72	10	11	15.3
Skilled (Levels 3-5)	348	50	60	17.2
Highly skilled production (Levels 6-8)	658	68	59	9
Highly skilled supervision (Levels 9-12)	1022	44	55	5.4
Senior Management Service (Levels 13-16)	250	11	30	12
Political Office Bearers	3	2	2	66.7
Total	2353	185	217	9.2

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2009 to 31 March 2010

Occupation:	Number of employees as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Heads of Mission	113	13	14	12.4
Diplomatic Corps	533	0	7	1.3
Senior Management	124	11	16	12.9
Total	770	24	37	4.8

This section provides information on Employee Initiated Severance Packages, per salary band as stipulated by the Public service Regulations, 2001, Chapter 1, Part III J.4 (Tab 5.3)

TABLE 5.3 – Granting Employee Initiated Severance Packages by Salary Band for the period 1 April 2009 to 31 March 2010

Salary Band	Number of Applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior Management Service (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Table 5.4 – Identifies the major reasons for staff members leaving the department

Termination Type	Number	% of total
Death	11	5.1
Resignation	32	14.7
Expiry of contract	108	49.8
Dismissal – operational changes	0	0
Dismissal – misconduct	3	1.4
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement (incl. Normal and Early Retirement)	32	14.7
Transfers to other Public Service Departments	31	14.3
Voluntary Severance Package	0	0
Total	217	100
Total number of employees who left as a % of the total employment (2341) as at 31 March 2010		9

During the period under review, 217 employees left the Department due to various reasons as reflected in the table 5.4 above and the majority of these employees were from the skilled, highly skilled production and highly skilled supervision category (i.e. Levels 3-12). The Department recruited 185 employees on various levels to provide the required human resource capacity for the Department of International Relations and Cooperation.

Table 5.5 – Promotions by critical occupation

Occupation:	Number of employees as at 1 April 2009	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	113	2	1.8	58	51.3
Diplomatic Corps	533	0	0	357	67
Senior Management	124	3	2.4	95	76.6
Total	770	5	0.6	510	66.2

Table 5.6 – Promotions by salary band

Salary Band	Number of employees as at 1 April 2009	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)	72	0	0	51	70.8
Skilled (Levels 3-5)	348	2	0.6	237	68.1
Highly skilled production (Levels 6-8)	658	47	7.1	408	62
Highly skilled supervision (Levels 9-12)	1022	80	7.8	688	67.3
Senior management (Levels 13-16)	250	5	2	153	61.2
Political Office Bearers	3	0	0	0	0
Total	2353	134	5.7	1537	65.3

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 2010

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	417	34	50	197	328	22	35	198	1281
Professionals	7	0	0	2	7	2	1	1	20
Technicians and associate professionals	22	2	2	6	26	0	0	5	63
Clerks	195	11	4	19	406	32	15	75	757
Service and sales workers	44	5	0	4	41	2	1	0	97
Plant and machine operators and assemblers	19	1	0	0	0	0	0	0	20
Elementary Occupation	32	0	0	0	66	0	0	2	100
Total	736	53	57	228	875	58	52	282	2341
Employees with disabilities	9	0	1	13	8	1	0	4	36

6.2 - Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2010

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	9	0	3	0	5	0	0	0	17
Senior Management	95	8	13	34	54	3	2	17	226
Professionally qualified and experienced specialists and mid-management	329	28	35	172	280	20	34	189	1087
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	163	12	5	19	303	29	15	72	618
Semi-skilled and discretionary decision making	121	5	0	3	189	6	1	2	327
Unskilled and defined decision making	19	0	0	0	43	0	0	1	63
Total	736	53	57	228	875	58	52	282	2341

6.3 - Recruitment for the period 1 April 2009 to 31 March 2010

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearers	0	0	1	0	1	0	0	0	2
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	4	1	0	0	5	0	0	0	10
Professionally qualified and experienced specialists and mid-management	17	0	1	2	20	2	0	2	44
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	22	4	0	4	30	6	1	1	68
Semi-skilled and discretionary decision making	14	0	0	0	35	1	0	0	50
Unskilled and defined decision making	0	0	0	0	10	0	0	0	10
Total	57	5	2	6	102	9	1	3	185
Employees with disabilities	2	0	0	1	0	0	0	0	3

6.4 - Promotions for the period 1 April 2009 to 31 March 2010

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	1	0	0	0	3
Senior Management	0	0	0	0	1	0	1	0	2
Professionally qualified and experienced specialists and mid-management	32	2	2	5	22	0	1	16	80
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	0	0	0	34	3	0	1	47
Semi-skilled and discretionary decision making	2	0	0	0	0	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	45	2	2	5	58	3	2	17	134
Employees with disabilities	0	0	0	0	0	0	0	1	1

6.5 - Terminations for the period 1 April 2009 to 31 March 2010

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearers	0	0	0	0	1	0	1	0	2
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	9	4	0	5	9	2	1	0	30
Professionally qualified and experienced specialists and mid-management	18	2	0	9	13	0	1	12	55
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	17	4	0	5	20	5	2	6	59
Semi-skilled and discretionary decision making	17	0	0	0	41	1	1	0	60
Unskilled and defined decision making	0	0	0	0	11	0	0	0	11
Total	61	10	0	19	95	8	6	18	217

6.6 - Skills development for the period 1 April 2009 to 31 March 2010

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	7	3	2	2	8	2	3	2	29
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	180	9	3	19	334	10	8	28	591
Service and sales workers	11	2	0	2	14	1	0	0	30
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	16	0	0	0	44	0	0	0	60
Total	214	14	5	23	400	13	11	30	710

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 7.4) and critical occupations (Table 7.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2009 to 31 March 2010

	Beneficiary Profile				Cost	
	Number of beneficiaries	Total number of employees in group 31 March 2010	% of total within group	Employees with disabilities	Cost (R'000)	Average cost per Beneficiary (R'000)
African						
Male	101	743	14	1	1.607	16
Female	109	849	13	2	1.452	11
Indian						
Male	18	52	23	0	485	27
Female	9	55	33	0	135	15
Coloured						
Male	5	55	9	0	60	12
Female	2	62	3	0	24	12
White						
Male	60	239	25	2	1.424	24
Female	78	295	26	1	1.393	18
Total	382	2350	146	6	6.580	16

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2009 to 31 March 2010

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees as at 31 March 2010	% of beneficiaries within salary band	Total Cost (R'000)	Average cost per Beneficiary (R'000)
Lower skilled (Levels 1-2)	8	72	11	29	4
Skilled (Levels 3-5)	33	348	10	160	5
Highly skilled production (Levels 6-8)	82	658	13	759	9
Highly skilled supervision (Levels 9-12)	225	1022	22	4,241	19
Total	348	2100	17	5,189	15

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2009 to 31 March 2010

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees as at 31 March 2010	% of beneficiaries within occupation	Total Cost (R'000)	Average cost per employee (R'000)
Heads of Mission	6	113	5	259	43
Diplomatic Corps	84	533	16	1,531	18
Senior Management	28	124	23	1,133	40
Total	118	770	15	2.923	25

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 2009	% of beneficiaries within band			
Band A	15	167	9	562	37	0.03
Band B	14	71	20	572	41	0.03
Band C	5	11	46	257	51	0.01
Band D	0	1	0	0	0	0.00
Total	34	250	14	1.391	413	0.08

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 Branch.

TABLE 8.1 – Foreign Workers, 1 April 2009 to 31 March 2010, per Branches

BRANCHES	1 April 2009		31 March 2010		Change	
	Number	% of total	Number	% of total	Number	% change
Africa Bilateral	815	34	843	34	28	3
Africa Multilateral	104	4	104	4	0	0
Asia & Middle East	518	22	544	22	26	5
Americas and Caribbean	328	14	325	13	-3	-1
Europe	580	24	585	24	5	1
Multilateral	35	1	43	2	8	23
Total	2380	100	2444	100	64	3

TABLE 8.2 – Foreign Workers – Bonuses paid to Locally Recruited Personnel (LRP) employed in missions abroad

BRANCHES	2008/2009		2009/2010	
	Expenditure (R'000)	% of total	Expenditure (R'000)	% of total
Africa Bilateral	4,285	10	4,724	14
Africa Multilateral	238	1	162	0.5
Asia & Middle East	19,009	46	8,587	26
Americas and Caribbean	4,367	10	5,957	18
Europe	12,271	29	12,406	37.5
Multilateral	1,604	4	1,273	4
Total	41,774	100	33,109	100

The bonuses do not include performance rewards, but are informed by what the local legislation in that country provides.

9. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2009 TO 31 DECEMBER 2009

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 2009 to 31 December 2009

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)	203	92.12	31	2.15	7	40
Skilled (Levels 3-5)	1405	84.13	217	15.02	6	397
Highly skilled production (Levels 6-8)	2448	76.59	403	27.91	6	1,229
Highly skilled supervision (Levels 9-12)	4505	77.89	696	48.2	6	4,380
Senior management (Levels 13-16)	564	81.74	97	6.72	6	1,431
Total	9125	79.1	1444	100	6	7,477

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2009 to 31 December 2009

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)	41	100	2	3	21	9
Skilled (Levels 3-5)	427	100	7	10.44	61	107
Highly skilled production (Levels 6-8)	696	100	26	38.8	27	340
Highly skilled supervision (Levels 9-12)	724	100	27	40.3	27	1,007
Senior management (Levels 13-16)	145	100	5	7.46	29	356
Total	2033	100	67	100	30	1,819

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 2009 to 31 December 2009

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	1027	17
Skilled Levels 3-5)	5584	16
Highly skilled production (Levels 6-8)	11076	19
Highly skilled supervision (Levels 9-12)	23715	22
Senior management (Levels 13-16)	4472	18
Total	45874	20

TABLE 9.4 – Capped leave, 1 January 2009 to 31 December 2009

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009
Lower skilled (Levels 1-2)	1	1	43
Skilled Levels 3-5)	19	3	52
Highly skilled production (Levels 6-8)	215	8	46
Highly skilled supervision(Levels 9-12)	1076	10	55
Senior management (Levels 13-16)	129	6	78
Total	1440	9	55

TABLE 9.5 – Leave payouts for the leave period 1 January 2009 to 31 December 2009

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 (R'000)
Leave pay out for 2008/09 due to non-utilisation of leave for the previous cycle	1,219	124	10
Capped leave pay outs on termination of service for 2008/09	2,563	248	10
Current leave pay out on termination of service for 2008/09	202	35	6
Total	3,984	407	10

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
The Department has not identified specific employees to be at high risk, but are taking steps in raising awareness.	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		Seven (7) staff members Annual Budget R4 029 614
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		HIV/AIDS Management Health and Productivity Support for transferred employees Psychosocial support
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		Dave du Buisson (PSA) Tersia Malepane (Employee) Sibongile Mabasa (Sports & Recreation) Ntombi Sibiyi (NEHAWU) Daisy Ellen (Employee) Megan Reddy (Employee) Odile Harrington (Employee) Gugu Ngwenya (Employee) Thozamile Sandi (Employee) Seralong Chauke (Employee) Noloyiso Tsembeyi (Employee)
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		HIV/AIDS and TB management Policy Employee Health and 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 HIV/AIDS and TB management policy. Emphasised confidentiality, non-discrimination on all HR practices e.g. recruitment, promotion, training opportunities, etc.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved	X		Conducts on-site VCT programme. In 2009, a total of 258 employees participated in the programme.
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		Statistics Attendance of awareness and educational programmes Number of employees attending VCT programmes Number of male condoms distributed Number of educational articles and pamphlets distributed Evaluation of training conducted on health and wellness

11. LABOUR RELATIONS

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

TABLE 11.1 – Collective agreements, 1 April 2009 to 31 March 2010

Subject Matter	Date
None	-

TABLE 11.2 – Disciplinary action for the period 1 April 2009 to 31 March 2010

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	19	2	0	2	4	0	1	2	

TABLE 11.3 – Misconduct and disciplinary hearings finalised, 1 April 2009 to 31 March 2010

Outcomes of disciplinary hearings	Number	% of total
Written warning	0	0
Final written warning	2	20
Not Guilty/Acquittals/Reinstatements	1	10
Demotion	0	0
Suspension without Pay	1	10
Dismissal	1	10
Case withdrawn	0	0
Resigned / Retired	3	30
Tour of Duty Terminated/Grounded at Head Office for 2 years	2	20
Total	10	100

TABLE 11.4 – Types of misconduct addressed at disciplinary hearings, 1 April 2009 to 31 March 2010

Type of misconduct	Number	% of total
Gross Negligence/ Negligence	0	0
Insubordination/Insolence	3	15
Assault/Fighting	2	10
Absenteeism	1	5
Abuse of State Property	2	10
Sleeping on Duty / Alcohol abuse	0	0
Unbecoming conduct / Bringing the Department into Disrepute/Prejudicial conduct	6	30
Theft/Forgery/Misrepresentation	2	10
Failure to follow procedures	2	10
Abuse of Diplomatic Privileges	0	0
Dereliction of Duty	0	0
Abscondment	1	5
Sexual harassment	1	5
TOTAL	20	100

TABLE 11.5 – Grievances lodged for the period 1 April 2009 to 31 March 2010

	Number	% of Total
Number of grievances resolved	12	57
Number of grievances not resolved	9	43
Total number of grievances lodged	21	100

TABLE 11.6 – Disputes lodged with Councils for the period 1 April 2009 to 31 March 2010

	Number	% of Total
Number of disputes upheld	1	14
Number of disputes dismissed	2	29
Number of disputes pending	4	57
Number of disputes settled	0	0
Total number of disputes lodged	7	100

TABLE 11.7 – Strike actions for the period 1 April 2009 to 31 March 2010

Strike Actions	
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE 11.8 – Precautionary suspensions for the period 1 April 2009 to 31 March 2010

Precautionary Suspensions	
Number of people suspended	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	183
Cost (R'000) of suspensions	421

12. SKILLS DEVELOPMENT

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

12.1 Training needs identified 1 April 2009 to 31 March 2010

Occupational Categories	Gender	Number of employees as at 1 April 2009	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	583	0	75	0	75
	Male	698	0	45	0	45
Professionals	Female	11	0	0	0	0
	Male	9	0	0	0	0
Technicians and associate professionals	Female	31	0	0	0	0
	Male	32	0	0	0	0
Clerks	Female	528	0	456	0	456
	Male	229	0	220	0	220
Service and sales workers	Female	44	0	35	0	35
	Male	53	0	40	0	40
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	20	0	0	0	0
Elementary occupations	Female	68	0	20	50	70
	Male	32	0	10	20	30
Gender Sub Totals	Female	1265	0	586	50	636
	Male	1073	0	315	20	335
Total		2338	0	901	70	971

12.2 Training provided 1 April 2009 to 31 March 2010

Occupational Categories	Gender	Number of employees as at 1 April 2009	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	583	0	15	0	15
	Male	698	0	14	0	14
Professionals	Female	11	0	0	0	0
	Male	9	0	0	0	0
Technicians and associate professionals	Female	31	0	0	0	0
	Male	32	0	0	0	0
Clerks	Female	528	17	363	0	380
	Male	229	31	180	0	211
Service and sales workers	Female	44	0	15	0	15
	Male	53	0	15	0	15
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	20	0	0	0	0
Elementary occupations	Female	68	0	0	44	44
	Male	32	0	0	16	16
Gender Sub Totals	Female	1265	17	393	44	454
	Male	1073	31	209	16	256
Total		2338	48	602	60	710

13. INJURY ON DUTY

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2009 to 31 March 2010

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

PART 3:

PROGRAMME PERFORMANCE

	2009/2010	2010/2011	2011/2012
MTEF allocations	R5,552,955	R4,844,426	R5,087,009
Actual Expenditure	Current payments	Transfers	Capital payments
	R3,905,163	R1,171,882	R 340,396
Total			R5,417,441
Statutory amounts	-	-	-
Responsible minister	Minister of International Relations and Cooperation: Ms Maite Nkoana-Mashabane		
Administering department	Department of International Relations and Cooperation		
Accounting officer	Director-General of International Relations and Cooperation: Dr A Ntsaluba		

Aim of the vote

The Department of International Relations and Cooperation (DIRCO) is responsible for the formulation, co-ordination, implementation and management of South Africa's foreign policy and international relations programmes throughout the world.

Programme purpose and measurable objectives

Programme 1: Administration

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

Programme 2: International Relations and Cooperation

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 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: 2003/04 - 2009/10

The Department of International Relations and Cooperation (DIRCO) 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 Co-operation
- Global System Governance
- Political and Economic Relations



All the above images: The New South African Chancery in Maseru, Lesotho

Programme 1: Administration

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 the purchasing of vehicles for the Department. The provision of secure, economical, representative housing and office accommodation for all staff members abroad (including partner Departments) and maintenance thereof is also accommodated within this programme.

Corporate Services identified the following strategic objectives for providing excellent Organisational support to the Department:

- Enhance the corporate governance model.
- Acquire a new head office building in Pretoria.
- Modernise the Department's Information Communication Technology and ensure its optimum use.
- Provide cost-effective infrastructure accommodation to support the Department's work.
- Provide consular services to South African citizens abroad.
- Implement financial system reforms in line with the PFMA.
- Intensify compliance with MISS and security policy requirements.
- Efficient Management of Supply Chain requirements.

Management of the Department's property portfolio

The property portfolio managed by the Department is divided into two (2) areas of focus, namely the international property portfolio and the local property portfolio. During the 2009/10 financial year, the Department finalized the purchase agreement in respect of land in New Delhi, earmarked for the development of a new Chancery and Official Residence. Furthermore, the Department purchased an Official Residence in Washington DC for occupation by the South African Ambassador to the United States. This has been necessitated by the fact that the existing Official Residence is being redeveloped to form part of the Chancery, which is being enlarged to accommodate the full staff establishment at the mission. The Department also purchased the residence that the late OR Tambo occupied during his stay in London. This house will, inter alia, be used as residential accommodation for a senior staff member of the SA High Commission in London.

The construction of a new Chancery (September 2009) and diplomatic village, consisting of 8 staff houses and a clubhouse (July 2009), together with the renovation of the Official Residence (April 2009) in Maseru has been completed and the mission relocated to its new facilities. The construction of a Chancery and Official Residence in Abuja, Nigeria progressed. It is expected that both these facilities will be ready for occupation during the first half of the 2010/11 financial year. With regard to renovations to state owned properties, the Department completed the renovation of 6 staff houses in Lilongwe, the consular reception area of the Chancery in Buenos



Opening of the new DIRCO Head Office, the OR Tambo Building by President Jacob Zuma and the son of the late OR Tambo Mr Dali Tambo

Aires as well as the Chancery in Ottawa. Planning and design work for the renovation of the Chancery and Official Residence in Washington has been completed and construction will commence in the 2010/11 financial year. Renovation of the lifts in South Africa House in London, electrical works in Maputo and Official Residence in Athens has commenced and will be completed early in the 2010 /11 financial year. Planning on major renovations in Copenhagen, The Hague, London, Paris, Brasilia, Tokyo and Juba has commenced and will continue in the next financial year.

The Department developed a maintenance strategy for the maintenance of all state owned properties abroad, which will be approved and implemented in 2010/11.

With regard to the local property portfolio, the entire Head Office component of the Department of International Relations and Cooperation relocated to its newly constructed OR Tambo building in September 2009. This facility has been procured under the National Treasury's Public Private Partnership initiative and will be managed by the Private Party for the next 25 years. The Department also funded and oversaw the design and construction of a State Protocol Lounge at the new King Shaka International Airport in Durban. It is expected that this facility will be completed in time for the 2010 Soccer World Cup.

Lease payments

In the 2009/10 financial year, the Department acquired 24 BMW vehicles as official vehicles for SA Missions abroad in accordance with a 3 year agreement with BMW Germany. This contract expired in December 2009. A total of 105 official vehicles were purchased during the period 2007 – 2009 to be utilised as official vehicles for South African Missions abroad.

Consular Services

The Department continued to implement measures to respond to matters relating to South African citizens who travel, work, study and live abroad who may require consular assistance. A further important facet was the innovation measures undertaken to support consular services as a core departmental function.



Minister Maite Nkoana-Mashabane, Deputy Minister Ebrahim Ebrahim, Deputy Minister Sue van der Merwe and Director-General Dr Ayanda Ntsaluba present at the DIRCO year end function

Consular Services are mandated in terms of Article V of the Vienna Convention on Consular Relations, 1963. Consular Services are therefore those services rendered to South African citizens who travel, work, study or reside abroad and who require assistance or protection during circumstances of distress or destitution.

The changing international environment affected South Africa's ability to continue to provide protection and assistance to its citizens abroad. New and emerging threats led to a more security-conscious world. In this new environment, some countries occasionally change their practices relating to consular protection conventions and the mobility and rights of travellers. Global tensions and threats of terrorist attacks worldwide have increased the importance of viable consular contingency plans to allow for a quick and coordinated response to situations that affect the safety and security of South Africans abroad.

Registration of South African Citizens Abroad (ROSA)

The Department continued with the promotion of its on-line registration system which allows citizens travelling abroad to register their travel. The Department utilises the system to communicate with citizens during consular emergencies. ROSA has been endorsed and supported by the Association of South African Travel Agents (ASATA)

Consular Support rendered to South African Citizens Abroad

The Department assisted with numerous interventions to assist distressed and destitute South Africans whose own access to recourse had become limited or non-existent.

Interventions included assistance to the Independent Election Commission as well as diplomatic and consular missions in support of the country's elections held in 2009 where South African citizens resident abroad were able to cast special votes; the next-of kin of a South African citizen on board the Air France flight that crashed on a flight from Brazil to France; South African citizens and their next-of-kin during earthquakes in Indonesia, Haiti and Chile; the repatriation of four children born to South African mothers in prison abroad .



Examples of Government legal documents

Legalisation Services

The department continued with the legalising of public documents, through the verification of signatures, for utilisation abroad. During the 2009/10 financial year 21 504 documents were legalised at the Department's head office.

Information communication technology

The department continued with its rollout of the master system plan (MSP). The implementation of the MSP informed the Strategic and Business plan of the ICT Unit.

During the 2009/10 reporting period under review, ICT continued with the following projects:

- UKUSA (Voice Over Internet Protocol [VOIP] and Windows 2003)
- Implementation of new security devices for HO and all missions
- Business Process Management
- Completion of ICT Infrastructure installation for the new Head Office Building
- Web Portal Project

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

This project involved converged networks connecting all missions and the Head Office. The end product will provide an integrated, effective and efficient communication infrastructure for DIRCO. The system will furthermore ensure 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 UKUSA Project is drawing to a close, except for Internet Protocol Telephone (IPT) Voice Cut over and the commissioning of Portable Facilities Cabinets (PFC) at certain identified missions that were in the original scope of works.

(b) Implement new security devices for Head Office and all missions

ICT embarked, during the reporting period, with the implementation of new security devices for Head Office and all missions. A Pilot test at Head Office was conducted and the results are being analysed. The new device will be rolled out in the new financial year.

(c) Business Process Management

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

Development of Consular Management System (CMS) processes has been completed and tested with 4 processes in production. Through the utilisation of the SITA database a service provider has been identified to continue with the development of the Diplomatic Immunities and Privileges (DIAP) Project.

It is expected that development will commence in earnest during the 2010/11 financial year. An in house interim system has been developed and is functional.

(d) Complete ICT Infrastructure installation for the new Head Office Building

The relocation process of all ICT infrastructure and applications to the new centralized Head Office building was successfully executed. This involved consolidation of the ICT infrastructure from the seven buildings around Pretoria into a single campus at the OR Tambo building in Soutpansberg. The lines of work involved Networking, Back Office, IPT, and Network Security.

(e) Web Portal Project

In 2005 DFA (DIRCO) identified the need to improve the Intranet and Internet for Head Office and the missions' Web sites. The purpose of the project is to enhance the DIRCO's current Intranet, Internet and Mission web sites. The Intranet will be used also as a Document Management System to assist with information management requirements. The intranet is utilised as the DIRCO's Information Management System.

As such, the intranet must provide fast and easy access to information at any time. The intranet will be used as a document management and collaboration system to assist the internal departments of DIRCO with their day to day information management requirements.

GijimaAST was awarded the contract to develop and implement phase 1 solution. The project stalled due to disengagement of the team members. The project was re-started at the beginning of September 2008. The re-scoping and resuscitation of project meetings resumed in October 2008.

The Development has been completed and is currently busy with the testing and documentation. As part of the requirement for Phase 2 (Video), a feasibility study needs to be done based on obtaining a separate network to host the WEB Portal.

ICT Operations

ICT Operations has provided solutions and technical infrastructure in terms of maintenance, services, technology and development, to support Head Office and Regional Operations infrastructure and ensure compliance with best practice standards for quality and competitiveness.

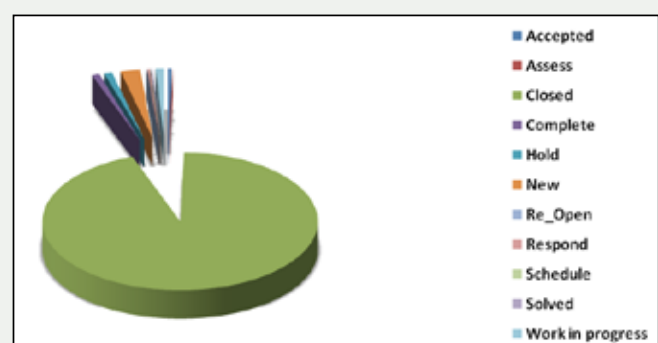
A total of 18604 calls have been logged at our Service Desk through the acquired call logging system and 17469 calls have been resolved which represent a 93.8 % achievement from 1 April 2009 to 31 March 2010. The service desk provides a first line desktop support for our end users with the assistance of the engineers stationed at 6 different technical hubs, world wide.

The global network is supported by a dedicated team of networking engineers working on a full time basis with an achievement of 98% availability of the network. A total of 123 Data links is being monitored globally of which 52 are satellites sites.

The Enterprise Operating Centre (EOC)



Report on all incidents and tasks logged for the period 01 April 2009 to 10 March 2010



Financial Management

Annual financial statements

During the 2009/10 financial year, the department prepared and submitted the annual financial statements as per National Treasury guideline for the financial year 2008/09.

For the two conservative years the Department received an unqualified audit opinion with no matters of emphasis. During the financial year under review the department's strategic focus was on the development and implementation of the Audit Plan to address the audit observations that were raised by the Auditor General.

Expenditure Management

The department continued with the deployment of the financial system for the missions. During 2009/10 the department deployed the mission cashbook system to 81 missions in Asia and Middle East, Africa, Europe, and the Americas and Caribbean missions. The system is currently being fully utilised at these missions. The plan is to deploy the system in all the 18 remaining missions in 2010/11 financial year; however the ICT infrastructure still remains a challenge in some of the remaining missions.

The mission financial system addressed some of the concerns that were raised by the Auditor General, such as, utilisation of the daily exchange rate to account for the expenditure incurred at South African Missions abroad.

The Department continued with the implementation of preventive measures in the processing of expenditure at Head Office to minimise exposure to fraud and irregularities. One of the key procedures was to ensure that all procurement is done via our Supply Chain Management Unit. Some of the functionalities for payment of invoices were moved from Supply Chain Management to Financial Management for a clear segregation of duties.

Strategic Allocation of Resources

The budget process of the department continued to be an inclusive process and inputs that were aligned to the strategic priorities of the department were received, consolidated and submitted to National Treasury as per the guidelines. The Accounting Officer together with the Chief Financial Officer held budget allocation meetings within the department and allocated the available funds as per the business plans of the various branches/business units. The key emphasis was to link the budget with the strategic plan of the department.

In terms of budget monitoring for both missions abroad and at Head Office, the department has been reporting the expenditure against the budget on a monthly basis at management meetings. Furthermore, the Accounting Officer has complied with providing monthly expenditure reports to National Treasury.

The mid-term budget reviews with all missions and Head Office continued to serve as a mechanism of ensuring that the departmental business units operate within the budgetary confines. This mechanism also ensured that sound financial management principles were adhered to and that spending was according to the PFMA requirements. The Department continued to manage its cash flow in compliance with PFMA and National Treasury requirements.

The South African Reserve Bank (SARB) was used to transfer funds to South African diplomatic missions in America's and Europe whilst Africa, Asia and Middle East regions are serviced through the appointed commercial banks. The SARB and the department are currently engaged in developing a more appropriate model for Africa, Asia and the Middle East.

Receivables and Payables

The Department continued to render agency services for other partner departments stationed abroad and also for some of the delegations travelling abroad. These services included, amongst others, the payment of expenditure on behalf of other departments as well as revenue collection for the Department of Home Affairs (DHA). The department engaged other departments who have residency at the South African missions abroad to sign a memorandum of understanding (MoU).

The Department was able to sign MoU's with ten departments that have officials stationed at SA missions abroad. During the year under review, the department commenced with the implementation of the MoUs which provided for advance payments that were received from some of these departments. The department plans to fully implement MoU's and also to finalise the signing of MoU's with all outstanding partner departments during 2010/11 financial year.

The Department continued with its efforts in managing partner departments' accounts. It should be noted that because of the implementation of the MoU and the stringent management of partner department's accounts, the department was able to recover 71% of the claims issued during the year under review. Apart from incurring expenses on behalf of other departments that have residency in SA missions abroad, the department also collect revenue on behalf of the Department of Home

Affairs (DHA). Prior to the 2009/10 financial year the net amount, representing the difference of amounts due by DIRCO to DHA by virtue of revenue collections on behalf of the DHA, and the amounts that DHA owes to DIRCO for the expenses incurred by DHA officials stationed abroad, was claimed from or paid to the DHA.

During 2008/09 financial year, it was required of the department to split the DHA account into receivables (for expenses incurred on behalf of DHA) and payables (for revenue collected on behalf of DHA) in the Annual Financial Statements. During the year under review, the Department has recorded the DHA transactions separately. The department has engaged with both National Treasury and DHA to determine the most economic and effective way of accounting for and managing revenue at the missions abroad. Approval to operate a separate bank account for the collection revenue related to DHA services as well as payment of refundable deposits has been granted by National Treasury and the separate accounts would become operational in 2010/11 financial year.

Information, personnel and physical security

The mission of the Directorate Security is to identify risks and design, implement and maintain effective preventative measures that protect classified information, personnel and assets of the Department against threats at Head Office and Missions abroad.

Fundamental responsibilities

The following three security units have been established for the performance of specific security functions:

• Physical Security

The unit implements and maintain physical and electronic security barriers at DIRCO Head Office and Guesthouses. Physical Security has worked with the Private Party to ensure that effective security systems were installed at the New Head Office Building. The latest security systems that were installed include CCTV cameras, card readers, metal detectors, alarm systems and a security control centre.

Physical security barriers include the perimeter fence with electric fence, vehicle and pedestrian gates, security lights, main entrance doors and escape doors. The Private Party provided the security officers with operational training which enhanced their capabilities to monitor track and follow up on all the security systems and compile relevant management reports on monthly basis. Personnel identification tasks are conducted through issuing, replacement and withdrawal of staff access cards. First line maintenance of access control system is done by the Senior Security Officers.

• Personnel Security

This area relates to security vetting to determine the security competence of DIRCO officials and private companies that intend to perform work for the Department.

The Department succeeded in reducing the vetting backlog through high level liaison meetings held with National Intelligence Agency. As a result, most officials of the Department identified for posting abroad and those at Head office identified as serving in critical areas that require immediate security clearances were prioritised.

• Mission and Information Security

The area of security sets security measures and standards that guide the implementation of security measures at Missions abroad and at DIRCO Head office. The unit liaises with SA diplomatic missions abroad and the various Branches at Head office for the conduct of security audits at Missions. Security awareness sessions were conducted at Branches to make officials aware of security measures and procedures.

Secondly, security briefings were conducted for officials that are posted to Missions abroad. These security briefing sessions have improved security consciousness amongst officials at Head office and at Missions abroad.

During this reporting period, security audits were conducted at 41 Missions. 19 were graded yellow meaning that the embassy is partly compliant, 18 were graded orange, meaning that it is not compliant with serious shortfalls and 4 were graded green meaning that the Mission is fully compliant. The branches were given feedback in order that security interventions be implemented at identified Missions.

Supply Chain Management

During the year under review the Supply Chain Management Unit focused on the following main areas:

- Development and Implementation of Demand Management Plans and
- Enhancing the management of the Department's assets

Development and implementation of annual Demand Management Plans

The Public Finance Management Act (PFMA) requires the Accounting Officer of the Department to ensure that the Department has an appropriate procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective. During the year under review the Department developed and implemented demand management plans and, procurement of goods and services has been conducted according to these demand management plans.

The process of the development of demand management plans for the 2010/11 financial year is now integrated with the departmental budget process, where the Supply Chain Management forms part of the budget meetings to consolidate inputs from Business Units. The unit also paid a particular focus on the management of Departmental contracts by ensuring that all the contracts that are in place in the Department are accounted for, so that they are managed and monitored.

Management of Departmental assets

The Department identified the need for continuous enhancement of the asset management function within the department. An asset management strategy was developed which served to provide strategic direction to the department. The strategy resulted in the following initiatives:

Monthly reconciliations of Asset Register

The National Treasury Framework on the management of assets requires that the value of assets in the asset register reconcile with the expenditure on assets as per the financial management system.

A particular focus was placed on the reconciliation of fixed asset management system to the financial management system to give an accurate reflection of the



Record keeping being done at Supply Chain Management

total value of assets owned by the Department. The reconciliations are performed on a monthly basis.

Disposal of redundant and obsolete assets and the creation of an asset register for the new Head Office building

During the year under review the Department relocated to the new Head Office building. The new building came fully furnished with furniture and equipment necessary for the Department to discharge its mandate. As a result, the assets that the Department had been using in the vacated Head Office buildings were no longer required by the department. The Department embarked on a disposal project for these assets.

The bulk of the assets were disposed through donations to other Government Departments and related organisations. This method of disposal was not only cost effective but also ensured that state assets are being utilised for the purpose for which they were acquired and, the Department also complied with social responsibility objectives in this exercise. Remaining assets were disposed through public auction.



President Jacob Zuma consults with Minister Maite Nkoana-Mashabane during the 14th Ordinary Session of the African Union in Addis Ababa, Ethiopia



President Jacob Zuma seen at the 14th Ordinary Session of the African Union in Addis Ababa, Ethiopia

The Department has also created an asset register for the assets at the new Head Office building to ensure that the assets are properly managed and accounted for. All assets located in the New Head Office building are bar coded.

Accuracy and completeness of the asset register

The Department has also focused on the physical verification of all its assets globally and the continuous update of the asset register to ensure its accuracy and completeness as required in terms of the PFMA.

Programme 2: Foreign Relations

1. Consolidation of the African Agenda

Africa Union and integration

The consolidation of the African Agenda remains the principal focus of South Africa's foreign policy. In this regard DIRCO continued its engagements in the African Union (AU) processes during the reporting period, to promote African Unity and integration.

South Africa has continued to contribute towards 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. In addition, South Africa continue to engage with AU discussions



A view of delegates during the proceedings at the 14th Ordinary Session of the African Union in Addis Ababa, Ethiopia

(including the legal experts meetings) on transforming the AU Commission into the AU Authority to ensure that the AU remains an inter-governmental organisation premised on the absolute respect for sovereignty of Member States. South Africa actively participated in the 13th and 14th Session of the Assembly held in Sirte, Libya and Addis Ababa in July 2009 and January 2010 respectively.

Highlights for South Africa included its election into the AU Peace and Security Council for a two-year term, AU endorsement of its candidature for the non-permanent seat of the UN Security Council for the period 2011 – 2012, its re-election to the United Nations Human Rights Committee, South Africa's accession to the African Charter on Democracy, Elections and Governance (2007) and the election of Malawi as the SADC Candidate, as Chair of the AU for the term February 2010 – January 2011.

The Executive Council endorsed The African Maritime Transport Charter; The Durban Resolution on Maritime Safety, Maritime Security and Protection of the Environment; and The Revised and Updated Maritime Transport Plan of Action. The Assembly presented a report on the Climate Change Negotiations in the 15th Conference of Parties to the UN Framework Convention on Climate Change (UNFCCC) wherein South Africa played a leading role in the creation of the Accord, which lays down the framework for future negotiations at COP16, in Mexico, 2010. Further to this, South Africa will host COP 17 in 2011.

South Africa, as host country to the Pan-African Parliament (PAP), provided the required technical and logistical support to the Parliament during its 11th and 12th sessions held in May and October 2009 respectively. Other logistical



The Chief Executive Officer (CEO) of the NEPAD Secretariat, Dr Ibrahim Assane Mayaki at the 40th NEPAD Steering Committee Meeting



Deputy Minister Sue van der Merwe shaking hands with the CEO of the NEPAD Secretariat, Dr Ibrahim Assane Mayaki at the 40th NEPAD Steering Committee Meeting



Presidential Economic Adviser Mr Mandisi Mphahlela, the CEO of the NEPAD Secretariat, Dr Ibrahim Assane Mayaki and the Co Chair from Malawi Mr Abbie Marambika Shawa at the 40th NEPAD Steering Committee Meeting

and technical support provided for the smooth running of the PAP include ICT infrastructure and its management, maintenance of the PAP President Official residence, amongst others.

South Africa will continue to engage with the members of PAP directly or through South Africa's Parliamentary representatives in PAP on the Parliament's readiness to progress from an advisory body to a legislative institution.

As part of its support to the operationalisation of the AU structures, South Africa remains committed to contribute towards the operationalisation of the African Court of Justice and the African Court on Human and People's Rights. South Africa's inputs to the merger instrument were submitted to the Africa Union Commission (AUC) for incorporation in the instrument.

The Protocol on the Statute of the African Court of Justice and Human Rights was adopted at the July 2008 AU Summit pursuant to the decision of the Assembly of the AU Heads of State and Government in June 2004 to merge the African Court on Human and Peoples' Rights and the Court of Justice of the AU. Ratification and domestication will follow soon. Furthermore, South Africa continues to emphasise the importance of strengthening the existing instruments aimed at effectively addressing the scourge of Unconstitutional Changes of Governments. As such, South Africa signed the African Charter on Democracy, Elections and Governance in February 2010.

South Africa continued to promote and support the operationalisation of the AU Financial Institutions by among other things, participation in the Extra-Ordinary Conference of African Ministers of Economy and Finance (CAMEF), and South Africa was furthermore instrumental in the review of the African Investment Bank (AIB) statutes which was subsequently adopted by CAMEF.

DIRCO continues to co-operate with National Treasury on this matter. Several meetings were also held to discuss the re-launch of the South African Chapter of ECOSSOC and South Africa held a workshop on the Pan African Women's Organisation (PAWO), which is hosted by South Africa. Presently, DIRCO is engaged in the setting up the hosting of PAWO's Headquarters in South Africa.

South Africa also participated in high level meetings between the AU and its developmental partners, these being the Africa-South America Partnership Summit and the Africa-Korea Forum, and also participated in the Africa-EU Ministerial Troika preparatory meetings (Belgium and Luxembourg) in

preparation for the upcoming 3rd Africa-EU Summit scheduled to be held in Libya in November 2010.

NEPAD

South Africa continues to support NEPAD as the social development blueprint for Africa and the framework for its engagement with the North and other international actors. The NEPAD process is focused especially towards preventing the marginalisation of Africa and enhancing the continental development programme towards eradicating poverty and ensuring economic recovery throughout the Continent. South Africa considers NEPAD as a viable route that will promote the recovery of African countries, both individually and collectively, and ensure sustainable growth and development. NEPAD also asserts African ownership and responsibility for the advancement of the continent.

To this end, South Africa actively participated in the Summits of the AU and the NEPAD Heads of State and Implementation Committee (HSGIC) in August 2009 and February 2010 respectively.

The 14th AU Summit reiterated that the NEPAD vision and programme had since its inception remained an intrinsic part of the AU, and endorsed the recommendations of the 21st HSGIC, as re-submitted by the 22nd HSGIC, on the integration of NEPAD into the structures and processes of the AU. The Summit formally adopted the establishment of the NEPAD Planning and Coordinating Agency (NPCA) as a technical body of the AU, to replace the NEPAD Secretariat.

The HSGIC, forthwith to be known as the Heads of State and Government Orientation Committee (HSGOC), will be a permanent sub-committee of the AU Assembly, with the mandate to provide political leadership and strategic guidance on the NEPAD Programme. As such, the HSGOC will be the essence and spirit of NEPAD with the lead function of high-level coordination of the NEPAD priority sectors. The AU Summit urged the early conclusion of a permanent Host Agreement for the NPCA between the South African Authorities and the Commission.

Regarding NEPAD's international focus, South Africa is participating in the process of adopting a new strategic approach focusing on partnership dialogue on Africa's development policy issues and called for the institutionalisation of Africa's engagement within the G-20, and the effecting of the desired paradigm shift from management of poverty on the Continent to economic transformation for Africa in so doing emerge as a new growth pole to address existing imbalances and play a significant role in the integrated world economy.

In this regard, the 14th AU Summit agreed that Africa should undertake an independent assessment of G-8/Africa partnership as a contribution to the next G-8/Africa Outreach. South Africa is fully engaged in the fast-tracking of implementation of programmes related to NEPAD priority sectors. In this regard, South African government departments are utilised to reinforce momentum and continuity of ongoing NEPAD programmes, with specific reference to maintaining linkages with REC programmes (e.g. the SADC Regional Indicative Strategic Development Plan - RISDP). The priority is in the field of infrastructure, which is key to attracting investment into Africa, improving competitiveness and promoting trade. In view of the fact that the majority of the continent's population lives in rural areas, an integrated, efficient and least cost infrastructure system will unleash the production potential of these communities and provide the necessary links to markets.

African Peer Review Mechanism (APRM)

South Africa remains at the forefront with regard to the roll-out of the APRM as a programme of the AU. The primary purpose of the APRM is to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing of experiences and reinforcement of successful and best practices, including identifying deficiencies and assessing the needs for capacity building.

The implementation and monitoring of the country's National Programmes of Action (NPOA) and the involvement of stakeholders therein is a crucial aspect of the roll out of the APRM Process. Monitoring the implementation of the NPOA is important to ensure that remedial steps are taken in addressing the recommendations, gaps and challenges identified in the review.

Twelve African countries have thus far undergone peer review, whilst most of these have already submitted their 1st and 2nd Implementation Reports. South Africa's 2nd Report on the Implementation of the NPOA, which was due for presentation to the APR Forum of Participating Heads of State and Government in January 2010 was, however, withdrawn at the Summit with a commitment to present it at the next AU Summit scheduled to take place in Uganda in July 2010.

South Africa issued a formal statement at the APRM Focal Points Meeting indicating that the national consultative process required more provincial, civil society and public engagement.

To this end, DIRCO provided support to the Department of Public Service and Administration (DPSA), who has embarked on provincial consultations during March and April 2010. It is envisaged that the National Governing Council (NGC) will convene in May 2010 where the final report will be adopted.

Development assistance – African Renaissance and International Co-operation Fund (ARIC)

Projects approved by the Advisory Committee of the African Renaissance and International Co-operation Fund (ARIC) included payment to the Cuban Medical Brigade in Sierra Leone; establishment of the African Ombudsman Research Centre; as well as identified projects in Saharawi Arab Democratic Republic, Lesotho and Rwanda. In conjunction with National Treasury Technical Support Unit, DIRCO continued with efforts to improve the systems approach in management of ARF, especially in view of its integration into the South African Development Partnership Agency (SADPA). South Africa continues to liaise with NORAD with regard to finalisation of work plans and draft guidelines for applicants to the ARF.



Minister Maite Nkoana-Mashabane, Lesotho Foreign Minister Mohlabi Tsekoe and Director General Dr Ayanda Ntsaluba at the SADC Extraordinary Summit, Johannesburg

Regional integration and development

South Africa handed over the chairmanship of the Southern African Development Community (SADC) to the Democratic Republic of Congo (DRC) during the 29th Ordinary Summit of SADC Heads of State and Government held in Kinshasa, DRC from 7-8 September 2009. South Africa will remain a member of the SADC Troika in the capacity as outgoing chairperson until August 2010.

Aiming to improve the political situation in Madagascar, South Africa contributes to the regional negotiation efforts through the participation of former Minister Nqakula in the SADC mediation team led by the former president of Mozambique, President Joaquim Chissano. Additionally, South Africa has been mandated by SADC to mediate between the different political parties in the political impasse in Zimbabwe,

In preparation of the SADC Summit, South Africa facilitated and chaired the SADC Ministerial Task Force Meeting on Economic Integration held on 31 July 2009 in Johannesburg. The Ministerial Task Force agreed that 2010 may not be an appropriate deadline for the establishment of a SADC customs union and that it may be necessary to review the manner in which SADC approaches regional integration and have a political and strategic engagement on deepening political integration.

South Africa successfully participated in the SADC Ministers of Justice meeting, July 2009 and Senior Officials' Science and Technology meeting held in July 2009. South Africa, furthermore, hosted and participated in the extra-ordinary meeting of senior officials in Johannesburg to review the implementation of the Univisa system.

Preceding the Summit, South Africa coordinated and facilitated the recruitment process for the positions of SADC Executive Secretary and Deputy Executive Secretary.

South Africa continues to actively pursue regional infrastructure development. Former President Motlanthe participated in the High Level Tripartite Investment



Members of the SANDF as part of the AU Peace keeping force in Burundi

Conference on the North-South Corridor held in Lusaka, Zambia from 6 to 7 April 2009. In view of enhancing democratisation and good governance in the region, South Africa participated in the SADC Election Observer Missions in Malawi, Botswana and Namibia.

The South African delegation to the meeting of the Ministerial Committee of the Organ (MCO) held on 2 August 2009 in the Kingdom of Swaziland was headed by Minister Nkoana-Mashabane. The meeting considered the recommendations made by the two Ministerial meetings, namely the Interstate Defence and Security Committee (ISDSC) and the Interstate Politics and Diplomacy Committee (ISPDC) held on 21-23 June and 18-20 July 2009 respectively. South Africa hosted Exercise Gholfino of the SADC Standby Force in Lohatla, Northern Cape from 6 to 24 September 2009.

Peace missions

South Africa has maintained its engagement in AU/UN peace mission on the continent, intensifying these efforts with the launch of the Southern African Development Community Standby Force. South Africa's involvement includes peacekeeping deployment in the DRC (MONUC), the Sudan (UNAMID), and mediation efforts in Madagascar and Zimbabwe.

South Africa has to this end concluded its peacekeeping mission in Burundi, having contributed to Disarmament, Demobilisation and Reintegration (DDR) process in that country in the run up to the elections scheduled for 2010. Currently, South Africa is chairing the Regional Initiative to facilitate and promote post-conflict reconstruction and development efforts in that country.

This is a role that South Africa also fulfils in the Sudan through its chairing of the African Union Committee on Post Conflict Reconstruction of the Sudan.

In pursuit of its foreign policy objective to strengthen the African Peace and Security Architecture, South Africa has participated in preparations for the launch of the African Standby Force, and supported efforts to strengthen peacekeeping on the continent. This has been done through participation in multilateral activities in peacekeeping policy forums, which include the United Nations Special Committee

on peacekeeping and Peacekeeping Challenges Forum. South Africa has also added its political support to international peace missions in various forums that it has participated in.

South Africa's role and political credibility in international peace and security has been acknowledged through South Africa's election and nomination to the AU Peace and Security Council, and her endorsement by the AU for the UN Security Council's rotating seat.

Promote peaceful resolution of conflicts and work towards Post-Conflict Reconstruction and Development (PCRD)

Deputy Minister, Ebrahim Ebrahim participated in the United Nations Security Council (UNSC) Open Debate on Post-Conflict Peacebuilding, on 22 July 2009. This open debate was aimed at charting a way forward and establish a common strategy on how the United Nations (UN) can effectively respond to challenges of post-conflict peacebuilding.

In this context, South Africa fully concurred with the UN Secretary General's Report that national ownership of the peacebuilding process is important for confidence building and strengthening of fragile governments. South Africa's view was informed by its own extensive experience in African peace missions (DRC, Burundi and Côte d' Ivoire) where peace agreements alone were not sufficient in ensuring political stability and the lack of attention to national capacity development has the potential to constrain national actors from taking ownership of the recovery process.

Furthermore, South Africa advocated for the recognition of the already existent capacity at regional and sub-regional level in addressing the challenges of post conflict peacebuilding. Recognising South Africa's efforts and contributions to peacebuilding, the country's Permanent Representative to the UN in New York, Ambassador Sangqu was appointed by the President of the UN General Assembly (UNGA) to co-facilitate the 2010 Peacebuilding Commission Review Process.

Contribute towards Peace, Security and Stability in Africa

South Africa actively participated in the deliberations of the 2010 UN Special Committee on Peacekeeping Operations (C34). This Committee is mandated to undertake a comprehensive review of UN peacekeeping operations in all their aspects. In this context, South Africa pursued discussions aimed at advancing the interests of the African continent in the area of the enhancement of African peacekeeping capacities. This will bolster African countries' capacity to address the challenges associated with conflicts and therefore contribute towards peace, security and stability on the Continent.

The Department initiated a process to organise the voluntary repatriation of Rwandan refugees from South Africa through the establishment of a Tripartite Commission to facilitate the process. The Rwandan Tripartite Voluntary Repatriation Agreement was finalised in July 2009.

2. Strengthening of South South Co-operation

India, Brazil, South Africa Dialogue Forum (IBSA)

The India, Brazil, South Africa Dialogue Forum (IBSA) Ministerial Trilateral Commission met in Brasilia from 31 August to 1 September 2009. The Ministers

agreed to enhance political coordination among IBSA countries, to formulate joint positions and to further enhance IBSA's role and visibility within the global system of governance, amongst others on the UNSC, G20, OECD, WHO, WTO, G8 + 5, WIPO, Trips, Climate Change, and the Middle East Peace process. The Ministers adopted the report of the Working Groups and reiterated their commitment to push for the realisation of the Intra-IBSA-trade target of USD 25 billion by 2015.

On the issue of the IBSA Fund for Poverty and Hunger Alleviation, pursuant to a request by Minister Nkoana-Mashabane, consensus was reached on the need to focus the Fund on post-conflict reconstruction projects, particularly in Africa. Sierra Leone and Southern Sudan were specifically cited as countries that have just emerged from conflict and needed consideration for the projects.

The Ministers also held a ministerial level meeting on 21 September 2009 on the margins of UNGA 64 as was agreed, to discuss the next IBSA Summit, as well as how to co-ordinate positions with regard to the reform of the United Nations Security Council. They also decided to coordinate positions related to Climate Change issues.

The 4th IBSA Summit, scheduled for October 2009, was postponed to 15 April 2010. A preparatory Focal Points' consultation between Brazil as host country and South Africa took place on 26 January 2010. During this meeting, the draft agenda and programme, as well as intended agreements and strategies for signature at the Summit, were deliberated.

NAASP

The 1st NAASP Summit, scheduled to be held in South Africa during the second half of 2010, has been postponed to the second half 2011. South Africa participated in the NAASP Coordinating Unit on Capacity Building for Palestine, held in the Kingdom of Jordan in June 2009. The South African Government provided Capacity Building to Palestine (a joint initiative by the Co-Chairs Indonesia and South Africa), by hosting a diplomatic training programme for Palestinian diplomats in February/March 2010. In addition, South Africa participated in NAASP Senior Officials' meeting, hosted in Jakarta, Indonesia in October 2009 to review the project matrix.

IOR-ARC

The Department participated in the 9th Council of Ministers meeting in June 2009 in Yemen and participated in the Sub-Committee of Senior Official's meeting, held in December 2009, also in Yemen to discuss the review of the Charter.

The Eleventh Meeting of the Working Group of Heads of Missions was held by the DIRCO in March 2010, with the IOR-ARC Secretariat.

Engagement with organisations of the South within the multilateral system

The Ministerial Meeting of the Coordinating Bureau (CoB) of the Non-Aligned Movement (NAM) took place in Havana, Cuba, from 27 to 30 April 2009. Ministerial meetings of the CoB are restricted to preparations for NAM Summits. The South African delegation was led by former Minister of Defence, Mr. Nqakula. The XV NAM Summit, which was held in Sharm El Sheikh, from 15 to 16 July 2009, was attended by both President Zuma and Minister Nkoana-Mashabane. A highlight at the XV Summit was the Declaration on Nelson Mandela International Day introduced by South Africa. The declaration enjoyed the unanimous support of all delegations at all levels of the Summit and eventually led to a similar resolution being adopted by the UNGA during its 64th Regular Session.

South Africa also participated actively in meetings and the ongoing work programme and processes of the Group of 77 (G77) and China, including the Annual Meeting of Ministers of Foreign Affairs of the G77.

Also in respect of South African participation in the UN High-level Conference on South-South Co-operation, which took place in Nairobi, Kenya, from 1 to 3 December 2009, South Africa worked closely with other member states of the G77 and China prior to the Conference to ensure that the Group maintained firm control over the preparations for the Conference, its agenda and the nature of its outcomes. The Conference outcome document recognises, among other things, the principles underpinning South-South Cooperation, as determined by the Ministers of the G77 and China in September in 2008. As a result these principles are now recognised by developed and developing countries alike, as well as throughout the UN system.

3. Strengthening North-South Co-operation

Prioritisation of Africa on agendas of the EU, G8, Commonwealth and other organisations of the North

SA-EU Bilateral Relationship

SA-EU bilateral relations were considerably strengthened during 2009/10, with the primary focus being on fully implementing the SA-EU Trade, Development and Cooperation Agreement (TDCA) and implementing the SA-EU Strategic Partnership Joint Action Plan. In this regard, political dialogue between South Africa and the EU was significantly increased, with the highlight being the 2nd SA-EU Summit, which was held on 11 September 2009 in Kleinmond, South Africa.

In addition, a highly successful SA-EU Ministerial Troika meeting was also held on 11 September 2009 in Kleinmond during which it was agreed to convene a Ministerial Political Dialogue meeting on 11 May 2010 in Brussels under the provisions of the EU's Reform (Lisbon) Treaty. Furthermore, the first SA-EU Peace and Security Dialogue was held at senior officials level on 10 June 2009 in Brussels, as well as the 10th meeting of the SA-EU Joint Cooperation Council (JCC) on 23 July 2009 in Brussels.

The 10th meeting of the SA-EU Joint Cooperation Council consolidated SA-EU cooperation over a broad range of issues. This included the first meetings of the dialogue forums on migration and health on the margins of the meeting. The 9th meeting of the SA-EU Ministerial Troika, on 11 September 2009 in Kleinmond, South Africa, also endorsed the terms of reference for a structured dialogue on ICT issues.

To date, the following SA-EU Dialogue fora have been established:

- Peace and Security Dialogue Forum (PSDF) – since June 2009.
- Annual Consultations (Development Cooperation) – since 1994.
- Joint Science and Technology Cooperation Committee (JSTCC) – since 1997.
- Trade Cooperation Council (TCC) – since 2000.
- Forum on Environment and Sustainable Development – Terms of Reference (ToR) agreed to in May 2007.
- Migration Dialogue Forum (MDF) – ToR agreed to on 4 November 2008.
- Health Dialogue Forum (HDF) – ToR agreed to on 4 November 2008.
- Space Cooperation – ToR agreed to on 4 November 2008.
- Energy Dialogue Forum (EDF) – ToR agreed to on 16 January 2009.
- Maritime Transport Forum – ToR agreed to on 16 January 2009.
- Joint Parliamentary Committee – established in February 2007 and meets twice per year
- ICT dialogue – ToR agreed to on 11 September 2009.

The 2nd SA-EU Summit reviewed the rapid expansion of the bilateral SA-EU relationship, manifested by a strengthened Strategic Partnership, and had fruitful discussions on bilateral as well as global issues and regional situations of common interests and concern. Issues included, among others: progress on the implementation of the SA-EU Strategic partnership; preparations for the 2010 FIFA Soccer World Cup; climate change; the global financial crisis; the ongoing negotiations on the SADC-EU Economic Partnership Agreements; peace and security in Africa and Middle East.

A key outcome during the 2nd Summit was the signing of the Amending Agreement to the SA-EU Trade, Development and Cooperation Agreement (TDCA). The Amending Agreement includes 35 new and revised non-trade chapter articles which were negotiated following the mid-term review of the TDCA.

The Amending Agreement was signed by Minister Nkoana-Mashabane and her EU counterparts. The Summit also welcomed the launch of the employment creation fund of € 120 million (R 1.3 billion) and looked forward to the establishment of a sectoral policy dialogue forum on education and training, as well as the important planned European Commission's support for the education sector in 2009.

Multilateral Relationship: African, Caribbean and Pacific (ACP)-EU, Africa-EU and SADC-EU

During the past year, DIRCO has been actively involved in a number of dialogues within the ACP and ACP-EU structures, including the Council of Ministers, Parliamentary Assembly and the Joint Parliamentary Assembly. DIRCO assisted Parliament in fulfilling the co-rapporteur duties for the text regarding the financial implications on developing countries for the effects and mitigation of climate change as well as briefing them on the procedures and issues following the change of Government after the National Elections.

DIRCO also worked towards the accession of South Africa to the Revised Cotonou Partnership Agreement (CPA) which was finally completed in February 2010, while the Second Revision of the CPA was being negotiated in Brussels where South Africa played a meaningful role. The final text of the second revision was completed and initialled in March 2010 and is to be signed in Ougadougou, Burkina Fasso on 22 June 2010.

With regard to the Economic Partnership Agreements (EPAs), DIRCO has been keeping abreast of the developments, and provided assistance to the Department of Trade and Industry where necessary. A number of EPA negotiating sessions were attended and DIRCO is now preparing for the first joint SADC-EU negotiating session following the Swakopmund meeting in Namibia in March 2009, and it is expected that a full agreement will be signed in the near future.

Strengthen relations with the G8 to advance the African Agenda

Italy hosted the G8 Summit in L'Aquila in 2009 where President Zuma participated in the outreach sessions on Africa, the G5 and the Major Economies Meeting. The President was accompanied by Minister Nkoana-Mashabane, Minister Buyelwa Sonjica of Water and Environmental Affairs and the President's Economic Advisor and other Senior Government Officials.

A joint G8-G5 Leaders Declaration "Promoting the Global Agenda" was issued during the G8 Summit, which addressed a global recovery agenda for balanced and sustainable growth; supporting open markets and concluding the Doha Round;

promoting and protecting Cross Border Investment to Mutual Benefit; and principles for Inclusive & Responsible Development. Italy, in consultation with the G5 and G8 member countries extended the Heiligendamm Dialogue Process (HDP) for a further two years under the new name of Heiligendamm-L'Aquila Process (HAP).

A G5 Political declaration was issued depicting a common vision on a range of issues including the global economic crisis with reference to the G20, UN reform, the WTO Doha Development Round, the MDGs, Climate Change and terrorism. The G5 also issued a separate declaration on trade calling for the conclusion of the negotiations for the Doha Development Round. A joint document was signed with African leaders on "A stronger G8-Africa partnership on Water and Sanitation" based on the principles of shared responsibility and mutual accountability. The declaration represents a starting point for further co-operation between the G8 and the AU.

Engagement with the Commonwealth

President Zuma and Minister Nkoana-Mashabane attended the Commonwealth Heads of Government Meeting (CHOGM) that took place in Trinidad and Tobago from 27 to 29 November 2009. The Minister also attended the preceding Pre-CHOGM Foreign Minister's meeting held from 25 to 26 November 2009 and apart from her own bilateral meetings, accompanied the President to a number of bilateral meetings on the margins of the CHOGM. The South African delegation was especially active in negotiations around the Port of Spain Commonwealth Climate Change Declaration.

Already at Ministerial level, the South African interventions in respect of climate change were decisive in changing the course of events leading to the President being part of a group of six leaders that finalised a declaration on climate change before submitting it to their peers for adoption.

Organisation for Economic Cooperation and Development

During 2009, DIRCO supported National Treasury in consolidating South Africa's heightened relations with the OECD, following a decision by the OECD Ministerial Council to place South Africa on an Enhanced Engagement status. DIRCO participated in the reply to the phase two questionnaire on South Africa's membership of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

4. Participate in the Global System of Governance

Promote multilateralism, respect for international law and strengthen the role of the United Nations

DIRCO facilitated, coordinated and supported Presidential and Ministerial engagements at the General Debate of the 64th Session of the UN General Assembly (UNGA64) during September and October 2009. The 64th UNGA was preceded by a High Level Summit on Climate Change which was convened by the UN Secretary-General, wherein South Africa's statement focused on the need for inclusive, fair and effective global agreement to tackle the climate change problem. DIRCO also supported President Zuma's bilateral engagements on the margins of the UNGA.

The President's engagements included a working luncheon hosted by President Obama; a working dinner with the UN Secretary-General and bilateral meetings

Far Right: President Jacob Zuma addressing via live video link the Fortune Magazine, Time Magazine and CNN forum held in Cape Town. President Zuma was attending the G8 and G20 Summit held in Toronto, Canada.

Right: A G8 Working Session with the African Outreach and extended Outreach Leaders held at Deerhurst Resort, Muskoka, Canada



with Chinese President HU Jintao, Trinidad and Tobago Prime Minister Manning and Denmark Prime Minister Lars Rasmussen.

DIRCO furthermore supported Minister Nkoana-Mashabane's multilateral and bilateral engagements which included a G5 Ministerial meeting, a trilateral meeting with Sweden and Sudan, and bilateral meetings with Russia, Sierra Leone, Palestine, EU Secretary-General Javier Solana and the US Deputy Secretary of State, Jack Lew.

During UNGA64, South Africa promoted national priorities and positions through participation in the main committees of the UNGA. Comprehensive directives for all agenda items of the committees were prepared at Head Office for the guidance and use of delegations.

In the First Committee dealing with disarmament and international security, the South African delegation participated in all the discussions related to disarmament, non-proliferation and arms control on the agenda of the Committee. South Africa together with Colombia and Japan tabled a resolution on Illicit Trafficking in Small Arms and Light Weapons and actively participated in several resolutions traditionally tabled by the NAM. In the Second Committee, through the G77 and China, South Africa sought to promote the development agenda of the countries of the South, for the achievement of the MDGs and other Internationally Agreed Development Goals, on a wide range of issues, such as the eradication of poverty; the follow-up to and implementation of the outcomes of international conferences and summits in the economic, social and related fields; globalization; and the strengthening of global partnerships for development, including support for NEPAD structures and processes.

South Africa remained focussed in the Third Committee on human rights, social, humanitarian and cultural issues. The delegation facilitated resolutions on racism and social development on behalf of the G77 and China. South Africa also co-sponsored several resolutions related to gender, rights of the child and persons with disabilities and a number of thematic resolutions pertaining to civil and political rights.

In the Fourth Committee, South Africa focused on issues of peacekeeping, decolonisation and the plight of the Palestinian people. In this context, South Africa contributed to the successful adoption of a resolution relating to the self-determination of the people of Western Sahara. Given South Africa's contribution to UN peacekeeping efforts, the delegation played a prominent role in the debate focusing on peacekeeping, in particular on the African continent. With regard to the

Middle East, South Africa supported all resolutions aimed at protecting the rights of the Palestinian people. The main focus of the Fifth Committee was to set the levels of the UN Regular Budget for the period 2010-2011, as well as to determine the budget levels for UN peacekeeping for the year 2010/11. South Africa participated through the Africa Group and the G77 and China in discussions related to proposals to amend the methodology applied to determine the UN scale of assessments, which could increase South Africa's assessment. The UNGA is currently reviewing the structure of the levels of the scale of assessments with the objective to make a decision, if agreed, no later than the 67th Regular Session of the UNGA.

The Sixth Committee continued consideration of a number of issues including the report of the International Law Commission, work on the comprehensive counter-terrorism convention, criminal accountability, the rule of law at the national and international levels, as well as administration of justice. Universal jurisdiction was a new item on the agenda of the Sixth Committee and South Africa participated actively in securing the adoption of a roll-over resolution and, in particular, in ensuring that the Secretary-General's report on the issues be based on the "observations of Member States".

South Africa fully participated in debates and negotiations in the above as a declaration of South Africa's commitment to multilateralism. A further demonstration of this commitment is South Africa's proud record of being fully paid up in all assessments to the UN, including those for the Regular Budget and UN peacekeeping and was one of only twenty-three Member States on the Honours Roll of the Secretary-General of states fully paid up and on time.

The Secretariat of the Candidatures Committee in DIRCO has been established as a focal point for the accredited diplomatic corps to register requests for support of their candidatures to UN organs and programmes, specialised agencies, and autonomous bodies.

The Secretariat further co-ordinates the interdepartmental process to consider requests for support from other countries. A policy and criteria to guide all South African role players in this process has been developed and approved by Cabinet.

South Africa believes that through participation in executive boards, commissions, subsidiary bodies and committees of the UN system, a valuable contribution can be made to strengthen multilateralism and promote the agendas of Africa and the South. Consequently, South Africa and South African experts currently serve on a number of bodies, as well as subsidiary, functional and expert committees of the UN system.

Through the Cabinet approved policy DIRCO will in future also play a more prominent role in terms of the co-ordination and the identification of vacancies for possible submission of South Africa and South African candidatures to serve on multilateral and international fora.

Promote the reform of the UN System

Following the World Summit of September 2005, UN Member States agreed to major reforms of the multilateral machinery. South Africa participated in all subsequent intergovernmental negotiations on UN Security Council reform, management and secretariat reform, General Assembly revitalisation, streamlining ECOSOC and revitalisation and reform of specialised agencies such as the Food and Agricultural Organisation's (FAO) and the Bretton Woods Institutions (BWIs).

In respect of renewed negotiations on UNSC reform, four rounds of negotiations have been held thus far – with the last round held in January 2010. In a bid to add momentum to the process of UN and UNSC reform, South Africa proposed to the 14th Ordinary Session of the AU Summit, held from 31 January to 2 February 2010, that the AU Executive Council of Ministers make an in-depth assessment of the current negotiation process and its dynamics and develop a strategy to be adopted by the AU Summit for future negotiations.

South Africa participated in the debate on General Assembly Revitalisation mainly through the NAM. The main objective in this regard is to strengthen the central role and position of UNGA as the chief deliberative, policy-making and representative organ of the UN.

Management reform that aims to increase the UN's ability to comply with its principles, objectives and mandates more efficiently and effectively were also monitored and South African positions were introduced through participation in the work of the Fifth Committee. Reform in this area seeks to bring about improved accountability and oversight structures in the organisation, putting in place improved ethical standards and establishing an efficient, transparent and service-orientated Secretariat through the development of a more skilled and mobile work-force.

South Africa also contributed to the Food and Agricultural Organisation's (FAO) reform processes during the Thirty Sixth Session of the FAO Conference, in November 2009 in Rome. South Africa played a leading role through representing the Africa group during discussions on FAO reform, which led to the adoption of the final Immediate Action Plan and other reform issues.

One area of reform that is of major importance to developing countries is UN System-wide Coherence. The Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement (JCC) was the main negotiating group for developing countries on this issue. South Africa supported the position of the JCC that an integrated, holistic approach was required and satisfactory progress should be made on all the areas under consideration, namely governance, funding, gender, delivering as one and harmonization, in line with the position of the G77 and China.

South Africa furthermore consistently supported the need for coherence of development programmes at the country, regional and global levels. Gender issues and the empowerment of women received a much-needed boost as a result of the debate on System-wide Coherence.

The proposed composite gender entity, which emerged as a high priority issue on

the agenda, was supported in principle. In relation to "Delivering as One" the principles of "no one size fits all", national ownership and leadership, and alignment with national priorities were strongly supported in line with South Africa's own approach to, and past experience with, coordinating with the UN system at the country level.

South Africa also highlighted the need to address several other issues that had not been fully or adequately covered at the time in the Report of the Secretary-General's High-Level Panel on System-wide Coherence. Examples in this regard are the quality and quantity of financial resources for the operational activities of the UN, core and non-core resources, effective inter-governmental governance and coordination and co-operation with the BWIs and the bilateral donors.

The reform of the BWIs, including their mandate, scope, governance and responsiveness, has been on the agenda of the World Bank and International Monetary Fund (IMF) for several years and South Africa continued to actively participate in those discussions. In addition South Africa has used its membership of other international fora, such as the UNGA and groupings such as the G20 and G24, to put pressure on the BWIs to conclude its reform discussions. South Africa has also supported calls by organisations from the South, such as the G77 and China, the NAM and the AU for greater voice and participation of developing countries in the decision-making of the BWIs.

Co-operation between the UN and the AU is essential with regard to peace and security and South Africa has been active in promoting coordination in this regard. Consequently South Africa has been hard at work with other Member States of the UN to ensure that the relationship between the two organizations is a steadily expanding strategic relationship. South Africa made use of all opportunities during UNGA64, both within the GA and the UNSC, for the enhancement of this relationship.

Joint evaluation into the contribution by the UN system for South Africa

South Africa and the United Nations Evaluation Group (UNEG) completed a joint evaluation of the contribution by the UN to South Africa. This was the very first evaluation of the entire UN presence in a programme country and the first that was undertaken in a full and equal partnership between a host government and the UN. It assesses the relevance and effectiveness of co-operation between South Africa and the UN system as a whole. The scope of the evaluation went beyond the traditional development assistance by the UN to South Africa, and was conducted within the framework of the three-pronged strategic foreign policy priorities of the country: a better South Africa, a better Africa, and a better world.

The joint evaluation was forward looking and sought to determine what the ideal model should be for South Africa's engagement with the UN system and the focus is now on implementation. Consultations within Government in this regard are ongoing in order to finalise South Africa's position through further discussions that will be held with the UN to determine the way forward.

International and domestic legal advice

International law continues to underpin and inform all the strategic priorities of DIRCO and as such the Office of the Chief State Law Adviser (IL) (OCSLA) plays its part in the furtherance of the promotion and codification of International Law. It provides legal advice and support to the Government on all aspects of International Law and to the Department on issues of South African law and legal matters related to its missions,

while also co-ordinating all legal actions taken against and by DIRCO. In this context 1038 written legal opinions on a wide variety of international and South African law subject matters were provided while 127 international agreements were certified for the purpose of obtaining the President's authorisation for their conclusion.

The official custodianship of the South African Treaty Records rests with DIRCO and thus all required custodianship duties for South Africa were duly exercised by OCSLA. The Treaty and Information Management Service, the official custodian of the South African Treaty Record, bound 89 international agreements and instruments of ratification or accession and 44 international agreements were registered in the Treaty Record. A database with 304 provincial agreements was established and is being maintained.



An outside view of the UN Building

Legal opinions on international law matters relating to the strategic priorities of Government were provided on a consistent basis. Under the Consolidation of the African Agenda, the AU was active on a number of legal issues, ranging from the International Criminal Court, the Review Conference of the Rome Statute, universal jurisdiction, and establishment of a high-level panel on Darfur to deal with justice and reconciliation. DIRCO, through OCSLA, took the lead in fashioning and implementing South Africa's views on these issues and also played an active role in the activities relating to international criminal law.

The strengthening of the existing international legal regime relating to climate change reached a watershed with the meeting in Copenhagen in December 2009 and DIRCO provided legal advice to the South African delegation on all legal aspects in this regard.

DIRCO continued to provide legal advice and support on an on-going basis on various aspects of South Africa's participation in inter-governmental deliberations in respect of the Law of the Sea, including under the United Nations Informal Consultative Process on Oceans and the Law of the Sea as well as the Meeting of the States Parties to the United Nations Convention on the Law of the Sea. Various issues concerning the preservation and sustainable use of marine resources in the context of an ecosystem approach to the marine environment were discussed at the Consultative Process.

An important issue in which South Africa's interests are represented, is the Extended Continental Shelf claim that (States) states can make under the United Convention on the Law of the Sea and in this regard DIRCO submitted South Africa's claim for an extended continental shelf to the Commission on the Limits of the Continental Shelf in May 2009.

The 48th Session of the Legal Subcommittee of the Committee on the Peaceful Uses of Outer Space considered the status and application of the five outer space law treaties, the activities of international and non-governmental organisations, the definition and delimitation of outer space and the geostationary orbit, the use of nuclear power sources in outer



A view of the UN General Assembly in session



President Jacob Zuma, Minister of Finance Pravin Gordhan and the President's Economic Advisor Mr Mandisi Mphahlela at the start of the G20 Summit in Toronto, Canada

space, capacity building in space law, an overview of legislation relevant to outer space, and new agenda items. In addition, a symposium on the 13th anniversary of the Agreement Governing the Activities of States on the Moon and Other Celestial Bodies was attended. DIRCO also assisted delegations and attended negotiations concerning inter alia ICAO, the Hague Conference, the Lesotho Highlands Water Project and AALCO.

Participate in relevant United Nations Security Council activities

South Africa continued to pay particular attention to the African issues on the agenda of the UNSC, in line with its foreign policy objectives to support conflict resolution, reconciliation, reconstruction and development activities on the African continent.

South Africa's bid for a non-permanent seat on the UNSC for the period 2011-2012 received the support of the Southern African region and was endorsed by the 14th Ordinary Session of the AU Summit in January 2010.

Contribute to combating terrorism

South Africa continued to advance its positions on terrorism in the relevant fora of the UN, including in the Open Debates of the Security Council. DIRCO also continued to chair meetings of the Inter-Departmental Counter-Terrorism Working Group to oversee South Africa's implementation of UNSC resolutions on terrorism in an integrated and sustained manner.

Disarmament, Non-Proliferation and Arms Control

South African participation in international fora for disarmament, non-proliferation and conventional arms control is aimed at ensuring that non-proliferation controls do not become the means whereby developing countries are denied access to advanced technologies required for their development. South Africa's participation in export control regimes such as the Nuclear Supplier Group has been instrumental in preventing nuclear possessor states from banning the transfer of nuclear technology to non-possessor states.

In the area of disarmament and non-proliferation South Africa participated in meetings of the International Atomic Energy Agency (IAEA), including its annual General Conference, the Nuclear Non-proliferation Treaty (NPT) PrepCom, the Nuclear Suppliers Group (NSG) and the Missile Technology Control Regime (MTCR)

plenaries as well as meetings on Conventional Arms Control and the Biological and Chemical Weapons Conventions. The most important issues considered by the IAEA Board included the implementation of NPT safeguards in the Islamic Republic of Iran and in the Democratic People's Republic of Korea (DPRK). Other important activities included proposals related to the multilateralisation of 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.

High-level talks on nuclear disarmament and non-proliferation between South Africa and the United States of America were held in November 2009 to promote closer cooperation between the two countries and in preparation for the NPT Review Conference in 2010.

The Third AU Conference of Experts on Landmines was hosted by South Africa during September 2009 and an African Conference of Experts on the Convention on Cluster Munitions was hosted in March 2010. At the same time, South Africa has continued to participate in the Group of Governmental Experts deliberations of High Contracting Parties to the Certain Conventional Weapons Convention (CCW) on the cluster munitions, as well as in the Second Review Conference of States Parties to the Mine Ban Treaty.

Engagement with the Group of Twenty (G-20)

The Group of Twenty (G20) convened two Summits to consider global responses to the financial and economic crises aimed at restoring global growth and building the foundation of a sustainable, balanced and inclusive global recovery. Former President Motlanthe, Minister Manuel and senior officials, in April 2009, participated in the London Summit, which agreed to measures constituting an additional USD 1 trillion of financial support to restore credit, growth and jobs in the global economy. The Summit also adopted measures to strengthen the financial system and global financial institutions. President Zuma, Minister Pravin Gordhan and senior officials, in September 2009, attended the Pittsburgh Summit, which agreed to a Framework for Strong, Sustainable and Balanced Growth.

The G20 Leaders further designated the G20 as the "premier forum" for their international economic co-operation and agreed to continue with the Summit-Level Meetings beyond the financial crisis.

South Africa, as the only African country in the G-20, raised issues of concern to Africa with other G-20 leaders at the Summit. South Africa stressed the need for developed countries to meet their commitments of increased aid to developing countries, as well as to ensure a stronger voice and representation for developing countries in the IMF and World Bank.

South Africa also stressed that the crises pose significant dangers for the development of low income countries and their efforts to attain the Millennium Development Goals (MDGs) and called for additional resources to be made available to low income countries, including by complementing the resources of the IMF and Multilateral Development Banks, and for increased investment in infrastructure in Africa.



President Jacob Zuma at the COP15 in Copenhagen, Denmark



Delegates attending the COP15 in Copenhagen, Denmark

United Nations consideration of the impact of the financial and economic crises on development

South Africa supports the role of the UN in global governance issues and believes that it has made an important contribution to international efforts to mitigate the impact of the global financial and economic crises. With this in mind Minister Nkoana-Mashabane and senior officials participated in the United Nations High-Level Conference on the World Financial and Economic Crises and Its Impact on Development, which was held from 24 to 30 June 2009 at the United Nations Headquarters in New York. The Conference was aimed at finding solutions to curbing the crises and assessing future impacts thereof on employment, trade, investment and development.

In the outcome document adopted by the Conference, Member States agreed to enhance the co-ordination efforts of the UN with the International Financial Institutes (IFI) and regional organisations. All role players agreed to develop the UN development system's comprehensive crisis response and urged the international community to support it. They further agreed to explore ways to strengthen international co-operation in migration and development. Member States also agreed to establish an ad hoc panel of experts to consider the world financial and economic crises and its impact on development.

Promote international environmental governance

South Africa is committed to maintaining the political momentum gained in the sphere of sustainable development, through the outcomes of the World Summit on Sustainable Development (WSSD) and the Johannesburg Plan of Implementation (JPOI).

Within the context of the three pillars of sustainable development (economic and social development and environmental protection), various UN Conventions for the environment such as the United Nations Convention to Combat Desertification (UNCCD), Climate Change and the UN Convention on Biological Diversity (CBD) are utilised by South Africa to contribute to a meaningful reduction in poverty and in so doing, contribute towards meeting the aims of MDGs.

In terms of sustainable development issues related to the use of natural resources, South Africa, together with its likeminded Mega Biodiverse partners are active participants in the negotiation process for a new international regime on Access and Benefit Sharing under the Convention on Biodiversity.

South Africa also continued to play an active and influencing role in presenting the African position in all the Multilateral Environmental Agreements to which South Africa is party to. This includes ongoing climate change negotiations under the United Nations Framework Convention on Climate Change (UNFCCC).

Contribute to debates on Climate Change

South Africa constructively participated in the UNFCCC processes leading up to Copenhagen in December 2009, including sessions of the Ad Hoc Working Group on Long term Cooperative Action (AWG-LCA), and the Ad hoc Working Group on Further Commitments for Annex I countries under the Kyoto Protocol (AWG-KP). South Africa also participated in the relevant high level meetings of the Major Economies Forum (MEF), the Commonwealth and the G20 where climate change was discussed.

In addition South Africa contributed to the development, coordination, and updating of the African common position on climate change at the relevant AU forums. During the 15th Conference of the Parties (COP15) to the UNFCCC, South Africa played a leading role in the development of the Copenhagen Accord. Although the Accord was not the formal outcome of the COP, it is an important agreement, which could assist in unlocking impasses in future negotiations under the UNFCCC.

South Africa remains firmly committed to the protection of the oceans and the sustainable management of its marine resources and in doing so has launched the African Coelacanth Ecosystem Programme (ACEP), the Agulhas and Somali Current Large Marine Ecosystem Project (ASCLME) and hosted the 2nd AU Ministers of Maritime Affairs Meeting in Durban, October 2009.

At the same time South Africa has also made a submission to the Commission on the Limits of the Continental Shelf in respect of the establishment of the outer limits of the continental shelf of the South African Mainland and the Prince Edward Islands.

South Africa offered to provide the location of the Regional Support Office for the UN Platform for Space Based Information for Disaster Management and Emergency Response (SPIDER) and DIRCO assisted with the launch of SA's second satellite, SumbandilaSat during the latter part of 2009.

Follow-up on the implementation of the outcomes of major international Conferences and Summits

South Africa is committed to the full and effective implementation of the outcomes of the UN Durban Review Conference and the World Conference Against Racism. The Durban Review Conference took place between 20 and 24 April 2009 in Geneva, Switzerland. It evaluated progress towards the goals set by the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance in Durban, South Africa, in 2001. The Review Conference served as a catalyst to fulfilling the promises of the Durban Declaration and Programme of Action agreed at the 2001 World Conference through reinvigorated actions, initiatives and practical solutions. The Durban Review Conference Outcome Document made some very specific suggestions which were both new and practical. The outcome document for instance extended the idea of discrimination on grounds of illness beyond HIV/AIDS to other diseases including malaria and tuberculosis. There is also reference to the need for psychological counseling for women and children who were victims of racism and racial discrimination.

The 54th session of the UN Commission on the Status of Women (CSW) undertook a fifteen-year review of the implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the GA from 1 to 12 March 2010 in New York. National and regional review processes fed into the global review process. Emphasis was placed on the sharing of experiences and good practices, with a view to overcoming remaining obstacles and new challenges, including those related to the Millennium Development Goals. Member States, representatives of non-governmental organizations and UN entities participated in the session.

South Africa was represented at Ministerial level, led by Minister Noluthando Mayende-Sibiya, Minister for Women, Children and Persons with Disabilities who also submitted South Africa's review report through the Economic Commission for Africa (ECA). A series of parallel events provided additional opportunities for information exchange and networking. The GA marked the 15th anniversary of the adoption of the Beijing Declaration and Platform for Action in a commemorative meeting during CSW.

Contribute to the promotion of Human Rights and Humanitarian Affairs

South Africa continued to reaffirm its commitment to the protection of human rights and fundamental freedoms through its participation in all relevant human rights fora.

South Africa also contributed actively in the debates around humanitarian co-ordination within ECOSOC and UNGA to ensure that the values of impartiality, humanity, neutrality and independence are protected when assisting in humanitarian assistance. Within its modest means South Africa contributed approximately R17 million to humanitarian emergencies around the globe, particularly in Africa. Humanitarian assistance was also extended to Haiti, which was severely affected by the devastating earthquake that hit that country.

The contributions by South Africa aim to consolidate stability and contribute to peace and development of mainly developing countries to promote a better life for the vulnerable. Another priority for South Africa is the debate around food security to which it contributed particularly by participating in the G8 +5 Summits and the World Food Summit that was held in Rome during November 2009. Experts from South Africa also contributed in various forums to reflect on the needs of developing

countries within the field of food security. A contribution of more than R1 million to the implementation of the FAO reform mandate was made, with a particular emphasis on food security.

Monitored and participated in relevant organizations dealing with migration and refugee issues

South Africa also monitored and participated in relevant organizations dealing with migration and refugee issues. South Africa furthermore participated in the SA-EU Migration Dialogue Forum with the purpose of exchanging information and discussing South African and EU policy developments and initiatives in the area of migration. The agenda included addressing issues such as the fair treatment of foreign nationals, integration policies, and measures against xenophobia. Aspects of mutual interest related to visas, brain drain and irregular migration were also covered. South Africa attended the inaugural Dialogue meeting in Brussels. A follow-up conference was organised in December 2009.

South Africa also participated in the Migration Dialogue for Southern Africa (MIDSA) Conference hosted by the International Organisation for Migration (IOM) in preparation for the Global Forum on Migration and Development which took place in Athens in 2009.

DIRCO also facilitated South Africa's participation at the UNHCR Executive Committee Meeting during October 2009 to reflect on the refugee concerns related to Africa and to promote a consolidated African approach to these issues.

Participation in multilateral and other international organisations in advancing socio-economic development

South Africa was endorsed by the African Group and elected to the Joint Executive Board of the United Nations Development Programme (UNDP) and United Nations Population Fund (UNFPA) in May 2009. In developing South Africa's approach to its tenure on the Executive Board, by exploring synergies between the UNDP mandate and South Africa's domestic policy priorities and developmental challenges, South Africa has sought to promote a broader debate on the international development agenda in order to explore additional intervention measures that may be required for the successful achievement of the MDGs.

It is also a stated objective of South Africa to hold the international community accountable for its past commitments and ensure that the effects of the global financial and economic crises do not deter from these commitments. During the January 2010 Regular Session of the Executive Board South Africa successfully represented the African Group in negotiations on an important decision by the Board on Financial, Budgetary and Administrative matters of the UNDP.

Kimberley Process Certification Scheme (KPCS)

South Africa remained an active participant in the work and meetings of various standing bodies of the Kimberley Process Certification Scheme (KPCS), as well as the annual intersessional and plenary meetings of the Scheme. During the plenary, held in Swakopmund, Namibia, in November 2009, South Africa was instrumental in facilitating the development of an Administrative Decision on Zimbabwe, with an accompanying Joint Work Plan designed for the purposes of allowing the KPCS to work with Zimbabwe designed to bring that country back to full compliance with the minimum requirements of the KPCS. The outcome represented an alternative to calls for the suspension of Zimbabwe from the KPCS, which had dominated the preparations for the plenary.



President Jacob Zuma, Minister Maite Nkoana-Mashabane and Mauritius President Anerood Jugnauth

5. Strengthen Political and Economic Relations

Africa SOUTHERN AFRICA

The Southern African region remains relatively peaceful and politically stable despite security and post conflict reconstruction and development challenges in some countries. South Africa as an integral part of the SADC region will continue to support peace, security, stability and prosperity in the region.

Political and economic stability in the region would contribute immensely to regional economic integration. In the DRC, South Africa continues to be involved in institutional and human resource capacity building. The Bi-national Commission (BNC) between South Africa and the DRC which reviewed progress of the bilateral cooperation projects was held in October 2009 in South Africa. President Zuma accompanied by Minister Nkoana-Mashabane attended the inauguration of President Emilio Guebuza who was elected for the second time as President of the Republic of Mozambique in February 2009.

The South Africa-Mozambique Joint Permanent Commission on Defence and Security was held in Maputo in August 2009.

South Africa-Zimbabwe Joint Commission for Economic, Technical, Scientific and Cultural Cooperation (JCC) was convened in Victoria Falls in Zimbabwe from 13 to 16 March 2009. The meeting paved the way for an enhanced cooperation in

various fields following a long lull in bilateral interaction between the two countries. The two countries signed the Bilateral Investment Promotion and Protection Agreement (BIPPA) in November 2009.

President Zuma visited Harare, Zimbabwe in August 2009 as a guest of honour at the Harare Agricultural Show. In his capacity as a facilitator, the President also held meetings with the Principals of the three political parties to discuss the outstanding issues in the full implementation of the Global Political Agreement (GPA).

President Zuma undertook his inaugural State visit to Angola in August 2009 during which a number of Agreements/MoUs were signed in the areas of: Regular Diplomatic Consultations; Infrastructure; Industry cooperation; Trade Sport and Recreation; Air Services; and Human Settlements. Subsequent to the visit, a number of high level follow-up bilateral meetings have taken place between the two countries with a view to implement all signed Agreements/MoUs.

President Zuma accompanied by several Cabinet Ministers paid a State Visit to Zambia in December 2009. During the State Visit several Agreements and MoUs were signed on Geology; Mining; Health; Agriculture; Trade and Industrial cooperation; and Diplomatic Consultations.

An honorary Doctorate of Laws was conferred on the President by the University of Zambia (UNZA) for his tireless efforts in fighting injustices. He was also bestowed with the highest order in Zambia, the Order of the Eagle of Zambia for his outstanding contribution in the liberation struggle of South Africa. During the visit, the President also commissioned a Zambia sugar expansion project worth R1.7 billion at Nakambala Sugar Estate.

The South Africa-Namibia Heads of State Economic Bilateral meeting was held in South Africa in November 2009. The meeting provided an opportunity for both countries to review economic cooperation and identify bilateral projects in a number of areas including energy, infrastructure, tourism, science and technology, agriculture and transport. President Zuma attended the inauguration of President Pohamba of Namibia in March 2010.

North Africa

South Africa strengthened and deepened its socio-economic relations with the countries in North Africa through high-level engagements and visits.

South Africa restored bilateral relations with Mauritania subsequent to the African Union lifting the suspension of the membership of the Islamic Republic of Mauritania following democratic elections in July 2009.

Minister Nkoana-Mashabane hosted the Egyptian Foreign Minister on the occasion of the 8th Session of the Joint Bilateral Commission in Pretoria in March 2010.

A Senior Officials Meeting, chaired by the Ministers Nkoana-Mashabane and her Algerian counterpart Mr Mourad Medelci was held in Pretoria in March 2010 in preparation for the 5th Session of the Presidential Bi-national Commission to be held in Algiers in May 2010.

With respect to Saharawi Arab Democratic Republic (SADR), South Africa continued to support the work of the Special Envoy of the UN Secretary General. South Africa continues to support the right of the Saharawi Arab Democratic Republic in respect of self-determination and also continued to provide humanitarian assistance to SADR during the period under review.

West and Central Africa

President Zuma undertook a historic Working Visit to Equatorial Guinea from 3 to 4 November 2009 which generated momentum for greater bilateral engagement. The two countries identified key economic sectors that will increase trade and investment flows.

In October 2009, South Africa and Nigeria celebrated the 10th Anniversary of the establishment of the structured bilateral relations. In the context of the 10th Anniversary of the BNC, the Third Review Council Meeting was also held.

In March 2010, the second session of the Permanent Joint Cooperation Commission (PJCC) between South Africa and Ghana was held in Accra. The PJCC was chaired by Minister Nkoana-Mashabane and her Ghanaian counterpart.

South Africa inaugurated the newly built Ahmed Baba Institute designed with technology aimed at preserving the famous Timbuktu Ancient Manuscripts. The Project will be officially handed over to the Malian authorities on 29 May 2010.

South Africa has agreed to fund the deployment of 30 Cuban Medical Brigade in Sierra Leone for a period of three years starting in 2010. The Cuban Medical Brigade is assisting with improving access to medical service in Sierra Leone.

East Africa

Minister Nkoana-Mashabane undertook a working visit to the Sudan in September 2009 to consolidate bilateral relations. Deputy President Motlanthe also paid an official visit to Sudan in October 2009. South Africa supported the implementation

of the Comprehensive Peace Agreement (CPA) between the Government of Sudan and the Sudan People's Liberation Movement (SPLM) as well as the AU High Level Implementation Panel on the Sudan, the AU/UN and Qatar initiatives of bringing peace to Darfur.

South Africa supported Somalia's reconciliation process through participating in the International Contact Group on Somalia which met in Brussels and Jeddah on 26 to 27 February 2009 and 17 to 18 December 2009 respectively. President Zuma paid a State Visit to Uganda from 25 to 26 March 2010 accompanied by several Cabinet Ministers, during which regional and international issues were discussed. An Agreement on Co-operation and Mutual Assistance was signed.

As the facilitator, South Africa concluded the Peace Process in Burundi and was subsequently appointed coordinator and Chair of the Partnership for Peace in Burundi, the successor to the Peace Process in Burundi.

South Africa, in line with the SADC's position, does not recognise the current de facto government in Madagascar. However, South Africa provided support to the SADC mediation process, led by former Mozambican President Chissano. South Africa participated in meetings of the International Contact Group in Madagascar which resulted in the signing of Maputo and Addis Ababa Agreements in August and November 2009 respectively. South Africa provided support to the Union of the Comoros in the context of strengthening of democracy by providing Logistical Experts on elections and donated computers for the electoral process which was held in December 2009.

Following the death on 30 June 2009 of 152 passengers in the Air Yemeni flight disaster the South African Government also provided a SAPS Disaster Victim Identification expert to assist with identification processes.

Relations between South Africa and Mauritius were strengthened through the signing of a Memorandum of Understanding on Economic Cooperation.

Asia and the Middle East CENTRAL AND EAST ASIA

Japan

The centennial of official relations between South Africa and Japan will be celebrated in 2010 and commenced in December 2009 at the occasions of Deputy Minister van der Merwe's unveiling of three plaques in Cape Town. Programmes of events have been presented in both South Africa and in Japan in support of the centennial, designed to showcase the respective peoples and cultures, promote mutual understanding and promote a Better World for All. As a legacy project a Centre for Japanese Studies at the Gordon Institute of Business Science in South Africa was established by Japan, which would serve to promote trade, investment and mutual understanding.

Japan provides South Africa with technical expertise, human resources skills development training and co-operative scientific research projects, and co-ordinated by the Japan International Co-operation Agency (JICA). To date more than 1,200 South African officials and parastatal employees have benefited from training courses, offered either in Japan or South Africa, in various fields identified as priorities by the South African Government. These courses are aligned to the South African Government's five key domestic priorities, and include inter alia,

health care, mathematics and science teachers, water affairs technical officials and engineers and, intellectual property rights management. JICA annually allocates 36 government administration training opportunities to South Africa, in line with needs identified by South Africa.

Republic of Korea

The Republic of Korea (ROK) is an increasingly important development partner for South Africa. A South African delegation led by Deputy Minister Ebrahim, participated in the second Korea-Africa Forum held in Seoul in November 2009. The key outcomes were the adoption of the 2009 Seoul Declaration; the 2009-2012 Framework for Korea-Africa Development and Cooperation; and the 2009-2012 Green Growth Initiative. The Government of Korea reiterated its commitment to the implementation of the Korea Africa Development Plan and announced that by 2012 it would double its Official Development Assistance (ODA) to Africa; invite 5,000 African trainees for courses in Korea; and 1,000 volunteers would work in Africa for Africa's development.

Deputy Minister Ebrahim also met with his Korean counterpart, Mr Shin Kak-soo, Vice-Minister for Foreign Affairs and Trade, during January 2010. South Africa and the ROK are exploring co-operation in the energy sector through technology transfer and skills development. In this regard, the ROK has expressed its willingness to share clean coal technology with South Africa that has the potential to reduce the greenhouse-gas emissions of Eskom's power plants.

The ROK has developed a highly competitive domestic nuclear power industry and is keen to co-operate with South Africa in this area. The ROK is also an important partner for South Africa in the area of Human Resource Development, having availed a number of training opportunities as well as inviting South Africa to participate in submitting projects through its Knowledge Sharing Programme.

In the multilateral context, Korea is eager to co-operate with South Africa, as the only African country with membership in G20, on setting the agenda for the G20 Summit in Seoul in November 2010 to also include matters of importance for developing countries. Although G20 accounts for about 85 per cent of global GDP it is important for the legitimacy and credibility of the body to consider the concerns and interests of developing countries not represented.

Central Asia

The growing importance of the region was reflected in the strengthening of South Africa's relations with Central Asian countries. Ambassador Askar Mussinov of Kazakhstan is accredited to South Africa from the United Arab Emirates, and he paid a visit to South Africa in February 2010. Renewed interest in co-operation in the mining sector was sparked by the acquisition of a 12 per cent stake, valued at R2.2 billion, in a South African platinum mining group by a Kazakh company. South Africa continues to facilitate SASOL's planned investment in the construction of a Gas-to-Liquid (GTL) plant in Uzbekistan.

The People's Republic of China (PRC)

The Minister visited the PRC for bilateral consultations in February 2010, to prepare for a State Visit by President Zuma to China in 2010 and to review the strategic partnership. She met her counterpart, Mr YANG Jiechi for consultations, and paid a courtesy call on Vice – President XI Jinping. It was agreed in principle, that relations would be elevated to a Comprehensive Strategic Partnership. The Minister also visited Shanghai to inspect the readiness of the South African pavilion on site at the Shanghai World Expo.

Mr JIA Qinglin, Chairman of the Chinese People's Political Consultative Conference, led a 100 member inbound procurement business delegation to South Africa in March 2010. The Industrial and Commercial Bank of China's purchase of a 20 per cent stake in Standard Bank for US\$ 5,64-billion, has been the largest single investment into South Africa and China's largest financial investment. Other investments by Chinese companies in South Africa are in the mining sector (focusing on chrome), and in the assembly of electronic goods. South African companies such as SASOL, Kumba Resources, Naspers, Anglo Ashanti and FNB, are also investing more in China.

President Zuma met President HU Jintao at UNGA64 in September 2009 and at the UN Climate Change Conference (COP 15) in December 2009. South Africa and China share a common vision on Climate Change, as expressed in their collaboration on The Copenhagen Accord in the Brazil, South Africa, India and China (BASIC) grouping. Minister Nkoana-Mashabane attended the 4th Forum on China Africa Cooperation (FOCAC) Ministerial meeting in November 2009 where she also met with her Chinese counterpart, Mr YANG Jiechi. South Africa remains committed to finding synergies between the New Partnership for Africa's Development (NEPAD) and FOCAC to ensure the Consolidation of the African Agenda and looks forward to co-hosting the 5th FOCAC Ministerial scheduled for 2012 and hosting the FOCAC Ministerial in South Africa in 2015.

FOCAC is the key instrument for China's engagement with Africa. China became South Africa's largest export destination by country since the start of 2009, and on the import side, China remains South Africa's largest partner, as economic and trade relations between the two countries intensified. The total trade between the two countries is R119,7 billion and grew by 2 per cent in 2009, compared with R118 billion in 2008.

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

South Asia

Bilateral relations with South Asia, South-East Asia, Australasia and the Pacific Islands remained steady and cordial in the 2009/10 fiscal year. Total trade with the above region grew from R103,9 billion in 2008 to R104, 4 billion in 2009. However, the deficit showed a significant decline from more than R46,7 billion in 2008 to R16,6 billion in 2009. Bilateral trade with South Asia continued to grow in the 2009/10 financial year, and the trade statistics between South Africa and India particularly reflected this reality. Total bilateral trade volumes in 2009 amounted to R33.5 billion (Trade between the two countries increased more than fivefold between 2003 and 2009). Indian imports from South African were consistent despite the economic crisis of 2008-2009. However, South Africa reduced its imports from India by more than R 3 billion in 2009.

The Minister visited India, 12 to 15 November 2009, to prepare for the State Visit of President Zuma early in 2010. She held discussions with Minister SM Krishna, Minister of External Affairs, during which attention focused on strengthening the strategic partnership between the two countries. The Minister also paid an official visit to Sri Lanka from 10 to 12 November 2009, during which she met President Mahinda Rajapaksa, as well as her counterpart, Mr Rohitha Bogollogama. She took the opportunity to visit an Internally Displaced Persons' camp at Vavuniya. She re-iterated South Africa's support for the sovereignty and territorial integrity of Sri Lanka, and undertook to advise members of the Tamil Diaspora to contribute to the reconstruction of Sri Lanka after three decades of conflict.

Together with the South African Department of Health and representatives of the Sri Lankan Government, DIRCO was instrumental in arranging an event to celebrate the receipt of the 100th eye cornea donation from the Sri Lankan Eye Donation Society in November 2009. This opportunity was also utilised to raise awareness for the practice of organ donation in South Africa.

A Nepalese Parliamentary delegation, led by the Minister of Constituent Affairs and Culture, and including members from various political parties, took place between 4 to 10 October 2009.

The purpose of their visit to South Africa was threefold, firstly, to gain exposure to South Africa's constitutionally negotiated settlement of 1994, specifically with regard to federalism and the devolution of powers; secondly, to examine the financial distribution and the planning instruments that enable the various tiers of government to operate effectively; and finally, to witness how South Africa initiated the integration of the Armed Forces in a constitutional democracy. DIRCO initiated the appointment of a new Honorary Consul in the city of Dhaka, Bangladesh in February 2010.

South-East Asia

Relations between South Africa and countries in the South-East Asian region continued to be steady and cordial. A high point was the Official Visit to South Africa by the Foreign Minister of Timor Leste in August 2009, which provided an opportunity to reconfirm the close relationship between the two countries.

For the first time since 1994, overall trade with the region showed a decline of around R8,3 billion compared to 2008, totalling R47,4 billion. This can be ascribed to the global economic downturn. The trade balance is 2.5-1 in favour of the South-East Asian region. Thailand remains South Africa's largest trading partner in the region.

South Africa issued statements of concern after the arrest, trial and conviction of Aung San Suu Kyi, the opposition leader in Myanmar who has been under effective house arrest since 1989. South Africa has called on the Military Government of Myanmar to release all political prisoners to allow everyone to participate in the elections scheduled to take place in 2010.

Following a number of devastating natural disasters that struck the region, South Africa made donations for humanitarian assistance to the Philippines, Vietnam and Indonesia.

Australia and the Pacific Islands

Relations with Australia and New Zealand over recent years have shown sound development, with strong growth trends in terms of scientific and technological co-operation, development co-operation and steady economic relations. The global recession had a devastating effect on trade with Australasia and the Pacific Islands, and 2009 saw a 60 per cent reduction in total bilateral trade to R18 billion in 2009. Tourism also recorded a decline, albeit only a reduction of nearly 8 per cent on 2008, with the total number of arrivals amounting to 114,000 in 2009. However, arrivals from Australasia still constitute nearly half the total number of tourists from Asia and the Middle East. From an economic point of view, Australia is South Africa's most significant partner in the region. In 2009, Australia was South Africa's 20th largest export and 18th largest import market. Exports amounted to R6 billion, while the country imported R9.2 billion in 2009.



Minister Maite Nkoana-Mashabane with Sonia Gandhi, President of the Indian National Congress Party.



Deputy Minister Sue van der Merwe greeting Australia's Federal Parliamentary Secretary (equivalent to a Deputy Minister) for International Development Assistance Bob McMullan at the Union Buildings



Deputy Minister Ebrahim Ebrahim meeting with Iranian Foreign Minister Mohammed Bageri, Tehran



Minister Maite Nkoana-Mashabane with United States of America Secretary of State, Ms Hillary Rodham Clinton at a Gala Dinner during the official visit of the US Secretary of State to South Africa

High-level visits in both directions took place on a regular basis during 2009/10. The political relationship was particularly strengthened through visits to South Africa by Australia's Foreign Minister Stephen Smith and Trade Minister Simon Crean in early 2010.

South Africa and Australia continued to enjoy wide-ranging multilateral relations. Both – together with New Zealand, Argentina, Chile and Uruguay – are members of the Valdivia Group (Group of Temperate Southern Hemisphere Countries on Environment), which aims to promote southern hemisphere views in international environmental meetings and enhance scientific co-operation.

They enjoy a close working relationship within the context of the Antarctic Treaty and Indian Ocean fisheries, and also interact regularly within the context of the WTO and the Cairns Group. South Africa and Australia also work closely on Commonwealth issues, particularly those affecting Africa.

In 2009, South Africa and Australia issued a joint communiqué committing to enhancing collaboration in the development of a co-ordinated scientific and technical programme for the Square Kilometre Array (SKA) pathfinder telescopes, the South African pathfinder MeerKAT and the Australian SKA Pathfinder (ASKAP). A letter of intent on bilateral co-operation on climate change matters was signed on 5 February 2010. Both countries have been co-operating on climate change matters under a Climate Change Partnership since 2006.

Although no significant high-level political visits took place in 2009/10, the fifth annual Senior Officials Meeting (SOM) between South Africa and New Zealand was held in Wellington in November 2009. Furthermore, South Africa and New Zealand continued to enjoy a close working relationship within the context of the Antarctic Treaty and Indian Ocean fisheries, and also interacted within the context of the WTO and the Cairns Group.

They also worked closely on Commonwealth issues, particularly those affecting the Pacific Islands like Fiji. The South African High Commission in Wellington was opened on 1 April 2009.

Middle East GULF STATES

Bilateral relations with countries in the Gulf region continued to develop with co-operation expanding in several fields. The region remains the source of some 51 per cent of South Africa's crude oil, mainly from Saudi Arabia and Iran, with smaller quantities from Oman and Yemen. The Gulf region is also an important market for South Africa's goods and services and a source of investment, even though growth in these areas was affected by the 2008 global financial crisis.

The 10th Meeting of the South Africa-Iran Joint Commission was held in Tehran in August 2008 and the Third South Africa-Saudi Arabia Joint Commission took place in South Africa in February 2009. Several ministerial and provincial visits were exchanged during the year.

South Africa recognises the importance of the Gulf region as a source for tourism and facilitates participation by South African companies in the annual Arabian Travel Market in Dubai. While the total number of tourists from the region remains below 10,000 per year (with Saudi Arabia and the UAE accounting for the bulk of these), travellers from the Gulf are generally higher per capita spenders than visitors from elsewhere in the world. The increase in the number of flights to 24 per week by Gulf airlines during 2009 to South Africa is also expected to stimulate further growth.

THE LEVANT

A significant event was the release of the Report of the United Nations Fact Finding Mission on the Gaza Conflict in September 2009, which was chaired by Chief Justice Richard Goldstone. The Report outlined human rights abuses by Israel as well as Hamas during the conflict in Gaza in December 2008 and January 2009. The report called on all parties to conduct independent investigations into the conduct of their armed forces. The South African Government continued to support capacity and institution building in Palestine,

in line with the commitments made by South Africa at the International Donors' Conference for the Palestinian State, which was held in Paris in December 2007. In this context the Department hosted a diplomatic training programme for Palestinian diplomatic trainees during February and March 2010. The diplomatic trainees were exposed to all areas of diplomatic practice and the programme was well received.

The Department also issued a number of Press Statements concerning the situation in Palestine. These condemned Israel's decision to declare the Cave of the Patriarchs in Hebron and Rachel's Tomb in Bethlehem in the West Bank, to be national heritage sites. Additional statements opposed the actions by Israel to deny Palestinians access to the Al-Aqsa Mosque compound in East Jerusalem and the comprehensive closure of the West Bank.

South Africa continued to strengthen its relations on all levels with Lebanon, Syria, Jordan and Iraq. Oil imports from especially Iraq rose significantly during 2009/10, whereas South African exports to Jordan increased. A Senior Officials' delegation from DIRCO undertook a working visit to the countries in the Levant in 2009, mainly with a view to discuss the Middle East Peace Process (MEPP) with interlocutors in the region. In June 2009, South Africa hosted the Syrian Special Envoy Deputy Foreign Minister Faisal Mikdad to talks which included South African Deputy President Motlanthe.

Americas NORTH AMERICA

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

United States of America

The official visit to South Africa by US Secretary of State, Ms Hillary Clinton, from 6-9 August 2009 was concluded with an explicit commitment to upgrade the official bilateral mechanism between South Africa and the US to Ministerial level and to commence with a stronger partnership between the US and South Africa. The South Africa-US Strategic Review Process commenced on 19 May 2009.

This new partnership was enhanced by various other high level visits including the visit of Congressman Payne in May 2009, CODEL Butterfield in August 2009 and the Nuclear Dialogue visit by Mr Einhorn in August 2009.

The US and South Africa signed an agreement to collaborate in the research and development of next-generation nuclear technologies on the sidelines of the International Atomic Energy Agency (IAEA) annual general conference in Vienna on 14 September 2009.

The US continues to be the largest single donor of health assistance to SA. Secretary Clinton, accompanied by Ambassador Goosby, US Global Aids Coordinator, met with Health Minister Aaron Motsoaledi during her visit to discuss better coordination in terms of the President's Emergency Fund for Aids Relief (PEPFAR).

In addition to PEPFAR funding that is administered through USAID, the USAID budget for South Africa for 2010/2011 has been increased from \$17 million to \$44,5 million. Between January and July 2009, the US was surpassed as South Africa's biggest trading partner by China. Trade volumes between SA and the US amounted to R21,7 billion.

South Africa is one of the major beneficiaries under the African Growth and Opportunity Act (AGOA), ranking third after Nigeria and Angola. In terms of direct foreign investment, the US remains one of the larger investors in South Africa, being third after the EU and Japan.

Canada

The Bilateral Annual Consultations (AC) mechanism was scheduled to take place in Canada at the beginning of June 2009. Unfortunately, it had to be postponed due to the unavailability of our principals. The postponement did not impact negatively on the bilateral relationship and cooperation continued in many sectors. The AC has been re-scheduled to take place in April 2010 in Canada with the Director-General as Co-chair.

Negotiations on a Bilateral Air Services Agreement (BAS) were successfully concluded in July 2009. Agreement has also been reached on the Friendly Use of Nuclear Energy and the Customs Mutual Assistance Agreement (CMAA) respectively. The latter was signed on 30 October 2009.

Prime Minister Harper requested meetings with President Zuma on the sidelines of major multilateral fora such as NAM, UNGA, CHOGM and the AU to discuss, inter alia, the African Agenda in preparation for the 2010 G8 Summit. The Presidency, through the G20 Sherpa, indicated that they wish to have closer interaction with Canada on the G8 and G20. The Minister of International Relations and Cooperation (DIRCO) and her Canadian counterpart met on the sidelines of CHOGM.

The Canadian Deputy Minister of Foreign Affairs, Mr Len Edwards, visited South Africa in March 2010 to discuss the G8 and G20 (to which Canada will be the host and co-host in June 2010) and to lobby for Canada's candidacy for the 2011-



President Jacob Zuma with Canadian Prime Minister Stephen Harper at the start of the G8 Working session with the African Leaders

2012 non-permanent UNSC seat. With the announcement of the AU's support for South Africa's candidacy for the non-permanent seat for the same period, Canada informed South Africa of its reciprocal support.

Canada is ranked as the second largest foreign direct investor in SA, particularly in the mining industry as well as with their Gautrain and McCains investments. South Africa is Canada's third largest trading partner in Africa as a whole and 33rd most important trading partner worldwide.

The DTI/SACOB and Mining Roundtables respectively were held during the course of 2009-2010 to discuss problem areas in the trade, investment and the mining industries as well as to identify areas for further investments.

In the context of promoting the 2010 FIFA World Cup, the SAPS and the Department of Home Affairs received training under CIDA's Technical Assistance Forum (TAF) as part of capacity building projects identified during the 5th Annual Consultations in 2008.

LATIN AMERICA AND THE CARIBBEAN

South Africa's cooperation initiatives with Latin America and the Caribbean continue to strengthen and expand. In the bilateral sphere, a wide range of contacts and exchanges took place. Brazil remained a significant player in the multilateral context. Also bilaterally, relations with Brazil were significantly boosted by President Zuma's state visit in October 2009 when agreement was reached to proceed with a strategic partnership with Latin America's largest economy. Increased cooperation in a number of fields also continued with other like-minded countries of the Southern Cone of Latin America, such as Argentina and Chile.

The Caribbean

Numerous high-level visits were undertaken to Cuba within the framework of the South African/Cuban Joint Bilateral Commission (JBC). Minister Nkoana-Mashabane led a high-level delegation to Cuba from 29 November to 2 December 2009, for the 6th session of the JBC. Minister Nkoana-Mashabane also held discussions with Cuban



Heads of State and leaders of delegation pose for a family photo at the start of the Nuclear Security Summit hosted by President Obama, Washington DC, USA

authorities, including the First Deputy President Machado Ventura. She also had a courtesy meeting with President Raul Castro Ruz. On his visit to Cuba in November 2009, the Speaker of the National Assembly, Mr Max Sisulu, held meetings with his Cuban counterpart, Mr Ricardo Alarcon de Quesada, as well as Deputy President Ricardo Cabrizas Ruiz.

The successful hosting of the NAM Ministerial Conference from 25 to 28 April 2009 underlined the pivotal role played by Cuba during its Presidency and leadership of the Movement. The high attendance of member states, including by the then Minister of Defence, Mr. Nqakula, was indicative of the importance that this forum holds for South-South co-operation.

President Zuma paid a state visit to Brazil in October 2009, and the two Presidents agreed to resuscitate the SA-Brazil Joint Commission as a forum for bilateral cooperation and the establishment of a Strategic Partnership.

Minister Nkoana-Mashabane also met with her Brazilian counterpart during the September 2009 Ministerial meeting where they discussed, inter alia, trade issues. There was increased contact between South Africa and Argentina, with many South African delegations visiting Argentina in 2009-10 to pursue matters related to their specific areas of function, especially in the fields of sports and recreation, agriculture, trade, tourism and science and technology exchanges.

South Africa actively participated in the 2nd Africa – South America (ASA) Summit that was held from 22-27 September 2009 on the island of Margarita, Venezuela. The Summit was attended by President Zuma, Minister Nkoana-Mashabane, Minister Collins Chabane, Deputy Minister van der Merwe, as well as other senior officials from the Presidency and DIRCO.

Europe WESTERN EUROPE

Political and economic relations with Western Europe focused on South Africa's five new priority areas: education, health, land reform and rural development, the fight against crime as well as creating employment. As a developed region, Western Europe remains a crucial partner in the North to achieve success in realizing these priorities. Best practices will also be utilized to enhance development in South Africa and in the African continent. New projects and mechanisms to cooperate in these areas were explored.

South Africa's foreign policy objectives were promoted during the following structured bilaterals: South Africa-Ireland Partnership Forum; Finnish/South Africa High level Consultations; EU-Africa Summit chaired by the Prime Minister of Sweden; Belgo-South Africa Joint Commission; South Africa-Flanders Joint Commission; Annual Consultations with Spain; Forum for Political Dialogue with France; High-Level consultations with Switzerland; and the South Africa-Swedish Bi-National Commission. Significant support for the Governments' five priorities was garnered during these structured bilaterals which have taken place during the past year.

Partner countries from the North have all indicated that they can contribute largely to education, job creation, fighting crime and providing healthcare with special focus on HIV/Aids. Belgium and the UK renewed support for Rural Development and Land Reform. The Nordic countries continued to be involved in social upliftment. Donors from Western Europe continued their support for ODA projects in selected Provinces.

In addition the following high level bilateral meetings were utilized to engage on a range of international issues: President Zuma and the Prime Minister of The Netherlands at UNGA64; President Zuma and the Prime Minister of Sweden; President Zuma and the King and Queen of Norway during their State Visit; President Zuma and Prime Minister of Spain; and UK Minister for Africa Lord Malloch Brown and Deputy President Motlanthe as well as with former Minister of Foreign Affairs, Dr Dlamini-Zuma. The relations between South Africa and the UK were further strengthened by the State Visit to the UK of President Zuma, accompanied by 12 Ministers.

Economic diplomacy was enhanced through meetings facilitated, inter alia, between Trade Minister Rob Davies and his Irish counterpart Billy Kelleher, his French counterpart Minister Idrac and his Italian counterpart Minister Scajola; during the UK Minister for Africa Baroness Kinnock's visit to South Africa; and Irish Minister for Development Power and Minister Gordhan when the Protocol to the Avoidance of Double Taxation Agreement was signed in Cape Town.

Various marketing opportunities were utilized to promote economic activities and tourism. The Missions in Western Europe successfully participated in various trade and tourism fairs to diversify trade with the established markets and promoted tourism to South Africa. Investments were procured in several fields and particularly in infrastructure development. To showcase South Africa and promote the World Cup 2010, various events and road shows were hosted throughout Western Europe. Of particular note were the special relations with Germany as previous host of the FIFA World Cup 2006 in assisting SA with 2010 and cooperation with the UK to counteract soccer hooliganism as well as in its capacity as future host of the 2012 Olympic Games. The missions and desks of Western Europe supported principals, relevant line-function departments and sectors of South Africa's cultural and sport industries during their participation in international film festivals and other major sport, art and culture events.

CENTRAL AND EASTERN EUROPE

The focus of South Africa's bilateral relations with Central and Eastern Europe (CEE) has been consolidated significantly over the past year through bilateral mechanisms such as Ministerial and Officials' Political Consultations.

Minister Nkoana-Mashabane and Deputy Minister van der Merwe hosted Ministers from Russia, Lithuania, Latvia, Hungary, Slovenia, and Czech Republic. Senior Officials' Political Consultations were held with Russia, Turkey, Slovenia, and Hungary at the level of the DDG. These traditional bilateral partnerships remain an important vehicle for promoting South Africa's domestic key priorities and establishing focused and strategic platforms for cooperation.

These bilateral mechanisms focused on co-operation in fields of Education, Health, Agriculture, Defence, Science and Technology, Minerals and Energy, Tourism and Trade and Investment. In this regard, the strategic direction and structured policy framework has resulted in substantive action taken by respective governments in these areas.

The key strategic priorities for Central and East Europe was to identify, promote and review the implementation of partnerships, agreements and projects that will advance the Government's national priorities in Education, fight against crime, Rural Development and Trade, Investment and technical partnerships for the creation of decent work and sustainable livelihoods.

The continued advancement of the African Agenda, and multilateral cooperation in the context of the UN, EU partnerships and G20 also received priority during bilateral meetings. More importantly, the bilateral Central and East European Missions participated in a number of exhibitions, fairs and workshops promoting trade, investment, tourism, the 2010 FIFA World Cup and Nelson Mandela Day. In addition to the above, high-level bilateral meetings such as UNGA 64 and NAM Summit were utilised to engage on a number of multilateral issues.

Programme 3

STATE PROTOCOL

During this reporting period State Protocol coordinated 84 Incoming and 84 Outgoing visits, which included State Visits, Working Visits, Official Visits and Private Visits. State visits were planned three months in advance as delegations per visit abroad consisted of between six and 12 Ministers for each visit with delegations as large as 120 persons for state visits to Angola, Brazil, Zambia, Uganda and the United Kingdom.

The Branch coordinated the Incoming State Visit by the King and Queen of Norway in November 2009. The Branch further coordinated logistics for Special Projects for Zimbabwe, Madagascar and Haiti. The Inauguration of President Zuma on 09 May 2009 was planned a year in advance and included meetings with different government departments.

The Branch procured transport and accommodation for 40 Heads of State/ Government and 32 Heads of Delegation at a Ministerial and Eminent Foreign persons' level as well as 219 assigned officials. Due to the security risk of high level guests visiting the country, four armoured vehicles were procured for use by the Branch during such visits in line with international standards.

In line with the approved guidelines for official visits, 204 international visits by provincial and local spheres of Government were facilitated.

As South Africa's role gained more prominence, the number of state, ceremonial and official functions and events, increased significantly. Advisory support for ceremonials and conferences, as well as training and other ad hoc support were increasingly requested by Sister Departments.

During the financial year the Branch coordinated logistics regarding accommodation, transport and venues for all Summits and Conferences hosted by South Africa, notably the SADC Extraordinary Summit and the SA/EU Summit. The Branch further assisted with logistics for four Ministerial conferences.

Additional to the above, the Branch provided Ceremonial support at 87 events and coordinated 9 Signing Ceremonies; excluding 2010 FIFA World Cup related events. The Department successfully managed the government Guesthouses. The upgrading of the Matroosberg Diplomatic Guesthouse started during this financial year. It is envisaged that occupation of the Guesthouse in Soutpansberg will occur early in the 2010/11 financial year.

With regard to the 2010 FIFA Soccer World Cup, the DIRCO's activities derive from the guarantees signed with FIFA and the commitments made to the Parliamentary Portfolio Committee in Sports and the Host Cities Forum. Protocol support to the Local Organising Committee during the FIFA Confederations Cup and Final FIFA World Cup Draw that were held in Durban and Cape Town respectively was provided. Countrywide Protocol Training was organised in partnership with the Organising Committee and the Diplomatic Academy.

The State Protocol Lounges facilitated 26 706 VIP's both in Johannesburg and Cape Town and 8 367 Diplomats. These statistics confirm the increase in the number of dignitaries visiting or passing through the country. Operationalisation and procurement processes for the new State protocol Lounge at King Shaka



Minister Maite Nkoana-Mashabane interviewed live on Channel Africa in Johannesburg.

International Airport in La Mercy, Durban have been processed for the handover in June 2010.

The diplomatic community in South Africa consisted of 297 accredited foreign offices and the following new offices were established in RSA:

- Embassy of the Republic of Chad
- Embassy of the Federal Democratic Republic of Nepal
- African Development Bank
- Africa Institute for Environmentally Sound Management of Hazardous and other wastes
- League of Arab States

The Department accredited 80 Heads of Diplomatic Missions and Consular Posts. A total of 2546 Notes Verbales were received and channelled to the relevant desks and 241 official messages (National Day, congratulatory and condolences) were forwarded to the relevant South African Missions abroad. Furthermore, 2674 flags were issued to respective internal and external stakeholders.

PUBLIC DIPLOMACY

Public Diplomacy addresses communication engagements with national and international stakeholders, media liaison and the promotion of South Africa's image, policies and programmes at international level.

The year under review continued to exert increasing demands on Public Diplomacy in line with South Africa's ever improving status in the international relations arena. In addition to leading and servicing the communication needs of the ICTS Cluster, the Public Diplomacy Branch provided communication support to the Department's Political Principals including the President and Department's Management on international relations issues. Furthermore, in order to respond fully to the concerns raised by both the Minister and the Portfolio Committee on International Relations, the Branch undertook a business process review in order to restructure its units accordingly in order to have better capacity to provide a fully-fledged Public Diplomacy service in the country, including community engagements, and to provide an improved communication engagement service abroad.

In line with its core mandate of keeping the public and Departmental stakeholders informed on its plans and activities, the Department continued with the production and distribution of publication publicity materials including the Annual Report 2008-09, Budget Vote Speech 2009 booklet, Desk Calendar 2010, the Diplomat (monthly newsletter), 'Know your Department of International Relations and Cooperation', as well as promotional banners and posters for the various conferences, summits and workshops. Marketing initiatives at par with international standards were undertaken with the objective of popularising 'the Brand DIRCO' to various stakeholders nationally and internationally. Furthermore, the Department continued to participate and assisted in a number of conferences, shows and exhibitions with the aim of building and projecting a positive image of South Africa globally.

A number of activities were conducted which were centered on the promotion of the 2010 FIFA World Cup and South Africa's state of readiness to host the World Cup. Road shows were conducted in the 5 African FIFA qualifying countries and SADC Missions. Prior to that, a research survey was conducted in Missions to assess the kind of support that Missions need to run public diplomacy activities including the promotion of the FIFA World Cup.

The main marketing and branding activities during the period under review included the Minister's Dinner, SA Tourism Indaba, and Minister's Outreach Campaigns. These activities were mainly done in partnerships with a number of companies within corporate South Africa which led to the securing of sponsorships for these and other major departmental events. The Department's Operation Centre, in addition to producing daily news bulletins informing all Missions of relevant news in South Africa, produced regional reports to keep Head Office and Missions Informed about important events in various regions of the world. The Department maintained a 24-hour Operations Centre which did not only assist the Presidency, Ministry, Department, and South African public, but also served as an early-warning centre for the Political Principals, reporting on major incidences or crises and international events.

To ensure accurate historical recording, documentation and dissemination of South Africa's international relations engagements, the Department continued with both audiovisual and photographic coverage of engagements of the President, Deputy President and the Principals and distributed these to both local and international print and audiovisual media. During the reporting period, the Public Diplomacy Branch prepared thematic and topical speeches for strategic national, continental and international events for the Principals, including for the State of the Nation Debate, Budget Vote, Ministerial Public Outreach programmes, and other high level visits and Conferences.

During the year under review, Public Diplomacy continued with the management of the Department's official website: www.dirco.gov.za and intranet. The Web Portal Project continued to 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, technical specifications and project roll-out were done with the involvement of the service provider and the Department's Information Communication Technology unit.

In order to keep the public and Departmental stakeholders informed, media engagements were undertaken and ongoing media liaison and communication support to the Ministry and Department was provided. This was done through sectoral briefings (led by Deputy Directors-General), and pre-event media awareness (undertaken to generate publicity prior to events or visits). In addition to assisting South African missions abroad with country promotional requests and publicity material needs, the Public Diplomacy Branch continued to provide media and communications support during Cabinet Lekgotlas and when Heads of Missions to South Africa provided their Letters of Credence to the President.

Performance Information

PROGRAMME / KRA: CONSOLIDATION OF THE AFRICAN AGENDA

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Achieved	Not achieved	Way forward
Contribute to the strengthening of the AU and its Structures	Supported harmonisation and rationalisation of Regional Economic Communities (RECs), as well as the regional integration process	Facilitated the implementation of the outcomes of SADC/COMESA/EAC Tripartite Summit	Promote regional integration process	Coordinated monthly interdepartmental regional integration task team meetings		
	Strengthened governance and capacity in the AU	Contributed to the implementation of the Audit Report recommendations, specifically on governance	Facilitate the development of a SA position paper on regional economic integration	Coordinated the revision of South Africa's position in the preparation for the launch of the SADC/ COMESA/EAC Free Trade Area		
			Propose recommendations according to SA policies	Prioritised implementation of administrative and governance recommendations on the agendas of the Executive Council and Assembly sessions		
			Engage with civil society and relevant stakeholders	Convened a SA/ECOSOCC (SA Chapter) workshop to strategise on future cooperation		
			Ratification of Charter	South Africa signed charter in February 2010		
	Facilitated recruitment and secondment of South African candidates to relevant AU structures	Solicited support for the AU and its structures during structured bilateral and high-level engagements	Identify and submit proposals for strategic positions in AU structures	One contract extended by 2 years and facilitated secondment of SA officials to AU Commission		Process of ratification underway
			Promote AU and its structures	Included AU/ African Agenda on the agendas of all structured bilateral and multilateral forums, and other high-level interactions with African countries		Develop database of potential candidates from SA for positions
	Supported Pan African Parliament (PAP)	Provided support and attended sessions of the PAP	Coordinate the development of proposals presented to SA MPs in preparation for PAP sessions	Supported 11th and 12th Sessions of the PAP		
Attend to outstanding issues in Host Agreement			Position papers developed on identified PAP agenda items and support rendered to SA parliamentarians			
Contributed to the Operationalisation of African Court on Human and Peoples' Rights	Facilitated mutual fulfillment of obligations in terms of PAP Host Country Agreement	Sign and ratify relevant statute	Official Residence handed over to Protocol: guesthouse section	Finalisation of ICT Annexure of the Host Agreement in process	Finalise MoUs and Technical Annexures on the Host Country Agreement	
		SA's inputs to the merger instrument were submitted to the AU for incorporation in the instrument	Provision of all logistical support as required by the Host Country Agreement		Merger instrument to be presented for adoption by Assembly after which ratification and domestic implementation would be initiated	
Facilitated the operationalisation of the AU Financial Institutions	Facilitated the operationalisation of the AU Financial institutions	Present coordinated SA position and lobby at relevant fora	Coordinated with National Treasury and participated in Joint UNECA/AU Meeting			
Engaged the African Diaspora	Facilitated the participation of the African Diaspora to support African development, including through the African Diaspora Summit	Participate in regional and continental consultations as per AU schedule	Contributed to the review of the AIB statutes adopted by CAMEF			
		Engage Diaspora communities Host Diaspora Summit	Continued to engage Diaspora communities	Appropriate AU meetings not scheduled	Monitoring schedule for relevant events	
				Diaspora Summit postponed	New target date 2011/2012	

	Monitored and participated in relevant organisations dealing with migration issues	Continued engagement of relevant stakeholders in Bilateral, Multilateral and Regional fora in respect of Migration issues	Engage relevant stakeholders	Supported the adoption of the Kampala Convention on Protection and Assistance to Internally Displaced Persons in Africa		Facilitate process of ratification of the Kampala Convention and its domestic implementation
			Promote SA position in debate on International Migration	Supported the adoption of the Declaration at the Special Summit on IDP's		
			Facilitated the submission and incorporation of SA's input in the AU Convention			
	Integrated 2008 African Ministerial Conference of the Environment (AMCEN) outcomes into the Action Plan of the NEPAD Environment Initiative	Facilitated the implementation of the outcomes of the AMCEN	Integrate AMCEN outcomes into NEPAD Action Plan on Environment	Provided support to DEAT in the implementation of the AMCEN outcomes		
	Strengthened AU-EU relations	Continued engagement in Ministerial Troikas and Senior Officials Meetings	Monitor and facilitate implementation of Joint First Action Plan 2008 - 2010	Participated in the Africa-EU Partnership process		
			South African positions on Joint Africa-EU Strategy and Action Plan highlighted during SA-EU Ministerial Troika and SA-EU Summit			
			Contributed towards the implementation of the Joint EU-Africa Strategy / Action Plan			
Support the implementation of NEPAD	Supported the facilitation of programmes related to the NEPAD priority sectors and their integration with SADC, AU and UN processes	Continued to support facilitation of programmes related to NEPAD priority sectors	Prioritise NEPAD on the agenda of relevant international organisations	Participated in the 37th Meeting of the NEPAD Steering Committee		To assist with the implementation of HSGIC decisions and to continue liaison with NPCA
				Participated and provided substance support during the 1st and 2nd G8 Africa Personal Representatives' (APR) meetings with the NEPAD 5+3		
				African agenda advanced during the NAM Ministerial and in NAM XV Summit final documents		
				Advanced Africa positions during CHOGM 2009		
				Promoted alignment of UNIDO programmes in the region with NEPAD strategic priorities		
	Increased support for the implementation of NEPAD	Promoted NEPAD on the agenda of identified bilateral, regional and multilateral meetings	Advocate and promote NEPAD	Advocated support for the implementation of NEPAD priority sectors during structured bilateral and multilateral mechanisms and other high level consultations inter alia TICAD, FOCAC, SADC-ASEAN, KAF, IBSA, NAASP, IOR-ARC, GCC and League of Arab States' meetings		
		Included NEPAD on the agenda of structured bilateral engagements				
	Contributed to the implementation of the African Peer Review Mechanism (APRM)	Continued support for the implementation of AU Summit decisions regarding APRM, in collaboration with national APR Focal Point	Participate in the process of implementation of APRM	Participated and provided substance support to principals at 11th and 12th APR Forum Meetings		
				Assisted the National APRM Focal point (DPSA) in developing a work programme for the provision of technical assistance to other countries in preparation of their APRM country reviews		
		Supported national APR Focal Point in providing assistance to other countries' preparation of APRM country reports	Provide assistance in the development of country reports			
	Managed South Africa's International Development Assistance	Managed the African Renaissance Fund	Manage ARF and identify projects for funding	Facilitated the payments for identified projects in Saharawi Arab Democratic Republic, Lesotho and Rwanda according to ARF prescripts		
				Facilitated the finalisation of the Trilateral MOU on the Cuban Medical Brigade in Rwanda		
				Domestic and international stakeholders consulted on the conceptual framework for the establishment of SADPA		
				Solicited support from other countries in development of SADPA		
		Submitted proposals to Cabinet on the South African Development Partnership Agency (SADPA)	Consult relevant stakeholders	Conceptual framework adopted by Cabinet		

Contribute to strengthening of the Southern African Development Community (SADC)	Contributed towards SADC Regional Economic Integration Agenda through structured bilaterals and high level engagements	Contributed towards SADC Regional Economic Integration Agenda	Engage SADC Member States to assist accession to FTA	Lobbied and assisted Member States who have not yet signed the FTA		
		Solicited support for the SADC Regional Economic Integration Agenda during structured bilateral and high-level engagements	Advocate support for regional economic integration	Promoted increased awareness of SADC and its processes and the need for regional integration, in all structured bilateral mechanisms and other high-level consultations with SADC countries		
	Worked towards the full implementation of the Regional Indicative Strategic Development Plan (RISDP)	Facilitated South Africa's participation in the review process of the RISDP and continue to implement other areas of the RISDP	Undertake review of RISDP	Review of RISDP was undertaken		
			Facilitate implementation of SADC Programmes and Activities	Coordinated implementation of SADC Programmes and Activities in line with RISDP		
	Strengthened governance and capacity in SADC, especially in the Secretariat	Continued promotion and implementation of the Job Evaluation Plan of the SADC Secretariat	Support implementation of SADC Job evaluation	Facilitated and participated in SADC Troika meeting to finalise implementation of skills audit and Job Evaluation report		
		Facilitated recruitment and secondment of SA candidates to SADC Secretariat	Facilitate recruitment and secondment	Two SA officials seconded to the SADC Secretariat and one of45ficial seconded to the SADC Organ		
Chaired SADC and participated in SADC Troika	Chaired SADC until August 2009	Utilise position as Chair in facilitating resolution of political issues in SADC	Engaged in the resolution of regional political issues through mediation in Zimbabwe			
	Participated in SADC Troika as outgoing Chair	Articulate SA positions at scheduled SADC Troika meetings	Participated in all scheduled SADC Troika meetings			
Contributed to SADC poverty reduction strategy	Contributed to SADC Poverty Reduction Strategy in terms of the attainment of the MDGs	Make input to poverty reduction strategy	Coordinated comments on SA paper on Poverty Reduction			
Strengthened SADC-EU cooperation within the Berlin process	Participated in Ministerial Troika Meetings	Strengthen SADC-EU cooperation	Led the regional delegation in SA's capacity as Chair of SADC at the SADC-EU Dialogue in Brussels to engage on increased cooperation with the EU as well as increased support for capacity to the SADC Secretariat			
Support finalisation of SADC-EU Economic Partnership Agreement (EPA) negotiations	Finalised South African participation in SADC-EU EPA negotiations	Facilitated the implementation of the new SA-EU trade regime	Participated in SADC-EU EPA negotiations	Attended SADC and SADC-EU negotiating forums and promoted alignment of the trade chapter of the TDCA to the SADC EPA		
				Alignment addressed in interactions with EU members		
Support ratification and implementation of SACU-Mercosur/ Preferential Trade Agreement (PTA)	Supported ratification and implementation of SACU-Mercosur PTA	Facilitated ratification and implementation of SACU-Mercosur PTA	Articulate SA support for SACU-Mercosur PTA	Signed SACU- Mercosur PTA		

Contribute towards Peace, Security and Stability in Africa	Supported regional and multilateral initiatives to establish a continental peace and security architecture	Participated in identified processes and institutions	Coordinate SA's position in SADC Military, Intelligence, Humanitarian, Police and Correctional Services Issues Attend training courses at the Regional Peacekeeping Training Centre (RPTC) Participate in the training exercises aimed at the operationalisation of the SADC Brigade	Participated in monthly Joint Task Team (JTT) meetings Officials from DIRCO, SAPS, SANDF and Military Veterans attended training at the RPTC Participated in the Command Post Exercise in Mozambique, Mapping Exercise in Angola and hosted Exercise Golfinho Phase III (Field Training Exercise) Participated in SADC Electoral Training Course in Gaborone Participated in Observer Missions to Malawi, Botswana, Mozambique and Namibia			
			Participate in SADC Election Observer Missions Engage identified countries and institutions in support of conflict resolution in Africa	Engaged the EU's Political and Security Committee on African Peace and Security Issues Promoted trilateral co-operation with identified donor countries Promoted African positions during the 2010 UN Special Committee on Peacekeeping Operations Concluded Burundi peace process and SA peacekeeping force withdrawn			
		Contributed to the operationalisation of national, sub-regional and African Early warning systems	Facilitate Burundi peace process	Coordinate SA contribution to the establishment of a Regional Early Warning Centre (REWC)	Provided material and logistical support to the REWC Technical equipment for the Centre was procured		Equipment will be installed in SADC's new Building prior to the launch.
	Identified and engaged countries and institutions in support of conflict resolution in Africa	Identified countries and participated in fora such as the UN Committee on Peacekeeping Operations (C34) and the AU PSC Lobbied strategic partners to promote South Africa/African positions Interacted with the mandating authorities, i.e. the UN and the AU on PKO	Identify partners supporting conflict resolution operations Engage strategic partners Engage relevant SA stakeholders, the AU and UN on peacekeeping support to Africa	Participated in the C34, AU Summits in Addis Ababa and Libya and AU Chiefs of Defence meeting Engaged bilateral partners on peace and security issues Coordinated SA responses to AU requests for support for peacekeeping operations in Africa, such as AMISOM and UNAMID			
		Honoured SA's assessed contributions towards UN peace keeping operations	Assessments approved for payment within 30 days of receipt	Assessments paid on time and in full SA remains on UNSG's honours role			
	Supported Post Conflict Reconstruction and Development (PCRD) in identified countries	Participated in identified processes and meetings Facilitated and coordinated SA contribution to PCRD programmes	Advance SA position on PCRD Contribute to PCRD in Africa	Participated in the AU Fact Finding Mission and convened Ministerial Committee meeting on reconstruction of Sudan Contributed to post conflict, reconstruction and development in the field of capacity building and election preparation in Sudan Continued to engage Zimbabwe peace process Continued to engage Lesotho to resolve constitutional matters through SADC Continued to implement security sector reform in Central African Republic Supported sustainable peace through post-conflict reconstruction and development in Sudan, the DRC and Guinea			

Strengthen bilateral relations with African countries	Enhanced socio-economic political cooperation with African countries	Engaged identified partners	To improve South African relations with African countries	Utilised ARF funds to finance and implement developmental and humanitarian projects in Burundi, DRC, Guinea, Lesotho, Mali, Southern Sudan and Western Sahara Observed elections in Angola, Botswana, Equatorial Guinea, Gabon, Guinea Bissau, Mauritius, Namibia and the Republic of Congo Supported peace through post-conflict reconstruction and development and peace initiatives in Sudan, the DRC and Guinea Conakry			
	Democratic process on the Continent supported	Supported democratisation and good governance in Africa	Promote democratisation and good governance				
Support FIFA African Legacy Programme	Utilised the 2010 FIFA World Cup to contribute to Africa's development through the African Legacy Programme	Implemented an integrated marketing strategy to promote 2010 FIFA World Cup Soccer as an African World Cup	Implement marketing strategy	Missions in following qualifying countries: Algeria, Brazil (Sao Paolo and Brasilia), Cameroon, England, Ghana, Nigeria (Lagos) supported the LOC during promotions and road shows Concluded the FIFA volunteers' project abroad including in Algeria, Cameroon, Cote D'Ivoire, Ghana, and Nigeria Initiated and coordinated 2010 FIFA World Cup support promotions and road shows projects in conjunction with private sector (Coke and MTN) to promote 2010 FIFA World Cup Soccer at Missions in the 6 African qualifying countries			
		FIFA World Cup included as a regular agenda item for discussion during all structured bilaterals	Promote 2010 FIFA World Cup Soccer as an African World Cup	Included on agendas of all structured bilateral engagements in particular with qualifying countries. Coordinated with International Marketing Council (IMC), SA Tourism, Government Communication (GCIS), Department of Arts and Culture and Department of Trade and Industry to brand SA as a tourist destination Utilised 2010 World Cup to promote SA as a business destination during engagements in all the 31 qualified countries			
		Promoted South Africa as a tourist destination in the context of the 2010 FIFA World Cup		Tourism to South Africa promoted			
		Utilised the 2010 FIFA World Cup Soccer as an opportunity to market South Africa as a modern and vibrant economy		Market South African economy			

PROGRAMME / KRA: STRENGTHENING OF SOUTH – SOUTH COOPERATION

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/KEY PERFORM- ANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Meas- ures	Actual		
				Achieved	Not achieved	Way forward
Strengthen India, Brazil, South African Dialogue Forum (IBSA)	Strengthened bilateral, trilateral and multilateral interests in the IBSA Forum	Participated in IBSA structures and processes	Contribute to IBSA deliberations	Participated and contributed to IBSA Strategic Planning Sessions Facilitated preparations for and participation in the 6th IBSA Ministerial Trilateral Commission Promoted gender equality through IBSA Women's Forum under auspices of IBSA's people-to-people fora		
	Identified and monitored implementation of IBSA projects	Identified new projects to be funded by IBSA Monitored implementation and progress of IBSA projects	Engagement relevant stakeholders Monitor implementation of approved IBSA projects	New IBSA Fund projects identified and approved for Cambodia, Guinea-Bissau and Haiti Co-facilitated the implementation of SA proposed project in Palestine through IBSA Fund Provided support to the PMNY in decision-making processes of the IBSA Board on the implementation of IBSA projects Continued to monitor IBSA projects in Mali regarding the Cuban Medical Brigade		
Strengthen Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)	Expanded Indian Ocean Rim regional economic cooperation	Participated in identified structures and processes of IOR-ARC	Strengthen IOR-ARC cooperation	Participated in 9th Ministerial Meeting Submitted input for review of IOR-ARC Charter		
Strengthen New Africa-Asia Strategic Partnership (NAASP)	Increased activities in support of socio-economic advancement	Participated as Co-chair in all identified processes of NAASP	Continue to participate in all identified processes of NAASP	Participated in coordination processes of NAASP Hosted Capacity Building diplomatic course for Palestinian diplomats		
Establish and strengthen India-Africa Forum	Identified and implemented joint projects that would complement NEPAD objectives	Contributed to the development of the Joint Strategy and Action Plan	Develop implementation plan of the Joint Strategy of the India-Africa Forum	Co-ordinated South Africa's input to the implementation plan with AU Mission in Addis Ababa		
Strengthen Forum on China-Africa Cooperation (FOCAC)	Increased coordination amongst African countries to promote African socio-economic development through interaction with China	Continued to utilise SADC to coordinate and monitor implementation of FOCAC regional projects Participated in the FOCAC Ministerial Meeting	Support SADC coordination Participate in mechanisms and structures of FOCAC	Supported SADC preparatory processes for 4th FOCAC Ministerial Participated in 4th FOCAC Ministerial		

Strengthen Africa-South America Dialogue	Increased coordination amongst African and South American countries to promote political relations and socio-economic development	Participated in Africa-South America Summit	Promote coordination between African and South American countries	Participated in the Africa – South America Summit		
Engagement with organisations of the South within multilateral system	Advanced the special needs of Africa through the activities of organisations of the South	Participated in all relevant meetings, Ministerials and Summits Participate in XV NAM Summit, Egypt Participate in NAM and G77 Ministerial Meetings in the context of UNGA64	Address special needs of Africa in multilateral fora Facilitate participation in relevant meetings of the NAM and G77	Participated in ACP fora (JPA) Facilitated accession to the Cotonou Partnership Agreement and its second revision Facilitated Ministerial participation in XVI NAM Ministerial Meeting and Presidential and Ministerial participation in the NAM XV Summit Facilitated Ministerial participation in the Annual Meeting of Ministers of Foreign Affairs of the Group of 77 Participated in the regular bi-annual meetings of the Board and the Council of Representatives of the South Centre Facilitated SA's annual financial contribution to the South Centre		
	Promoted the Agenda of the South through structured bilateral and high-level engagements	Prepared background information for political principles in order to participate in structured bilateral and high-level engagements	Facilitate engagements by political principals Provide support for structured high-level engagements	South Agenda highlighted at all structured bilateral engagements Briefing documents prepared for the participation of political principals Facilitated participation in the UN High-Level Conference on South-South Cooperation		
	Increased bilateral South-South Cooperation in pursuit of SA's national priorities, particularly the five key priorities	Participated in UN High-Level Conference on South-South Cooperation	Advance the principles underlying South-South Cooperation	SA supported endorsement of the principles of South-South Cooperation by the Conference and ultimately the UN system Facilitated Presidential participation of the 2nd Africa-South America Summit hosted by Venezuela. Presidential Bilateral discussions with CARICOM Heads of Government on the margins of the CHOGM in Trinidad and Tobago Extended Trilateral Cooperation projects with Cuba in Africa to include Rwanda, Mali and Sierra Leone		
	Promoted and consolidated intra-African, Caribbean and Pacific Group of States (ACP) cooperation and positions	Participation in ACP structures and processes	Consolidate cooperation	Participated in the ACP Joint Parliamentary Assembly		

PROGRAMME / KRA: STRENGTHENING OF NORTH-SOUTH COOPERATION

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/KEY PERFORM- ANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Actual		
				Achieved	Not achieved	Way forward
Prioritisation of Africa on agendas of the EU, G8, Commonwealth and other organisations of the North	Mobilised support from development partners and organisations of the North, such as the EU, G8, Commonwealth for the agendas of the South and Africa	Engaged with development partners and participate in activities and identified structures of organisations of the North	Promote the Agenda of the South in engagements with the North	Prioritised MDGs and the African Agenda during engagements with the G8, G8 + 5, G20, SA-EU		
Strengthen bilateral relations with countries of the North	Increased cooperation with countries of the North in support of the African agenda and the agenda of the South Increased bilateral North-South Cooperation in pursuit of SA's national priorities, particularly the key five priorities	Promoted the agendas of the South and Africa through structured bilateral and high-level engagements Identified partners and pursued projects for bilateral North-South Cooperation in pursuit of SA's national priorities, particularly the key five priorities	Advance the principles underlying North-South Cooperation for the advancement of the Agendas of Africa and the South Promote national priorities during engagements with countries of the North	Included AU/ African Agenda on the agendas of all structured bilateral forums, and other high-level interactions Engaged countries of the European Union to promote South Africa's five national priorities during consultations under the SA-EU Strategic Partnership on the TDCA Facility and scheduled bilateral engagements		
Strengthen engagement with relevant structures of OECD	Increased engagement for cooperation and economic development in the developing world	Participated in identified OECD processes	Support engagements with the OECD	Supported the promotion of the African Agenda through engagement with OECD mechanism		
Engagement in the Tokyo International Conference on African Development (TICAD) and the Korea-Africa Forum (KAF)	Increased support for the African agenda and agenda of the South through the implementation of the Yokohama Action Plan and the KAF outcomes	Reviewed and monitored implementation of programmes	Implement Programmes of Action	Participated in the Korea-Africa Forum		

PROGRAMME / KRA: PARTICIPATE IN THE GLOBAL SYSTEM OF GOVERNANCE

SUB-PRO- GRAMMES/ OBJECTIVES	OUTPUTS/ ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/ KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET				
			Target/ Measures	Actual			
				Achieved	Not achieved	Way forward	
Promote multilateralism, respect for international law and strengthen the role of the United Nations	Establishment of a fair and equitable world order through restructuring the global political and economic architecture Facilitated South African participation at all UN fora Placed on agendas of structured bilaterals and high-level engagements	Analysed political developments and stakeholder positions and promote South Africa's policy positions Promote the reform of multilateral fora Support UN efforts on decolonisation in Western Sahara Participate in activities of the main committees of UNGA, subsidiary bodies and agencies Promote SA positions	Promote the reform of multilateral fora	Participated through G77, NAM and Africa Group in discussions on UN reform in GA and Working Groups of the GA Promoted African Agenda and UN support for NEPAD through participation in all relevant bodies and organs of the UN system, including specialised agencies and international organisations in association with the UN Hosted UN Day reception and participated in the Annual Consultations with the UNCT Coordinated inter- and intra- departmental consultations regarding joint UNEG evaluation Supported the process for finding a political solution in Western Sahara UNGA64 directives prepared for South African delegation participation Participated in deliberations in UNGA main committees, ECOSOC and its subsidiary bodies, programmes, funds, boards, specialised agencies and organisations in association with the UN Placed on the agendas of all structured bilateral mechanisms and high-level consultations			
			Support UN efforts on decolonisation in Western Sahara	Participate in activities of the main committees of UNGA, subsidiary bodies and agencies	Promote SA positions		
			Make transfer payments as assessed in full and on time	SA financial obligations to the UN and Commonwealth paid in full and on time and without preconditions			
Coordinate South Africa's support for identified candidates within the global system of governance	Identified positions for South Africans Co-ordinated South Africa's support for candidates in elections of the UN systems and international organisations	Identified vacancies and support suitable candidates	Convene meetings of Candidature Committee as required Identify vacancies and make recommendations of support to EMC Launch Lobby actions in support of SA candidatures in the UN system	Convened 10 meetings as per UN elections schedule Maintained a database of vacancies, made recommendations to EMC and communicated approved voting grids to delegations Lobbied bilaterally for support of SA's candidatures to 7 positions in international organisations			

Promote the reform of the UN system	Contributed to promotion of a restructured UN system	Participated in all UN reform processes	Promote and work with like-minded countries in pursuit of the reform and strengthening of UN system	Participated in ongoing inter-governmental negotiations on UNSC, General Assembly, BWIs, Secretariat and Management reform Co-hosted a Security Sector Reform Conference with Department of Defence		
Adherence to and promotion of International Law	Legal advice and assistance on all issues related to international law provided	Provided advice on all international law matters	Provide legal advice on all international law matters as well as during various multilateral negotiations	<p>Provided 421 legal opinions; made 26 presentations on international law; Certified 127 agreements for Presidential approval</p> <p>Participated in negotiations requiring legal input in AU and its institutions and mechanisms including NEPAD and PAP; UNFCCC and Kyoto Protocol; Rome Statute; ICC; ICAO; - AFCAC; UN Six Committee; Meeting of Geneva conventions on IHL; Hague Conference on Private International Law; Permanent Court of Arbitration; International Civil Aviation Compensation Fund; COPUOS; Phase II Lesotho Highlands Water Project; Draft Technical Cooperation Agreement with Japan; Law of the Sea; AALCO (Putrajaya); SADC</p> <p>Led in respect of deliberations on UN legal institutions – UNDROIT; Hague Conventions, ICC; ICJ; ILC</p> <p>Submit continental shelf claims to Law of the Sea Commission</p> <p>Prepared and submitted SA's claim in respect of the establishment of the outer limits of its continental shelf to the CLCS</p>		
Promote peaceful resolution of conflicts and work towards post-conflict reconstruction and development	Advanced South Africa's policy positions in all relevant fora	Placed South African and African positions on the agenda of identified international fora and structured bilateral engagements	Promote SA and African positions	<p>Participated, as an elected member of the Peace building Commission, in post conflict reconstruction proposals and activities in Africa</p> <p>Participated and promoted SA positions on relevant items of the agenda of the 4th Committee of UNGA</p> <p>Included SA and African issues on the agendas of all structured bilaterals and high level engagements</p>		

Participate in relevant United Nations Security Council activities	Included and supported Africa issues and issues of the South on the agenda of the UN Security Council	Analysed developments and advanced African issues and issues of the South amongst members of the UNSC	Monitor and report on UNSC debates on Africa, the Middle East and thematic debates	<p>Reported on and analysed debates on issues of importance to SA,s national priorities</p> <p>Participated and reported on open debates related to Africa and countries of the South</p> <p>Promoted closer cooperation between AU and UNSC through participation and elaboration of SA and AU positions in open debates</p> <p>Participated in open debates on Women in armed conflict; Peace and Security; and UN Peace Keeping operations</p>		
	Coordinated compliance with South Africa's obligations related to Security Council resolutions	Facilitated and coordinated South Africa's implementation of Security Council resolutions	Monitor and analyse UNSC sanction regimes and coordinate SA's compliance in this regard	Co-ordinated SA's implementation of UNSC resolutions by informing principals and stakeholders of the specifics of UNSC sanctions measures currently in effect against individuals and entities		
Contribute to combating terrorism	Contained and reduced the incidence of terrorism nationally and globally	<p>Participated in identified international structures</p> <p>As Chair of Inter- Departmental Counter-Terrorism Working Group, assisted with national efforts to meet international standards in addressing the threat of terrorism</p>	<p>Advance SA positions in identified international structures</p> <p>Coordinate interdepartmental activities</p>	<p>Participated in open debates of the UNSC on terrorism</p> <p>Convened and chaired meetings of the Inter-Departmental Counter-Terrorism Working Group</p>		
Promote South Africa's positions on disarmament, non-proliferation and arms control	Advanced South Africa's interests in international fora dealing with disarmament, non- proliferation and arms control	Participated in disarmament, non-proliferation and arms control fora	Promote South African positions through participation in disarmament and non proliferation fora	<p>Participated and advocated SA's positions during the 53rd General Conference of the International Atomic Energy Agency (IAEA) , the Nuclear Suppliers Group (NSG) Special Consultative Group Meeting; the Comprehensive Test Ban Treaty (CTBT) Article XIV Conference on Disarmament; International Atomic Energy Agency (IAEA) Board meeting; Missile Technology Control Regime (MTCR) Plenary; and Wassenaar Arrangement Plenary</p> <p>Concluded a SA- USA Nuclear Energy Research and Development Agreement</p>		
	SA positions promoted bilaterally	Engaged in structured bilateral meetings	Promote recognition of SA positions bilaterally	SA positions promoted during all structured bilateral mechanisms and high-level consultations		
Support South Africa's participation in the G20	Supported National Treasury and other role-players in advancing the African Agenda	<p>Provided support to the National Treasury</p> <p>Participated in the Summits and other relevant processes of G20</p> <p>Focused attention on impact of financial and economic crises on Africa's development</p>	<p>Provide support to National Treasury</p> <p>Support SA's engagement with G20</p> <p>Highlight impact on developing countries in all relevant fora</p>	<p>Coordinated with National Treasury and the Presidency in the drafting of SA positions for G20 Summits</p> <p>Engaged UK and USA bilaterally in preparations for G20 Summits in London and Pittsburgh respectively</p> <p>Facilitated and supported the participation of political principals in G20 Summits</p> <p>Facilitated and supported SA's participation in the UN High-Level Conference on the World Financial and Economic Crisis and its Impact on Development</p>		

Contribute to multilateral processes aimed at reforming the Bretton Woods Institutions	Promote the reform of the BWIs, including increasing the voice and representation of developing countries	Participated in identified meetings Supported national participation in process to review IMF quotas	Advance the positions of Africa and the South in the reform of the BWIs Participate in preparation for review of IMF quotas	Advocated the need to reform the BWIs in UN Conference on the World Financial Crisis, G20 Summits and relevant multilateral fora and high-level meetings Coordinated with the National Treasury on SA position on IMF quota reforms		
Contribute to debates on Climate Change	Developmental agenda reflected in decisions of major UNFCCC and related instruments and processes	Participated in all identified processes for the advancement of regional and sub-regional positions on an international framework	Reflect SA and developing countries interests in decisions of UNFCCC processes	Participated in all preparatory processes nationally, regionally and internationally in preparation of COP15 - UNFCCC negotiations as part of Africa Group; UNFCCC meetings in Bonn; National Climate Change Co-ordination meetings; consultations with missions, civil society and other stakeholders in order to consolidate SA position in climate change negotiations Participated in the Major Economies Forum meeting on climate change SA delegation played a prominent role during negotiations on a Commonwealth Heads of Government declaration on climate change during the 2009 CHOGM in Trinidad and Tobago		
	Participated in negotiations related to financial and resource mobilisation and represented South Africa on the Compliance Committee	Participated and made substantive contributions	Contribute to multilateral negotiations under UNFCCC and Kyoto Protocol	Participated in inter-governmental preparatory committee		
	Hosted the 17th Conference of the Parties (COP17) to the UNFCCC in November 2011	Commenced preparations for the hosting of the COP17	Assist with preparations	Participated in inter-governmental preparations for COP17 to be held in SA		
	SA positions promoted in structured bilateral and high level engagements	Placed on agendas of structured bilateral and high-level engagements	Promote SA positions	Promoted the position of developing countries in respect of climate change during all structured bilateral mechanisms and high level consultations		

Promote international environmental governance	Promote South Africa's and Africa's positions through participation in relevant Multilateral Environment Agreements (MEAs)	Participated in and monitor relevant MEAs Lobbied to host the 6th World Water Forum in 2012	Promote Africa's needs in all environmental fora Highlight value of water for Africa during lobby actions	Enhanced principles of environmental credibility in MEA negotiations Participated in all relevant domestic bi-monthly inter-departmental governance meetings and 14 intergovernmental meetings related to international environmental governance Actively promoted SA and G77 and China positions in all MEAs of which SA is party to.	SA not successful in bid, but recognised as a strategic partner of France, the successful host country	
	Coordinated South Africa's participation in regional and global marine and maritime organisations and processes	Lead participation in the Regional Fisheries Management Organisation and United Nations Law of the Sea processes, the discussions on international shipping and in the Antarctic programme Lead discussions on South Africa's extended continental shelf claim	Facilitate and participate in meetings at regional and international level Prepare and submit SA's extended continental shelf claim	Provided input and support to SA IMO representative as chair of IMO sub-committee Provided input and assistance to SA delegations attending marine, maritime and Antarctic Treaty meetings Participated in the annual meetings of the UN Convention on the Law of the Sea		
Follow-up on the implementation of outcomes of major international conferences	Participated in the follow-up of major identified international conferences in the economic and social sphere	Participated in the follow-up of major identified conferences and implement outcomes	Participate in follow-up conferences and pursue implementation of outcomes	Attended follow-up sessions of the Millennium Summit and its Declaration, United Nations Conference on Environment and Development (UNCED) and Commission on Sustainable Development; follow-up of Rio Earth Summit (1992) and associated processes through the annual COP conferences; World Conference on Woman (Beijing) and Durban Review Conference (WCAR) Monitored and provided inputs to the implementation of the outcomes of the respective conferences, including internationally agreed MDGs and IDGs Participated in Community of Democracies Ministerial Conference in Lisbon		

Contribute to the promotion Human Rights and Humanitarian Affairs	South Africa's positions on human rights and humanitarian affairs advanced	Participated in identified meetings	<p>Prepare for and participate in Human Rights fora, structured bilaterals and other mechanisms</p> <p>Promote and implement International Humanitarian Law (IHL) in SA</p> <p>Advocate SA positions that reflect the interests of Africa and developing countries</p> <p>Facilitate SA's participation in the UNHCR executive Committee</p>	<p>SA positions advanced at Human Rights Council</p> <p>Arranged quarterly meetings of the inter-departmental Committee on IHL</p> <p>Regional seminar on IHL successfully co-hosted</p> <p>Participated in relevant humanitarian fora and supported UNGA resolutions on humanitarian coordination</p> <p>Participated in SA-EU Migration Dialogue Forum</p> <p>Facilitated SA's participation at the UNHCR Ex-Com</p>		
	Facilitated South Africa's international humanitarian assistance to victims of conflict and disaster	Contributed to identified activities	Facilitate SA contributions to and interaction with UN International Humanitarian Agencies	<p>Participated in fortnightly Regional Interagency Support and Coordination Office (RIACSO) meetings</p> <p>Coordinated departmental humanitarian assistance and participated in RIACSO meetings</p> <p>Provided humanitarian assistance to Angola, Indonesia, Philippines, Samoa and Vietnam</p> <p>Coordinated national assistance and participated in international humanitarian efforts in Haiti</p>		
	Advanced gender equality and the empowerment of women, children and people with disabilities	Mainstreamed gender issues in identified international organisations	Support gender mainstreaming in the UN system and international organisations	<p>Supported UNGA and ECOSOC resolutions advancing gender mainstreaming and empowerment of women in all organs, bodies, programmes, funds and agencies of the UN including international organisations in association with the UN</p> <p>Participated in preparations for UN Conference on the Status of Women and for Beijing Plus Participated in Conference of State Parties to the Convention of Persons with Disabilities and Working Group on Optional Protocol of the Convention on the Rights of the Child</p> <p>Supported the principle of the enhancement of gender parity in peacekeeping missions of the UN and the AU</p>		

Participation in multilateral and other international organisations in advancing socio-economic development	Agenda of Africa and the South promoted	Participated in identified UN structures and programmes	Facilitate SA participation in relevant intergovernmental fora	<p>Promoted and advocated for social development issues, including food security, social development, health, population at international conferences of UNESCO; FAO; CSD; WHO and CPD</p> <p>Participated in intergovernmental and regional meetings on social development; SA National Committee on UNESCO; and population development</p> <p>Hosted WIPO – World Intellectual Property Rights Organisation summer school</p>		
	Promoted transfer of science and technology for the advancement of development	Participated in identified meetings	Participate in fora related to science and technology transfer	<p>Facilitated and participated in annual meetings of COPOUS Science and Technology Subcommittee; ITU Internet Governance Forum; UN Commission on Science and Technology for Development; related to science and technology for the advancement of development</p> <p>Provided inputs to domestic inter-departmental processes in respect of science and technology issues – SA's bid for SKA; COPOUS Committee on Peaceful use of outer space and Committee on National Disaster Management; SADC World Radio Communication Committee</p>		
Support the implementation of the Kimberley Process	Kimberley Process implemented	Participated in identified meetings and structures	Facilitate SA participation in the KPCS	<p>Participated in meetings of 3 KPCS standing bodies, annual intercessional and annual plenary meetings</p> <p>Piloted the development of a Joint Work Plan promoting Zimbabwean compliance with KPCS minimum requirements</p>		
Legal advice in respect of South African law concerning departmental issues	Provide legal advice as required	Rendered legal advice on all domestic and other matters involving SA missions abroad	Facilitate briefings of state attorneys and council and render legal advice when required	Provided 617 legal opinions; managed 18 litigation matters; attended to 8 hearings; 5 PAIA requests; 1 charge sheet		
Efficient and effective information service by Treaty Information and Management Section in the OCSLA (IL)	Maintain, preserve and make available collection of publications specialising in law. Deliver an information service Custody, registration, facilitation of access to treaties and treaty information	<p>Maintained, preserved and facilitated access to the library collection and efficient provision of information service</p> <p>Timely processing of treaties and actions relating to treaties</p> <p>Timely and efficient provision of information concerning treaties</p>	<p>Maintain, preserve and facilitate access to the legal library</p> <p>Provide effective Treaty information service</p> <p>Treaty collection maintained and managed efficiently</p>	<p>Maintained law collection consisting of 3256 Books, 31 CD-Rom's, 2 Video cassettes, 526 abstracts of journal articles.89Journal titles 6 Electronic databases; 179 Library queries dealt with</p> <p>Bound 89 agreements; processed 44 signed agreements; registered 24 agreements that entered into force</p> <p>Dealt with 512 treaty queries.</p> <p>Managed treaty collection consisting of 3688 treaties; managed database of 304 provincial treaties</p>		

PROGRAMME / KRA: 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		
				Achieved	Not achieved	Way forward
Coordinate South Africa's international relations	Enhanced coordination of South Africa's international relations in all three spheres of government and civil society	Monitored, coordinated and participated in South Africa's international engagements	Coordinate SA's foreign policy positions and international interactions in all spheres of government and civil society	<p>Convened 2 workshops with stakeholders from the three spheres of Government to strengthen co-ordination of international activities through sharing of calendar of activities and briefings on signing of MoUs</p> <p>Reporting guidelines on international activities were developed and distributed to all stakeholders.</p>		A dedicated secretariat to be developed to monitor implementation of guidelines and to serve as focal point for co-ordination.
Strengthen bilateral engagements with strategic countries and organisations	Enhanced socio-economic and political cooperation in support of accelerated sustainable development in South Africa and Africa	<p>Reviewed, consolidated and implemented Action Plans with strategic bilateral partners</p> <p>Finalised revised TDCA</p> <p>Engaged identified strategic countries and organisations</p>	<p>Engage strategic partners in support of sustainable development</p> <p>Coordinate negotiations to finalise revised TDCA</p> <p>Identify and engage strategic countries</p>	<p>Structured bilateral mechanisms and high-level consultations utilised to enhance socio-economic and political cooperation</p> <p>TDCA revision completed and revised TDCA signed at SA-EU Summit on 11 September 2009</p> <p>Strengthened bilateral relations with identified countries</p> <p>Concluded frameworks for upgrading bilateral relations with identified countries</p>		

Consolidate bilateral relations	Enhanced socio-economic and political cooperation in support of national interests	Improved mutually beneficial relations with bilateral partners	Utilise bilateral consultations to promote SA's bilateral relations	Utilised structured bilateral mechanisms to enhance socio-economic and political co-operation with bilateral partners in the geographic regions where South Africa is represented		
	Contribution to a peaceful and prosperous Continent	<p>Supported good governance processes and socio-economic development in Africa</p> <p>Provided analyses and early warning on challenges and opportunities</p>	<p>Identify areas of intervention through consultations with relevant countries</p> <p>Utilise bilateral consultations to improve early warning co-operation</p>	<p>Utilised State Visits to enhance bilateral relations with bilateral relations</p> <p>National priorities placed on the agendas of structured bilateral and high-level consultations</p> <p>Signed co-operation agreements that support priorities of SA</p> <p>Observed elections in Guinea Bissau and Mauritius, Angola, Botswana, Namibia, Gabon, Equatorial Guinea and the Republic of Congo.</p> <p>Supported implementation of socio-economic development projects through the ARF fund.</p> <p>Co-ordinated South Africa's contribution to the maintenance of peace and stability. Utilised information to contribute to peace and stability</p>		
Advance South Africa's political and economic positions	Increased support and understanding for South Africa's political and economic positions	Utilised structured bilateral and high-level engagements for SAs political and economic positions	Promote SA domestic priorities during bilateral engagements	Actively engaged identified countries and institutions to promote understanding and support of SA's positions and pursued the national priorities		

Capacity-building and skills development	Obtained support for Human Resources Development Strategy for South Africa (HRDS-SA)	Identified and implemented support programmes from bilateral partners	Facilitate contributions towards infrastructure, human resources development and institution-building	Obtained commitments for capacity building programmes through bilateral co-operation agreements with bilateral partners		
Improve market access and trade with bilateral partners	Enhanced market access and increased trade	Promoted South African exports	Improve market access for SA exports	SA trade and investment promoted in structured bilateral and high level engagements		
			Convene interdepartmental consultations	Facilitated trade and investment seminars, expositions, fairs and trade missions		
		Supported lead departments in negotiations	Facilitate negotiations upon request	Concluded bilateral legal frameworks on trade and investment with trade partners		
				Facilitated negotiations through interdepartmental consultations in preparation for structured bilateral consultation		
Increase Foreign Direct Investment (FDI)	Attracted FDI into sectors identified in National Industrial Policy Framework	Promoted FDI opportunities in identified sectors	Identify target audiences and events	Promoted SA as an FDI destination during trade and investment workshops and structured bilateral meetings		
Position South Africa as a preferred tourism destination	Growth in tourism and FDI in tourism infrastructure	Promoted tourism and investment in infrastructure with emphasis on BBBEE	Promote South Africa as a tourist destination	Supported SA Tourism for participation in major tourism expositions and fairs		
		Promote regional tourism		Promoted the Trans-frontier Conservation Areas		
		Leveraged 2010 FIFA World Cup for tourism promotion.		Leveraged 2010 FIFA World Cup as an instrument to attract tourists to SA		
Market SA abroad	Positive awareness of South Africa internationally	Implemented the integrated marketing and communication strategy	Implement the integrated marketing and communication strategy	Organised and hosted National Day, SA Week and Africa Day celebrations through South African Missions		

PROGRAMME / KRA: ORGANISATIONAL STRENGTHENING

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ ACTIONS	OUTPUT PERFORMANCE MEASURES/ SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Actual		
				Achieved	Not achieved	Way forward
Modern and efficient ICT infrastructure	A fully functional stable ICT environment	Updated and implemented an ICT Plan (as outlined in section 2)	Close UKUSA project and Stabilise the new infrastructure and provide proactive management	Networking and back office has been completed. IPT cut over in progress. Stable infrastructure is achieved with few missions still experiencing downtime resulting from electrical instability.		Project Closure. Except IPT & PFC
			Implement new security devices for Head Office and all missions	Pilot at head office completed. Alternative equipment is being reviewed	Done	Identify Alternative security devices and implement by end March 2010
			Complete Infrastructure installation for New Head Office ICT Infrastructure	The relocation process of all ICT infrastructure and applications to a new centralized building.	DIAP system to be resumed once the new service provider has been contracted. In house interim system has been developed and is functional	CMS: SITA has been engaged to conduct system Audit with a view to remedy all the deficiencies and deliver proper solution as per the business requirements. Render support to CMS users at missions and the Head Office is ongoing
			BPM: Complete CMS and DIAP System	Development of CMS processes has been completed with 4 processes in production.		DIAP: The engagement with the new Service provider has commenced. Testing for Interim Solution by users is currently underway
			Web Portal Project	Web Portal: The first phase of this project has been completed and the second phase is still to be scoped before the roll out to the rest of the missions		Web Portal: The Project team will be evaluating the Hosting options proposals for implementation.

Provide accommodation at Head Office and missions	Land and properties acquired; developed, maintained and disposed	Reviewed and implemented Asset Management Plan (as outlined in section 1)	Acquire land and/or buildings in New Delhi, and Mbabane	New Delhi acquisition Achieved	Mbabane: no suitable land identified	Acquisitions of land & buildings to be done according to DIRCO acquisition Strategy
		To assist with the opening of new Missions.	Complete construction projects in Abuja and Maseru	Purchased Official Residence in Washington		
		To assist with the relocation of Chanceries/Official Residences.		Purchased OR Tambo House in London		
				Maseru construction completed	Abuja construction not completed	Manage project so that completion is achieved in July 2010
			Commission development of concept designs for new Chanceries/ Official Residences in Lilongwe, Kigali, Dar es Salaam, Gaborone, Mbabane	Oversaw the design and construction of State Protocol Lounge at King Shaka International Airport, Durban		Manage project so that completion is achieved in June 2010
			Renovation projects in Washington, Windhoek, Lilongwe, Paris, Buenos Aires, Brasilia, Canberra, Copenhagen, London and The Hague	All targets Achieved		
			Develop a comprehensive maintenance strategy for all state owned properties	Achieved		Draft strategy to be submitted for approval and implementation in 2010/11
			Facilitate disposal of properties in Windhoek, Walvis Bay, Funchal, Zurich and Paris	DPW / DIRCO disposal committee established. Logistical support provided to DPW in disposal process		Monitor disposals through the DPW / DIRCO Disposal Committee. Render assistance to DPW where required

	Head Office project completed	Department relocated to new Head Office	Reach financial close	Financial close reached		
			Finalise design of facilities	Design of facilities finalised		
			Complete construction of facilities and relocate staff	Construction completed and relocation finalised		
Provide Consular Services	Assistance to South African citizens abroad rendered	Compliance with Vienna Convention	Provide and render consular services	Provided and rendered consular services to South African citizens		
	Legalisation of documentation	Compliance with Hague Convention on Consular Matters	Render legislation services	Legalised 21 504 public documents		
	Consular Management System (CMS) implemented	Continued roll-out of the Consular Management System (CMS)	Complete development of CMS applications	Development finalised. Application: Registration of South Africans Abroad (ROSA) fully functional		Implementation of other applications. This is subject to ICT dependencies
	Rapid Response Team (RRT) operationalised	Commenced with the establishment of a Rapid Response Team	Compile guidelines and procedures for the deployment of the RRT	Partly Achieved	Commencement with establishment of RRT not achieved, as suitable service provider for scenario based training could not be secured/ identified	Will continue to identify suitable service provider
Manage the allocation of financial resources in the department	Approved Departmental Budget	Approved budget of the department for 2010/11	2009/10 Budget approved and communicated to all responsibility managers in the department	The budget was voted for in parliament. The budget has been allocated to all Programmes for the year 2010/11		
		Successfully implementation of Budget planning processes in line with the PFMA				
		Successfully generated required Financial Reports.				
Provide financial management services	Prepared Annual Financial Statements	Compliance with Public Finance Management Act (PFMA)	Finalised financial year end closure processes for the financial year 2009/10	Year end process finalised. Annual Financial Statements submitted as prescribed.		
Ensure information, personnel and physical security	Safe and secure work environment	Complied with Minimum Information Security Standards (MISS)	Conduct vetting investigations	Achieved and structure in place		Policy to be approval in 2010/11
			Develop relocation plan for new Head Office Building	Achieved and completed in September 2009		Policy to be approval in 2010/11
			Develop information security policy	Achieved – Draft Policy developed.		

Manage supply chain services	Goods and Services procured and delivered	Implement Demand Management and Procurement plans		Demand Management Plans developed for all branches and procurement conducted based on the Demand Management Plans. SCM gathering inputs during the Departmental budget process to develop Demand Management Plans for 2010/2011		Process to develop the Demand Management Plans for the new financial year upon the finalisation of the budget process
Manage Assets	Accurate and Complete Asset Register	Reviewed and implemented set Management Plan (as outlined in section 1)		Asset Management Plan implemented: Monthly reconciliations of the Asset Register conducted Physical disposal of redundant assets at HO finalised and handover certificate for assets donated to other organisations signed Physical Asset Verification and creation of new Asset Register for the new Head Office building finalised Continuous update of the asset register underway	Monthly reconciliation performed Partially achieved Roll-out of Hardcat Web Browser content to all Missions due to budgetary constraints Securing of high value assets (Works of Art) due to budgetary constraints	Reconciliations to be continuously performed on monthly basis in the new financial year Letters of acknowledgement of donated assets expected from Department of Education and Department of Police Deferred to the 2010/2011 financial year To be pursued in the 2010/11 financial year
Prepare officials for International Relations services and improved performance	Competent cadre International Relations Service Officials	Developed and implemented identified training programmes Piloted Economic Diplomacy training for government	Provide Mission specific and general skills development to employees Deliver first Economic Diplomacy programme	Delivered Diplomatic Training (Heads of Mission, Counsellors, Mid-career Diplomats) Mission Administration; Computer training; English language training, Foreign languages, Protocol; Management Development training on various levels, Generic and Specialised training Economic Diplomacy curriculum developed and pilot programme delivered		

		Consolidated the Cadet and Masters Degree in Diplomacy programmes	Utilise Cadet programme for recruitment Enhance academic qualifications of senior officials	Third Cadet programme completed Second group enrolled for the Masters Degree in Diplomacy		
		Implemented an ISO 9001:2008 Quality Management System for training and research	Receive ISO 9001:2008 certification	ISO 9001:2008 certification received		
	Improved International Relations language development	Repositioned the language institute as a government-wide institution	Provide government-wide foreign language training	Established intergovernmental steering committee for monitoring and evaluation of foreign language training Provided interpretation and translation services within the public sector & state agencies		
Support diplomatic training in Africa	Improved diplomatic skills in the SADC and AU	Consolidated diplomatic training programmes for the SADC region and AU. Consolidate diplomatic training programmes	Implement capacity building projects on the continent	Delivered Multilateral conference diplomacy and negotiation training Provided Diplomatic Training to 11 foreign diplomats		
	Cooperation strengthened between DRC and South Africa	Consolidated cooperation with the DRC through training. Consolidate diplomatic training programmes	Provide training to DRC officials	Facilitated 3 Diplomatic training programmes, 4 English training programmes and 4 computer training programmes		
Conduct international relations policy analysis and research	Enhanced international relations policy formation	Developed strategy and the restructuring plan of PRAU Provided research and analysis on international relations policies and trends	New strategy for PRAU developed Research on geo-strategic issues impacting on South Africa's foreign policy and national interests	Strategy implemented and PRAU restructured Facilitated debates on foreign policy issues through 4 PRAU discussion fora, the Researchers and Academia Forum and the Third DIRCO Annual Conference		
		Developed institutional knowledge management strategy	Strategy developed	Strategy developed and knowledge management initiatives piloted		

Facilitate Human Resources organisational arrangements	Improved organisational culture	Implemented Organisational Culture and Climate Interventions	Initiate Organisational Culture Implementation plan	Departmental Intervention plans have been identified and prioritised		Implementation phase in next financial year
				Commenced with facilitating the implementation of the Climate and Culture Survey		
	A caring and supportive organisation	Implemented the hardship Mission support programme	Submit recommendations on Hardship Mission support programme	Conducted needs analysis & benchmarked best practices Recommendations on Hardship Mission support programme submitted and commenced with the implementation of some recommendations		
		Implemented a 24-hour counselling services for all transferred employees and their families	Outsource 24-hour counselling services	Service provider has been selected through a tender process, but due to security considerations, the current proposal is that other alternatives be considered		Review and identify alternative ways of providing 24 hour service
	Sound Labour Relations	Reviewed the Labour Relations policy framework Managed disciplinary processes	Review and approve Labour Relations policy Framework Provide training to officials on disciplinary processes	Policy reviewed and implemented Guidelines in place	Work on the review of the labour relations system initiated Provided training to eight (8) officials	Project to be completed during the 2010/2011 financial year
Performance management culture	Implemented reviewed Performance Management and Development System (PMDS) Built management capacity to provide performance feedback and deal with poor performance	Implement reviewed PMDS policy Provide guidelines on performance feedback	Policy reviewed and implemented Guidelines in place			
Ensure an appropriate organisational Structure	An adaptive and responsive structure	Facilitated an Organisational re-design to address the Department's additional priorities	Develop and communicate Organisational Design process and procedure	Organisational Design process developed and presented to Management		
Professional Recruitment, Selection, Placement and Orientation processes	Adequately and appropriately staffed Department	Managed recruitment, selection, placement and retention of officials	Developed Recruitment and Selection Strategy	Draft Recruitment and Selection Strategy in place		Implementation of Recruitment and Selection Strategy

Career Development and Succession Management	Career Development and Succession Management strategies implemented	Managed Career Development and Succession planning	Provide Career Management Policy and Succession Management Framework	Career Management Policy in the process to be reviewed Drafted Succession Management Framework		Reviewed policy implemented
People Management and Capacity Building	Improved people management	Developed and implemented a capacity building programme for managers to deal with Human Resource matters	Deliver capacity building programmes	Facilitated HR training and development for managers and new Heads of Mission		
Provide internal audit and risk management services	Accepted Internal audit report Approved risk profile	Developed and implemented 3-year rolling strategic internal audit plan and annual Operational plan Facilitated the implementation of an Enterprise-wide Risk Management Strategy	Develop and implement an annual internal audit plan Facilitate compilation of Departmental Risk Register	Implemented annual internal audit plan Facilitated and coordinated Risk Assessments and assisted in compiling Departmental Risk Profile and Risk Register		

PROGRAMME / KRA: PROFESSIONAL SERVICES

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Actual		
				Achieved	Not achieved	Way forward
Manage ceremonial events, international visits and international conferences	Managed Presidential and Ministerial State Events	Planned, executed and managed International State Events	Execute international state events	Planned and managed 79 incoming and 80 outgoing visits Coordinated 86 events and 9 Signing Ceremonies, 3 Summits 4 Ministerial meetings and the Presidential Inauguration Advised national departments on protocol issues during conferences and special projects		
Provide protocol services to Provincial and Local Government	Protocol services provided	Coordinated international visits Facilitated interaction between Political Desks, Missions and Provincial and Local Government	Coordinate international visits	Coordinated 204 international visits by provincial and local government practitioners Facilitated Provincial Twinning Agreements/MoUs		
Manage Government hospitality infrastructure	Managed Presidential and Diplomatic Guesthouses and State Protocol Lounges	Facility management and maintenance of Guesthouses and State Protocol Lounges	Manage government guesthouses and State Protocol Lounges	Provided hospitality facilities to 35 458 VIP's in State Protocol Lounges Completed construction of Soutpansberg Guest House and renovation of Diplomatic Guesthouse		King Shaka International Airport State Protocol Lounge pending completion Renovation of Presidential Guesthouse to be completed
Manage privileges and immunities in the RSA	Accredited International Relations diplomats and managed privileges and immunities	Implemented the provisions of the DIAP Act	Provide immunities and privileges in accordance with the Service Charter	Regulated and assisted accredited diplomatic missions, offices and international organisations		
Manage appointment and accreditation of South African Heads of Missions and Honorary Consuls	Facilitated accreditation of South African Heads of Mission and Honorary Consuls	Managed the appointment and accreditation process for SA Heads of Mission and Honorary Consuls	Facilitate appointment and accreditation process	Processed 80 appointments of Heads of Diplomatic Missions and Consular Posts		

PROGRAMME / KRA: COMMUNICATION

SUB-PROGRAMMES/ OBJECTIVES	OUTPUTS/ACTIONS	OUTPUT PERFORMANCE MEASURES/SERVICE DELIVERY INDICATORS/KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET			
			Target/ Measures	Actual		
				Achieved	Not achieved	Way forward
Communicate South African International Relations policy to all stake-holders	Informed South African public and global community	Implemented Communication and Media strategy	Develop and implement annual communication and media strategy Undertake media briefings to set an agenda and respond to issues Undertake multi-media productions Improved internal communications	Developed and implemented annual strategy Organised 12 media briefings involving the Principals and Senior Managers Produced and distributed Annual Report 2008-09, Strategic Plan 2009-2012, Budget Vote 2009 booklet, Desk Calendar 2010, DVD's/ CD with Dirco content, Video and Radio news clips, Archival video and audio recordings Disseminated Government's programme of action and DIRCO activities through internal communication mediums		
Project a positive image of South Africa	South African International Relations policy positions supported	Implemented Communication Plan	Participate in development and implementation of integrated branding and imaging strategy	Participated in development and implementation of strategy Liaised with all role-players to assist with SA's promotional activities Provided marketing related support at Presidential Inauguration: April 2009, Tourism Indaba: May 2009, Heads of Mission Conference: August 2009, UNGA 2010 Luncheon and Exhibition: September 2009, SA-EU Summit: September 2009, SA-Nigeria: October 2009, ITEC Conference: October 2009, SADC Extra Ordinary Summit: November 2009, Progressive Women's Movement Conference: March 2010		

Provide support to the Ministry	Ministerial programmes supported	Maintained 24-hour early warning/ monitoring system Implemented identified media liaison and provide speechwriting services	Monitor media and keep Principals and Department informed on key issues daily Inform national and international public on South Africa's role in international relations and engagements	Disseminated daily news highlights for use by Principals and all departmental employees Undertook 12 media briefings and multimedia products		
Manage "Brand DIRCO"	Defined, co-ordinated and implemented "Brand DIRCO"	Roll-out "Brand DIRCO" through identified platforms	Popularise "Brand DIRCO" nationally and at international platforms as well as through our Embassies abroad	Participated in following events to promote "Brand DIRCO": Minister's Budget Vote Minister's Dinner (First Dinner with Diplomats) Heads of Mission Conference Minister's Dinner (Vergelegen) Progressive Women's Summit Minister's 'Think Tank' (engagement with Academia) Imbizos' in Limpopo, Grahamstown and Free State Fifa 2010 Heads of Mission Briefing		

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 table of content in part 5).

PART 4

Report of the Audit Committee: 2009/10 financial year

The Audit Committee is pleased to present its report in respect of the financial year ended 31 March 2010 year in accordance with Treasury Regulation 3.1.12, issued in terms of the Public Finance Management Act (PFMA), Act 1 of 1999, section 38(1) as amended by Act 29 of 1999.

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. During the year under review the Audit Committee comprised of 6 members, 5 members being from outside the Public Service and with the Director-General of the Department as an ex-officio member.

In terms of section 77(b) of the PFMA, the Audit Committee must meet at least twice a year. The Audit Committee meets 4 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 Diplomatic Academy and report back at Committee meetings on progress made concerning these interactions.

The Chairperson of the Audit Committee met on several occasions, individually, with the Director-General and management of Internal Audit Chief Directorate. The Audit Committee of the Department complied with the provisions of the PFMA by holding four (4) normal audit committee meetings and nine (9) "ad hoc" specific purpose meetings during the current financial year. The meetings were attended as follows:

Name of Member		Number of meetings attended
Ms L Mthembu	(Chairperson)	12
Mr Z Jojwana	(Member)	4
Mr E Cousins	(Member)	12
Dr MC Koorts	(Member)	10
Mr C Motau	(Member)	13
Ms N Lila	(Member)	13

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, and also reports that it operated in terms of 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.

THE EFFECTIVENESS OF INTERNAL CONTROLS

The systems of internal control were evaluated by both Internal Audit and the Auditor-General (external auditor). 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 standardisation of understanding and implementation of uniform internal control standards is still a challenge. This is evident from reported limited instances of non-conformity with prescribed internal control and best practice.

The Department continued to implement a comprehensive detailed plan as an intervention measure to remedy the matters, reported by the Auditor-General and Internal Audit Unit during 2009/10 financial year.

In implementing a comprehensive detailed plan some strategic interventions were made by the Department in managing Missions and furthermore, the Audit Committee encouraged the Department to develop and implement the Management Monitoring Schedule which serves as a self assessment for both Missions and Head Office Units. This management tool will guide management in enhancing and standardising the Department of International Relations & Cooperation internal control and governance processes.

The Audit Committee notes that the Department made significant progress in addressing all areas previously reported by the Auditor-General and Internal Audit. This has yielded significant improvements resulting in the Department obtaining an unqualified audit report without any matter of emphasis.

SPECIFIC FOCUS AREAS GOING FORWARD

During the 2009/10 financial year, the Audit Committee will develop comprehensive and integrated intervention programmes to focus more attention on the following areas:

- The implementation of ICT governance frameworks, management of ICT projects and management transversal systems by the Department.
- The development of project management of framework for effective and efficient management and monitoring of all departmental capital projects including all missions.
- Enhancement of economic diplomacy or trade and tourism promotions by developing a uniform implementation framework and structured guidelines for all missions.
- Further development, enhancement and across the board implementation of a comprehensive strategic human capital business plan with clear policies and procedures with focus on labour relations, talent management, training and staff retention.
- Establishment and management of performance information management system and reporting framework of Performance Information as required by National Treasury with focus on missions.
- Continuing with scrutiny, monitoring and control of the entire financial management improvement plan with special attention to clearing of the suspense accounts, management of revenue, payables, receivables, and asset management.
- The implementation of Enterprise-Wide Risk management approach in compliance to risk management policy and risk management plan.
- Monitor the implementation of the management monitoring schedule developed during 2009/10 financial year.

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

The Audit Committee is satisfied with 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 controls for the monitoring and attaining of strategic goals and business objectives within a structured framework.

RISK MANAGEMENT

During 2009/10 financial year the Department developed and implemented a risk management policy and three year rolling Enterprise Wide Risk Management Plan. In line with the Departmental risk management policy and the plan, an extensive risk assessment was conducted by the Department which resulted in the development of a risk profile and a risk register. The risk profile and risk register were presented, considered and endorsed by the Audit Committee.

INTERNAL AUDIT

The Audit Committee works in close co-operation and partnership with Internal Audit Chief Directorate in its oversight responsibility of the Internal Audit Function. The three year risk based Internal Audit strategic plan and an annual operational plan was developed by internal audit in consultation with executive leadership and approved by the Audit Committee. A comprehensive plan was developed and executed for the implementation of all internal control weaknesses identified during the audit.

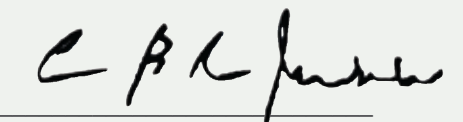
Internal Audit was effective for the year under review and achieved its annual operational plan targets. However the capacity of Internal Audit was affected by internal audit staff leaving the Department for more senior positions with other departments. All the Internal Audit vacant funded positions were filled.

All internal Audit work performed as well as monthly and quarterly progress reports were reviewed and approved by the Audit Committee.

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: 28 July 2009

Part 5

Annual Financial Statements

TABLE OF CONTENT	Page
Accounting Officer's Report	02-13
Report of the Auditor-General	14-15
Statement of Accounting Policies and Related Matters	16-19
Appropriation Statement	20-30
Notes to the Appropriation Statement	31-32
Statement of Financial Performance	33
Statement of Financial Position	33
Statement of Changes in Net Assets	34
Cash Flow Statement	34
Notes to the Annual Financial Statements	35-52
Disclosures Notes to the Annual Financial Statements	53-68
Annexure 1A : Statement of Conditional Grants Paid to Municipalities	69
Annexure 1B : Statement of Unconditional Grants to Municipalities	69
Annexure 1C : Statement of Transfers to Departmental Agencies and Accounts	69
Annexure 1D : Statement of Transfers to Universities and Technikons	70
Annexure 1E : Statement of Transfers to Public Corporation and Private Enterprises	70
Annexure 1F : Statement of Transfers to Foreign Government and International Organisations	71
Annexure 1G : Statement of Transfers to Non-Profit Institutions	72
Annexure 1H : Statement of Transfers to Housholds	72
Annexure 1I : Statement of Gifts, Donations and Sponsorships Received	73-74
Annexures 1J : Statement of Aid Assistance Received	75
Annexure 1K : Statement of Gifts, Donations and Sponsorships Made and Remissions, Refunds and Payments Made As An Act of Grace	75-76
Annexure 1L : Statement of Actual Monthly Expenditure Per Grant	77
Annexure 2A : Statement of Investments In And Amounts Owing by/to National Public Entities	77
Annexure 2B : Statement of Investments In And Amounts Owing by/to Entities (Continued)	78
Annexure 3A : Statement of Financial Guarantees Issued as at 31 March 2010	79-80
Annexure 3B : Statement of Contingent Liabilities as at 31 March 2010	81
Annexure 4 : Claims Recoverable	82-83
Annexure 5 : Inter-Government Payables	84
Annexure 6 : Inventory	84

Accounting Officer's Report for the year ended 31 March 2010

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 International Relations and Cooperation (department) is responsible for the formulation, application and execution of all aspects of South Africa's foreign policy as entrusted to the Minister of International Relations and Cooperation (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 one hundred and twenty four (124) South African diplomatic missions located in 107 countries 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 2009/10 to 2011/12. 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;
- Organisational support; 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.
- International Relations and Cooperation 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 provide State protocol services.
- International Transfers provide for the payment of membership fees and transfers to international organisations.

During 2009/10 the Auditor General conducted an audit of the financial affairs of the Department as reported in the Annual Financial Statements for the 2008/09 financial year. The Auditor-General issued an unqualified audit opinion, without matters of emphasis, with regard to the Department's 2008/09 financial statements.

Economic Diplomacy

One of the key strategies of government during the year under review and a strategic focus for the future continues to focus on Economic Diplomacy and the enhancement of economic diplomacy skills of our diplomats. The Department, through the Diplomatic Training, Research and Development Branch has conducted extensive research into the area of diplomacy and the results of the research have been included in the training programme offered by DIRCO. Economic diplomacy will be further researched and enhanced during the coming year.

This report seeks to assist readers in measuring the extent to which the Department's resources allocated for the 2009/10 financial year were utilised in terms of the PFMA.

1.2 Revenue

During the year under review, the Department received total revenue of **R5, 576** billion made up of voted funds and non-voted funds as explained hereunder:

Annual Appropriation - R5, 553 billion

The Department received a budget allocation of R5, 553 billion for the 2009/10 financial year after the adjustment estimates. The 2009/10 budget allocation shows a decrease of R17 million in comparison to 2008/09. However, the 2009/10 budget has decreased in real terms, due to the inflation adjustments, foreign exchange rate implications, and the reduction of the funds earmarked for the construction of the permanent headquarters for the Pan African Parliament. The decrease in the budget, in real terms, amounts to approximately R350 million. In order to achieve its strategic objectives with the reduced budget, the Department implemented cost-saving measures especially in the areas of entertainment, catering, travel, telecommunications as well as downscaling on infrastructure commitments.

Departmental Revenue - R23 million

Departmental receipts are generated from: interest earned from mission bank accounts; rent on state owned property; refunds received through value added tax refunds from missions related to previous financial years; foreign exchange gains; and the sale of capital items, such as furniture and fixtures identified for disposal. During the year under review the revenue collected decreased from R44 million to R23 million in comparison with the 2008/09 financial year. It is expected that over the MTEF period revenue is expected to continue to decline to levels below R20 million due to the global recession and the strengthening of the rand against the major currencies.

1.3 Expenditure

South Africa maintains diplomatic relations with countries and organisations through 124 missions located in 107 countries throughout the world. The bulk of its expenditure is incurred in foreign currencies. Expenditure is processed using the major currencies mainly because of the non-availability of local currencies. The conversion of the Rand to the major currencies and the conversion of the major currencies to local currencies results in either foreign exchange gains or losses.

Thus, National Treasury and the Department agreed on a fixed budget exchange rate for the major currencies to be used during the financial year and also the fixed exchange rate is reviewed during the adjustment estimates process (mid-term).

However, should the Department experience a significant movement of the Rand against major currencies after the adjustment estimates process, i.e. In the event of foreign exchange rate loss, the Department is required to fund such foreign exchange rate losses from its allocated resources or recognise the loss in the Annual Financial Statements as an unauthorised expenditure. However, in the event of the foreign exchange rate gains, the Department would have to pay over the foreign exchange rate gains to the National Revenue Fund.

During the 2008/09 the Department reported unusable currencies to the value of R152 million that was collected on behalf of Department of Home Affairs. Of this amount R54 million related to the devaluation of the Zimbabwean currency. Consequently the department has recognised R54 million as a foreign exchange loss in the accounts of the department for 2009/10.

During the period under review, the Department realised foreign exchange rate gains of approximately R387 million, which is attributable to the strengthening of the Rand against the major currencies, particularly in the 3rd and 4th quarters of the financial year.

National Treasury granted approval for the Department to utilise these foreign exchange gains to fund priorities that were not previously funded by the National Treasury and which could not be funded from within the Department's baseline. The foreign exchange gains were utilised to fund, inter alia, the following projects:

- Recognition of Non Statutory Forces service as pensionable service - R99 million
- South Africa's participation in the 2010 Shanghai World Expo - R106 million
- Payment of South Africa's membership and assessment contribution to International Organisations, UN-R31 million and AU R74 million.

ANALYSIS OF UNDER/ OVER EXPENDITURE PER PROGRAMME

The Department has recorded a net savings of R135,5 million for the 2009/10 financial year as reflected in the following table:

ANALYSIS OF UNDER/ (OVER) EXPENDITURE PER PROGRAMME				
Programme Description	Voted 2009/10	Actual Expenditure	Savings (excess)	Expenditure %
	R'000	R'000	R'000	VOTE
1: Administration	1,226,323	1,197,838	28,485	97,7%
2: International Relations	2,948,393	2,851,587	96,806	96,7%
3: Public Diplomacy and Protocol	257,615	252,855	4,760	98,2%
4: International Transfers	1,120,624	1,115,161	5,463	99,5%
TOTAL	5,552,955	5,417,441	135,514	97,6%

During the year under review, the Department utilised 97.6% of the budget (R5,553 billion) which resulted in a net saving of R135,5 million. In addition, the Department processed virement of R123,6 million from programme 2 to programme 1 and to programme 4 respectively to defray expenditure relating to priority projects in accordance to the National Treasury approval. Furthermore the net saving of R135,5

million is also attributable largely to the following projects that were not completed due to circumstances that were unforeseeable and unavoidable:

- Capital projects;
- Pan African Parliament; and
- 2010 Shanghai World Expo

The analysis of under expenditure per programme can be attributed to the following reasons:

Programme 1: Administration - R28 million

Construction and Refurbishment of Capital Projects:

The under spending is attributable to the decision to suspend the construction of the permanent headquarters for the Pan African Parliament at the site in Midrand, Johannesburg because of the environmental concerns that were raised with regard to the identified site and also the financial considerations with regard to the continuation of construction. The departments of Public Works, National Treasury and International Relations and Cooperation are currently investigating alternative models of funding as well as a suitable site for the provision of permanent accommodation for the Pan African Parliament.

The under spending was also attributed to the international property portfolio that the Department manages through the construction, acquisition and refurbishment of properties abroad for the provision of office accommodation and staff residences. During the year under review, the following capital projects were not completed as detailed below:

- Abuja - Nigeria

Construction delays were caused by the overall slow progress made by the contractor as well as delays realised in the importation of materials from outside of Nigeria.

- Maseru - Lesotho

The final completion was delayed mainly because of slow construction progress and unforeseen site conditions that resulted in a complete redesign of foundations for all structures on site.

- Athens - Greece

The delay was caused by the need to import materials from outside of Greece.

Programme 2: International Relations and Cooperation R96, 8 million

Participation in the 2010 Shanghai World Expo

It was previously recorded that National Treasury approved that the Department utilise foreign exchange gains to also fund South Africa's participation in the Shanghai World Expo. The approval from National Treasury for the utilisation of R106,6 million was obtained in December 2009 and the Department immediately commenced with the arrangements for the procurement of the required goods and services. However, the spending that the Department could manage within three months before the end of the financial year was R17,1 million despite considerable effort and accelerated processes to construct the pavilion and to also procure the required goods and services. This resulted in unspent funds. National Treasury has been requested to roll-over these funds to the 2010/11 financial year since the bulk of expenditure will be incurred during the 2010/11 financial year.

APPROPRIATION FOR UNAUTHORISED EXPENDITURE

For the 2002/03 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 from the National Treasury.

1.4 Lease payments

The Department negotiated a contract whereby official 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 BMW vehicles during a 3-year period ending December 2009. Funding facilities have been obtained from KBC Bank Deutschland AG on a bi-annual payment basis to the Bank.

In the 2009/10 financial year, the Department acquired 24 BMW vehicles for Heads of Mission in accordance with this agreement. The contract expired in December 2009, with a total of 105 official vehicles being purchased during the period 2007 – 2009 for Ambassadors, High Commissioners, Consul Generals and Ministers with Head of Mission privileges.

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. During the year under review the Department relocated to its new Head Office Campus. ICT equipment for staff members at the new Head Office building was provided under this contract.

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 fees due to organisations such as the UN, the AU, the SADC, and the Commonwealth.
- Contributions to peacekeeping operations of the UN.
- Meetings of state parties (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 0.290% of the total budget, while peacekeeping contributions are calculated at the rate of Level I contributors (member states with a per capita GNI less than the average for all Member states with a threshold of USD5,518). This translates to an assessed rate of 0.0610% (affectively a discounted rate of 80%) of the total cost of each 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.

South Africa's current scale of contribution to the Commonwealth is 3.90%, making her the fourth largest contributor to the organisation. As a commitment to multilateralism South Africa honours its assessed contributions in full, on time and without any preconditions.

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. During 2009/10 NEPAD relocated to new premises at Oracle House in Sandton. 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 as well as to participate actively in the world economy. The South African contribution to the NEPAD secretariat is channelled through the Department of International Relations and Cooperation.

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 utilized 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 11 and Annexure 1F of the Annual Financial Statements.

3. SERVICES RENDERED BY THE DEPARTMENT

(i) Consular services

Consular Services are mandated in terms of Article V of the Vienna Convention on Consular Relations, 1963. Consular Services are therefore those services rendered to South African citizens who travel, work, study or reside abroad and who require assistance or protection under circumstances of distress or destitution.

Consular services rendered to South Africans abroad include, but are not restricted to the following areas: visitation of injured and hospitalised persons; assistance to detained and imprisoned persons; interventions in cases of child abduction and child stealing; assistance to destitute persons and victims of crime; assistance to South African companies in circumstances of distress abroad; assistance to families of deceased persons; consular notarial services and transmitting judicial processes between states. Certain of these services involve both Mission and Head Office personnel travelling to destinations where the services are to be rendered. 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 training interventions (in conjunction with the Diplomatic Academy) were standardised in line with SAQA standards and are being uniformly presented to the Diplomatic trainees (including Cadets) as well as Corporate Services Managers and Attachés.

(ii) Legalisation Services

A further service that is rendered is the legalising of South African public documents for utilisation abroad. During this process documents can be either affixed with an Apostille (if documents are to be utilised in countries party to the Hague Convention Abolishing the Requirement for Legalisation of Foreign Public Documents of 05 October 1961) or a Certificate of Authentication (if countries are not party to the aforementioned Hague convention).

(iii) Agency Services

An agency service is rendered on behalf of the Department of Home Affairs where that department is not represented abroad.

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 International Relations and Cooperation 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 International Relations and Cooperation, 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 19th January to 10th 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 FIFA Soccer World Cup it was prudent that support to the AFCON initiative was given in order to gain the confidence of the world that Africa was capable of hosting 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 incurred 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 had 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.

This matter was pursued vigorously with the National Treasury and a final request was made in March 2010 to the Minister of Finance to condone the expenditure. The Minister of Finance, however, recommended that the Department of International Relations and Cooperation write off this amount. The amount was duly written off against the department's 2009/10 budget.

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

The Human Resources strategy seeks and continues to strike a balance between addressing current organisational challenges and being innovative in responding to emerging issues. To this end a number of interventions have been implemented and attended to, to strengthen people management processes in the Department. Below are some of our achievements during the past financial year.

Talent Management

Through its concerted employee branding activities, the Department was rated, for the 3rd year running, as the second best employer of choice by tertiary students studying towards qualifications in Humanities. This graduate survey conducted by Magnet Communications annually, involves over 100 private organisations from a variety of industries and focuses on students from across the 23 Universities in South Africa. The Department was also rated the second best employer amongst Public Sector employers in the same survey.

Apart from this, the Department for the first time hosted a Career Exhibition Day at Head Office on 18 March 2010. A varied audience was invited to engage with officials on the work of the Department as well as the available career opportunities. There was also a strong focus on career management in the Department, involving interventions such as individual career counseling and group career counselling processes. These actions were undertaken with the aim of assisting employees to take advantage of available career opportunities within the Department and to manage their careers in a proactive manner.

Employee Wellbeing Centre (EWC)

The EWC continues to implement health promotion programmes and render psycho-social support to all DIRCO employees and their family members. In the past financial year, the EWC intensified its efforts to support transferred employees and their families. To this end, we developed and started with enhanced implementation of strategies aimed at supporting employees and families in Hardship Missions. Secondly, the EWC focused on enhancing the support provided to spouses of

transferred employees. This led to the process of establishing a dedicated office that will ensure that the support to spouses/families is provided in a structured and systematic way; and that the needs of the spouses are also taken care of.

Initiatives to raise awareness on HIV/AIDS and encourage employees to know their HIV status continues to be pursued through the provision of on-site Voluntary Counselling and Testing (VCT). For the first time, the VCT and other wellness promotion programmes were extended to employees in the Cape Town offices as well as at all State Protocol lounges. The 2009 campaign saw 258 employees participating in the VCT process.

Organisational Culture and Transformation

There are concerted efforts towards improving the organisational culture within the Department through varied intervention platforms. In demonstrating its commitment to service delivery the Department has in the past year developed the Service Delivery Improvement Plan which will be implemented throughout the organization in the next financial year. Different leverage areas of promoting the desired culture continue to be integrated into organisational processes and practices and will be implemented in the period ahead.

Performance Management and Development System (PMDS)

The Branch continues to entrench a performance culture within the Department. Of note is the continued training on PMDS processes at all levels including training of Moderating Committee members to enhance the moderation of appraisals. Guidelines and procedures on Performance Management and Development processes have been communicated during training sessions to ensure common understanding and application of the System.

Locally Recruited Personnel (LRP)

The Branch has embarked on a project to review the dispensation of the Locally Recruited Personnel (LRP) employed at our Missions abroad. This includes the review of compensation packages, benefits, and organisational structure and job titles of LRP in Missions. This is a three year project and will continue during the next financial year.

6. CAPACITY BUILDING AND RESEARCH

The Department, through the Branch: Diplomatic Training, Research & Development, addresses the skills developmental needs of the DIRCO and carries out policy research on priority issues for South Africa's foreign policy. The Diplomatic Academy is accredited with the Public Services Sector Education and Training Authority (PSETA) as a training institution and offers training in preparation for Foreign Service to Departmental officials. Diplomatic training is offered to Diplomats at various career levels, Heads of Mission, Counsellors and entry level diplomats. In addition to diplomatic training the following training was delivered: **Mission Administration, Foreign Languages, Computer training, English Language training, Protocol, various courses for Management Development and generic training in line with the Workplace Skills Plan (WSP).**

Answering the call to job creation and skills development, the Department's Cadet Programme offers unemployed graduates a chance to further their learning and pursue their career in the Department. In addition, the Department offers access to a Masters Degree in Diplomacy to further enhance the skills profile of the senior management dealing with international relations in the public sector.

As part of DIRCO's contribution towards enhancing the skills level of all South Africans, learnerships are offered to young unemployed South Africans who have completed their Senior Certificates (Grade 12) and Internships are offered to provide work experience to university graduates.

In pursuit of the consolidation of the African Agenda the Diplomatic Academy offers various training interventions to the Southern African Development Community (SADC) and individual African countries. PRAU has become a catalyst for both internal and external debates on priority issues for South Africa's foreign policy through the hosting of the PRAU Discussion and Current Affairs Fora and through its research and analysis of foreign policies and global issues.

7. MANAGEMENT OF THE DEPARTMENT'S PROPERTY PORTFOLIO

The property portfolio managed by the Department is divided into two (2) areas of focus, namely the international property portfolio and the local property portfolio.

On the international front, the Department is responsible for all properties owned by the South African government in countries outside our borders. All acquisition of land and buildings as well as the construction, maintenance and refurbishment of chanceries, official residences and staff housing are managed on an ongoing basis. In addition, the Department also concludes and manages lease agreements for the renting of chanceries, residences and staff housing where no state owned accommodation is available in a specific country. As at the end of March 2010, the Department manages a state owned property portfolio of 112 properties, valued at approximately R 4,8 billion and a rented property portfolio of 708 properties.

The local property portfolio deals with the acquisition and management of all properties used by the Department and agencies for which the Department is responsible within the RSA. The largest of these properties is the O R Tambo Building in Soutpansberg Road, Pretoria, which is the Department's new head office. Other properties managed in this portfolio include the diplomatic guest houses, State Protocol Lounges at international airports, accommodation for UN agencies, Pan African Parliament and NEPAD. In this financial year the Department also funded and oversaw the design and construction of a State Protocol Lounge at the new King Shaka International Airport in Durban. It is expected that this facility will be completed in time for the 2010 Soccer World Cup.

During the 2009/10 financial year, the Department finalized the purchase agreement in respect of the acquisition land in New Delhi, earmarked for the development of a new Chancery and Official Residence. Furthermore, the Department purchased an Official Residence in Washington DC as well as the OR Tambo house in London.

The construction of a new Chancery and diplomatic village, (consisting of 8 staff houses and a clubhouse), together with the renovation of the Official Residence in Maseru reached practical completion and the mission relocated to its new facilities. The construction of a Chancery and Official Residence in Abuja, Nigeria progressed. It is expected that both these facilities will be ready for occupation during the first half of the 2010/11 financial year.

With regard to renovations of state owned properties, the Department completed the renovation of 6 staff houses in Lilongwe, the consular reception area of the Chancery in Buenos Aires, the Chancery and Official Residence in Canberra as well as the Chancery in Ottawa. Planning and design work for the renovation of the Chancery

and Official Residence in Washington has been completed and construction will commence in 2010/11. Renovation of the lifts in South Africa House in London, electrical works in Maputu and Official Residence in Athens has commenced and will be completed early in the 2010 /11 financial year. Planning for major renovations in Copenhagen, The Hague, London, Paris and Juba has commenced and will be pursued in the next financial year.

8. INFORMATION COMMUNICATIONS TECHNOLOGY

The Department continued with its strategic rollout detailed in the master system plan (MSP). The MSP was informed by the ICT Strategic Plan, Business Plan, Audit Report and Risk Assessment. During the 2009/10 reporting period under review, ICT continued with the following projects:

- UKUSA (Voice Over Internet Protocol (VOIP) and Windows 2003)
- Implementation of new security solution for HO and all missions
- Business Process Management
- Completion ICT Infrastructure installation for the new Head Office Building
- Web Portal Project

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

This project involves converged networks connecting all missions and the Head Office. The end product provides an integrated, effective and efficient communication infrastructure for DIRCO. 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 UKUSA Project is drawing to a close. The Internet Protocol Telephone (IPT) Voice Cut over and the installation of 5 Portable Facilities Cabinets (PFC) remain outstanding.

The 5 PFCs were delivered to the missions and the service provider was paid in full however the installation will be completed in 2010/11 financial year and the quality audit of work performed as well as the functioning of the system will also be undertaken during the 2010/11 financial year. The Department is currently in the final stages of formalising a Service Level Agreement with the service provider.

(b) Implement new security solution for Head Office and all missions

ICT embarked, during the reporting period, with the implementation of new security devices for Head Office and all missions. A Pilot test project at Head Office has been completed with a 60% success rate. Consequently, alternative equipment is being considered.

(c) Business Process Management

The aim of this project is the automation of the business processes, providing optimized workflow with built-in business rules for Consular Services and Diplomatic Immunities and Privileges. Development of Consular Management System (CMS) processes has been completed and tested with 4 processes in production. With the assistance of the SITA database of service providers and suppliers, a service provider has been identified to continue with the development of the Diplomatic Immunities and Privileges (DIAP) Project. Development will continue in earnest during the 2010/11 financial year.

(d) Completion of ICT Infrastructure installation for the new Head Office Building

The relocation process of all ICT infrastructure and applications to a new centralized building was successfully executed. This involved consolidation of the ICT infrastructure in seven buildings around Pretoria into a single campus at the OR Tambo building. The lines of work involved Networking, Back Office, IPT, and Network Security.

(e) Web Portal Project

In 2005 DIRCO (DFA) identified the need to improve the Intranet and Internet for Head Office and the missions' Web sites. The purpose of the project is to enhance the DIRCO's current Intranet, Internet and Mission web sites.

The Intranet will be used also as a Document Management System to assist with information according to management requirements. The Intranet is utilized as the DIRCO's Information Management System. As such, the Intranet must provide fast and easy access to information at any time.

The intranet will be used as a document management and collaboration system to assist the internal units of DIRCO with their day to day information management requirements. GijimaAST was awarded the contract to develop and implement phase 1 solution. The project stalled due to disengagement of the team members. The project was re-started at the beginning of September 2008. The re-scoping and resuscitation of project meetings resumed in October 2008.

The Development has been completed and the Department is currently busy with the testing and documentation.

ICT Operations

ICT Operations has provided solutions and technical infrastructure in terms of maintenance, services, technology and development, to support Head Office and Regional Operations infrastructure and also to ensure compliance with best practice standards for quality and competitiveness. A total of 18 604 calls has been logged at our Service Desk through the call logging system and 17 469 calls have been resolved which represent a 93.8 % achievement. The service desk provides a first line of support of desktop support for our end users with the assistance of engineers stationed at 6 technical hubs around the world.

The global network is supported by a team of networking engineers working on a full time basis with an achievement of 98% availability of the network.

9. CORPORATE GOVERNANCE ARRANGEMENTS

During the financial year 2009/10 the Department has made concerted efforts in subscribing to the relevant provisions of the good corporate governance and the provisions of government protocol on corporate governance. Policies, practices and processes were further evaluated and developed and are in compliance with the principles enshrined in the Constitution, Public Finance Management Act, Treasury Regulations and other relevant prescripts.

Furthermore departmental policies, processes and practices are benchmarked against international best practices and comply with the principles of economy, efficiency and effectiveness. The Department has prepared plans with interventions to be implemented during the 2009/10 financial year on enhancing administrative processes at Head Office and strengthening of Missions' management.

The Department developed and implemented the Management Monitoring Schedule which serves as a self assessment tool for both Missions and Head Office Units. This Management tool guides Management in implementing measures and in ensuring that all administrative and management functions of the Mission are carried out.

(i) Policies, Processes and Procedures

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 continued with the reviewing of existing policies, processes and procedures and compiling of policies, processes and procedures where these were either inadequate or non-existent. The Department enhanced this process by introducing a policy register which continue to provide reasonable assurance that all existing policies are being promptly updated, and in this regard, numerous policies were updated and adopted by the Department during 2009/10 financial year. During the new financial year (2010/11) further improvements and enhancement will be made to policies and frameworks.

The following policies and frameworks will be given attention during 2010/11:

- Economic diplomacy, trade and tourism promotion
- Finance, Asset Management, Property Management and Supply Chain
- Management Performance Information Management

Procedures relating to the following areas will also be reviewed and updated:

- Human Resource Administration
- Asset Management
- Property Management
- Supply Chain Management

(ii) Enterprise Wide Risk Management Approach

The Department of International Relations and Cooperation has adopted Enterprise -Wide Risk Management as one of the management tools for the effective, efficient management of operations. The Department furthermore follows the risk-based approach in respect of the systems of internal controls. During 2009/10 financial year, the Department continued to implement Enterprise-Wide Risk Management processes and a comprehensive Risk Management plan was developed and approved in line with the Risk Management policy and strategy.

In line with the Departmental risk management policy and plan, an extensive risk assessment was conducted by the Department which resulted in the development of a risk profile (risk register), which was presented, considered and endorsed by the Departmental Management Committee (Risk Management Committee) and the Audit Committee.

Risk Assessments 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 a detailed Strategic Risk Profile as well as 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. During the 2010/11 financial year, considerable effort will be devoted to the further enhancement of the risk management processes within the Department. A revised three year rolling Enterprise -Wide Risk Management Plan will be developed and implemented.

(iii) Fraud Prevention

The Department has approved a Fraud Prevention Policy and Strategy.

The Fraud Prevention Control Committee that was established to oversee the implementation of the requirements of the Policy and Strategy, met regularly for the purposes of implementing the Policy and Strategy. The Fraud Prevention Policy and Strategy, and the Fraud Awareness Manual were made available and presented to all new employees of the Department. Furthermore, the Fraud Awareness continuous to be included in departmental activities. The Fraud Hotline implemented by the Office of the Public Service Commission was also communicated to all officials. The presentation on fraud awareness was included in the training programmes of the Department. 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 fraud and corruption free environment.

(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 and critical role in the corporate governance mechanism of the Department. The Unit was strengthened during the year with the appointment of the three new Directors and a number of other Internal Auditors to fill all Internal Audit vacant posts.

During the beginning of the 2009/10 financial year, Internal Audit developed its Three Year Strategic Rolling Plan for the period 2009-2012 and the Operational Plan for the 2009/10 financial year, which was adopted by Departmental Management and approved by the Audit Committee. The Unit has conducted a number of internal audits both at Missions and Head Office during the year and has offered the Department comprehensive recommendations for improvement, where relevant and necessary. The Unit also presented possible internal control weaknesses with recommendations in the management of Missions by Head Office to the Departmental Management Committee, and these recommendations were adopted and incorporated into the business plans of various components for implementation during the 2010/11 financial year.

Furthermore, during the year under review, the Internal Audit Unit facilitated the development and the approval of the Departmental Risk Management Policy, and continued to facilitate the risk assessment sessions and workshops. The Departmental Risk Register and Risk Profile have been endorsed and accepted by both the Audit Committee and Departmental Management.

The Audit Committee received quarterly reports from Internal Audit Unit reporting their performance against the Operational Plan for the 2009/10 financial year, which 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 on 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) 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.

This Committee made considerable effort to continually monitor closely the ICT projects being planned and implemented by the Department. The Audit Steering Committee has met regularly during the year under review and has incorporated the Fraud Prevention Control Committee and the ICT Steering Committee.

(vii) 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. In this regard, a Departmental Performance Information Quality Assurance Committee was established to monitor and review the performance information that is produced, to ensure the quality of the information reported and also to ensure that the performance information reported complies with the National Treasury Performance Information Framework.

During the year under review the Committee monitored the consolidation of the Departmental Performance Information by each Branch and ensured that every component reported quarterly on their performance.

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 that 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 2009 individual branch reviews were conducted and for the period October 2009 to March 2010 a departmental review was conducted. Branches and Units 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 the National Treasury Performance Information Reporting Framework and was utilised for the submission of quarterly reports. To strengthen the implementation of PMDS, Business Units and Missions were not allowed to utilise their budget 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 at Head Office 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 to ensure that objectives are accomplished within the budgetary confines.

11. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The Department of International Relations and Cooperation relocated to its newly constructed OR Tambo building in September 2009 and the building was officially named and opened by the President of the Republic in December 2009. This facility has been procured under the National Treasury's Public Private Partnership initiative and will be managed by the Private Party for the next 25 years.

12. MISSION FINANCIAL SYSTEM

The Department continued with the deployment 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 the Mission Cash Book system (electronic cash book) in 102 missions including 22 missions that were used as a test project in 2008/09. These are missions in Africa, Asia and Middle East, Europe and Americas. This system uses the spot rates to determine the Rand value of the expenditure incurred at missions abroad. It is planned that the system will be rolled out to the remaining 18 missions during the 2010/11 financial year.

13. RECEIVABLES

The bulk of the amounts owed to the Department relates to foreign allowances and accommodation expenses in respect of employees of other partner departments stationed in SA diplomatic missions abroad. The Department incurs the expenditure on a recoverable basis and there is always a time lag with regard to forwarding accounts to partner Departments, and for departments to pay these accounts.

In order to reduce the balance owed by other partner departments for the year under review and also to improve the cash-flow of the department, DIRCO has entered into a memorandum of understanding (MoU) with ten (10) partner departments that have residency in South African missions abroad. Certain aspects of the MoUs (for instance advance payments were made on a quarterly basis for all the obligatory expenditures such as the rentals for officials' accommodation, foreign services allowances, payments for locally recruited labour and education related expenses), were implemented during the year under review.

The Department continued with its efforts in managing partner departments' accounts. It should be noted that due to the implementation of the MoUs and the prudent management of these debts, the Department was able to recover 71% of claims issued during the year under review.

An analysis of the partner departments and institutions debts is as follows:

Debt category	Claims	Recoveries	% Recoveries	Balance owed
Partner departments	513m	-371m	72%	142m
Institutions & other	285m	-198m	69%	87m
Total (excl DHA)	798m	-w569m	71%	229m
DHA	1 051m	-342m	32%	709m

The Department has processed claims to the value of R798 million and collected an amount of R569 million, which represents a 71 % recovery of the claims issued. It should, however, be noted that due to the change in process regarding the

treatment of DHA account, there has been little progress with regard to collection from the DHA. The MoU with the DHA was formalised towards the end of the year under review. However, it is also important to report that claims to the value of R168 million (R92 million for other departments and R76 million for DHA) were not submitted to the departments, therefore these claims should be treated as claims in transit.

14. OTHER DEBTORS

Included in the other debtors are staff debts to the value of R23 million, that originate from the provisions of the Foreign Services dispensation (FSD). The FSD provides for advance payments to be made to officials serving abroad when purchasing a vehicle as well as advances in respect of Cost of Living adjustment for the officials whilst stationed abroad. These advances are payable over three and four years respectively, whilst the official is still serving abroad. The repayments are deducted monthly from the employee's foreign allowance.

15. PAYABLES

Apart from incurring expenses on behalf of other departments that have residency in SA missions abroad, the Department also collect revenue on behalf of the Department of Home Affairs (DHA). Prior to the 2009/10 financial year the net amount (the difference between amounts collected on behalf of the DHA and amounts paid on behalf of the DHA for expenditure incurred abroad) was claimed from or paid to the DHA. During 2008/09 financial year, it was required of the Department to split the DHA account into receivables (for expenses incurred on behalf of DHA) and payables (for revenue collected on behalf of DHA) and to disclose these amounts separately in the annual financial statements.

During the year under review, the Department has recorded the DHA transactions separately. The Department has engaged with both National Treasury and DHA to determine the most economic and effective way of accounting for and managing the revenue collected at the missions abroad. With the approval of National Treasury, separate bank accounts have been opened at all SA missions abroad for accounting and managing of revenue collected on behalf of the DHA.

According to the current procedure, both departments must reconcile the revenue collected and the vouchers supporting the revenue must be submitted by the Department to DHA. Once there is agreement on the reconciliation, the reconciled amount is paid over by the Department to the Department of Home Affairs. Revenue collected abroad is normally in the foreign currency of the specific country, as per the financial regulatory framework of the various countries. For accounting purposes the revenue is converted into the South African rand. The table below indicates the amount owed to the DHA as at 31 March 2010.

Amount owed by/to DHA as at 31 March 2010

Payables (amount owed to DHA) (2005-2010)	R 1,761 million
Less: payments made	(R 867 million)
Amount due to DHA 31 March 2010	R 894 Million *

*It must however, be borne in mind that an amount of R709 million is reflected as being receivable from the DHA. Therefore, the net amount payable to the DHA is R185 million.

16. RENTAL ADVANCES

The budget of the Department includes amongst others the amount for rental payments in advance especially for missions in the Asia and Middle East regions where rentals are paid in advance for periods from one year to up to three years. The Department therefore budgets for these amounts in the financial year in which they will be paid.

17. UNAUTHORISED EXPENDITURE

During the year under review the department has not incurred any unauthorised expenditure and has furthermore not recorded any irregular and, fruitless and wasteful expenditure. For the past financial years, the Department has been reporting unauthorised expenditure of R104 816 million, (R6, 879 million (2002/03) and R97, 936 million (2006/07). During 2008/09 Parliament has authorised the expenditure of R6, 879 million however no additional funding was granted. The Department was informed that if funds were surrendered to the National Revenue Fund in the previous years, these funds can be requested again. The matter has been addressed with National Treasury and the Department is awaiting response from the National Treasury in this regard.

18. MANAGEMENT OF FIXED ASSETS

(i) Management of Departmental assets

The Department is continuously enhancing the management of its assets. An asset management strategy was developed at the beginning of the financial year which resulted in the following key initiatives:

• Monthly reconciliations of Asset Register

The Asset Management Framework requires that the value of assets in the asset register reconcile with the expenditure on assets as per accounting system. A particular focus was placed on the monthly reconciliation of the fixed asset register with the accounting system to ensure that all assets acquired during the financial year are accounted for and are reflected at appropriate values.

• Disposal assets no longer required and the creation of an asset register for the new Head Office building

During the year under review the Department relocated to the new Head Office building. The new building came fully furnished with furniture and equipment necessary for the Department to discharge its mandate. As a result, the assets that the Department had been utilising in the vacated Head Office buildings were no longer required by the Department. The Department embarked on a disposal project for these assets. The bulk of the assets were disposed through donations to other Government Departments and related organisations. This method of disposal was not only cost effective but also ensured that state assets are being utilised for the purposes for which they were acquired and also that the Department meets social responsibility objectives. Remaining assets were disposed through public auction.

The Department has also created an asset register for the new Head Office building to ensure that the assets are properly managed and accounted for. All assets located in the new Head Office building are bar coded.

• Accuracy and completeness of the asset register

The Department has also focused on the physical verification of all its assets

globally and the continuous update of the asset register to ensure its accuracy and completeness as required in terms of the PFMA.

(ii) Inventories

The Department keeps inventories at various Missions abroad and at its main store in Pretoria. Whilst Head Office has an electronic inventory management system (LOGIS), Missions do not have such a system. A Excel based inventory system, however, has been developed towards year end of 2009/10 financial year and will help in the management of inventories during 2010/11 financial year and also assist in determining the value of stock on hand at year end.

Stock count of inventories was conducted at Head Office at year end. Where necessary, adjustments were made on the inventory management system. The stock of inventories on hand as at year end amounted to R5,5 million.

19. 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

During 2009/10, a 71% recovery rate was achieved on current debts despite the time lag experienced with regard to receiving vouchers and accounts from our diplomatic missions abroad. This recovery rate was realised because of several interventions that have been introduced to improve the management of departmental debts.

These are:

- Reviewing 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 (MOU's) with identified 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 reviewed.

(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 Head Office and Missions operate within their allocated budget and that sound financial management principles required in terms of the PFMA are complied with.

20. 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 obligation to the bank, the Department either deducts 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 International Relations and Cooperation 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 obligation, 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.

(iii) PPP AGREEMENT

PPP Agreement for the construction and refurbishment of permanent Headquarters for the Department – R19 million.

On 13 March 2009, the department finalised the Public Private Partnership Agreement (PPPA) with Imbumba Agnanang for the construction and refurbishment of a Head Office campus for the department. Construction was completed and DIRCO relocated to the new premises during September 2009.

The PPP Agreement makes provision for the payment of a Unitary Fee to the Private Party and it is provided that the unitary payment will be escalated with the CPIX rates from date of commencement of payment. However, the Department of Statistics no longer publishes the CPIX information and a proposal had been received from the Private Party to utilise the CPI rates instead. The utilisation of the Headline CPI for escalation resulted in a further R19 million being payable to the Private Party and the Annual Financial Statements do not reflect the amount as a contingent liability as the amount was confirmed after the reporting date.

21. WRITE-OFF OF LONG OUTSTANDING BALANCES

(i) Long Outstanding Partner Department Balances - R27 million

The books of the department reflect balances relating to partner departments for the period up to March 2006. The supporting vouchers for the large proportion of these debts are no longer available. The department embarked on an extensive exercise to locate the vouchers and recover the balances from the respective departments. However, despite every possible effort being accorded to this task, the locating of the vouchers and the recovery of these debts proved fruitless.

(ii) Balance of Conversion Accounts - R9 million

The Department operated its accounting transactions on Financial Management System (FMS) until 31 March 2003 when National Treasury introduced Basic Accounting System (BAS). With the introduction of BAS, the balances on FMS had to be converted to BAS (FAF). Because the conversion process was not undertaken electronically, journals had to be processed to convert balances from various different suspense accounts on FMS to a single account on BAS (FAF). A further conversion took place on 01 April 2004 from BAS (FAF) to BAS (SCOA) which resulted in the old balances being further converted without being cleared.

A project was launched to clear these old balances, where possible, to reduce the number of uncleared transactions. Transactions were investigated to determine the origin; however, because of the non availability of supporting documents to validate the transactions, these transactions could not be cleared.

The Department carried credit transactions amounting to R35 million and debit amount of R44 million which could not be substantiated by source documents and therefore could not be cleared despite vigorous efforts to identify and locate source documents and clear the balances. There were no irregular and unauthorised transactions processed, these are merely the results of multiple conversions with regard to the upgrading of Government's accounting systems.

(iii) Africa Cup of Nations, Mali, 2002 - R29 million

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 19th January to 10th 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 FIFA Soccer World Cup it was prudent that support to the AFCON initiative was given in order to gain the confidence of the world that Africa was capable of hosting 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 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. This matter was pursued vigorously with the National Treasury and a final request was made in March 2010 to the Minister of Finance to condone the expenditure. The Minister of Finance, however, recommended that the Department of International Relations and Cooperation write off this amount. The amount was duly written off against the department's 2009/10 budget.

22. EVENTS AFTER REPORTING DATE

2010 Soccer world cup clothing and tickets

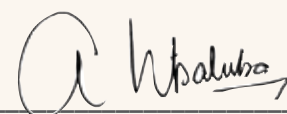
During the 2009/10 financial year the department did not expend any funds on the procurement of 2010 FIFA Soccer World Cup clothing and tickets. However in accordance with the President's invitation to the African Heads of State / Government to attend both the opening and closing ceremonies of the 2010 FIFA World Cup, and in accordance with Cabinet approval, the Department procured a Presidential Suite during 2010/11 financial year for the purposes of according the necessary courtesies to the President invitees. The department procured the Presidential Suite at Soccer City stadium for the opening and closing ceremonies at a cost of R10,3 million. A further amount of R2 million was spent on accommodation for the invited Heads of State / Government.

23. SCOPA RESOLUTIONS

The table below summarises the Standing Committee on Public Accounts (SCOPA) resolutions:

Reference to previous audit report and SCOPA resolutions	Subject	Findings in progress
<p>(3) Resolution – audit report 2003/04</p> <p>The Committee recommends that:</p> <ul style="list-style-type: none"> Parliament approves the over-expenditure of R6.879 million relating to the 2002/03 financial year Control measures are put into place to prevent unauthorised expenditure from re-occurring. 	<p>Unauthorised expenditure for travelling and related protocol services</p>	<p>This resolution reached the Department during February 2008 and has been implemented.</p>

Apart from the above-mentioned, there have been no other SCOPA resolutions.



DR. A NTSALUBA
Director-General: Department of International Relations and Cooperation

Date: 28 July 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the Auditor-General to Parliament on the Financial Statements of Vote No. 3: Department of International Relations and Cooperation for the year ended 31 March 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the Department of International Relations and Cooperation (DIRCO), which comprise the Appropriation Statement, the Statement of Financial Position as at 31 March 2010, and the 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 Information, as set out on pages 16 to 84.

Accounting Officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting determined by National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the Public Finance Management Act of South Africa, 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; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of International Relations and Cooperation for the year ended 31 March 2010, and its financial performance and its cash flows for the year then ended in accordance with the modified cash basis of accounting determined by National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the PFMA.

Emphasis of matter

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

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, described in accounting policy note 1.1 to the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and General notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

Predetermined objectives

No matters to report.

Compliance with laws and regulations

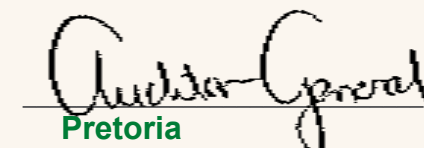
No matters to report.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported are limited to the deficiencies identified during the audit.

Findings

No matters to report.


Pretoria
29 July 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Statement of Accounting Policies and Related Matters for the year ended 31 March 2010

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 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.

Foreign Exchange gains are recognised when the relevant transaction is processed on the Basic Accounting System.

• Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National 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 expended prior to the receipt of the funds is recognised as a receivable in the statement of financial position.

Inappropriately expended 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

3.1 Compensation of employees

3.1.1 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.

3.1.2 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 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).

3.1.3 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).

3.1.4 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.

3.2 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 R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

3.3 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.

3.4 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 under spending 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.

Foreign Exchange losses/gains are recognised in the Statement of Financial Performance, when then transaction is processed on the Basic Accounting System using the average foreign exchange rate. All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 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.

3.6 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.

3.7 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.

3.8 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).

3.9 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 performance when final authorisation for payment is effected on the system (by no later than 31 March of each year)", and

Amount prepaid must be disclosed in the disclosure notes to the annual financial statements.

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 yearend are carried in the Statement of Financial Position at cost plus any accrued interest.

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 42,43 and 44 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/Provincial 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 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

Finance leases

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating leases

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the 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 STATEMENT for the year ended 31 March 2010

APPROPRIATION STATEMENT	Appropriation per programme								
	2009/10						2008/09		
	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
ADMINISTRATION									
Current payment	773,002	118,819	17,242	909,063	902,442	6,621	99.3%	484,616	637,102
Transfers and subsidies	6,730	4,382	1,337	12,449	12,234	215	98.3%	14,129	14,130
Payment for capital assets	428,012	(123,201)	-	304,811	283,162	21,649	92.9%	1,232,322	987,204
FOREIGN RELATIONS									
Current payment	3,023,274	(14,400)	(123,579)	2,885,295	2,802,766	82,529	97.1%	2,581,486	2,581,218
Transfers and subsidies	6,430	14,400	-	20,830	20,449	381	98.2%	18,955	18,955
Payment for capital assets	42,268	-	-	42,268	28,372	13,896	67.1%	52,830	52,670
PUBLIC DIPLOMACY & PROTOCOL									
Current payment	233,244	(29,000)	-	204,244	199,955	4,289	97.9%	134,640	134,639
Transfers and subsidies	24,371	-	-	24,371	24,038	333	98.6%	16,160	16,160
Payment for capital assets	-	29,000	-	29,000	28,862	138	99.5%	1,823	1,823
INTERNATIONAL TRANSFER									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1,015,624	-	105,000	1,120,624	1,115,161	5,463	99.5%	1,032,826	1,028,363
Payment for capital assets	-	-	-	-	-	-	-	-	-
TOTAL	5,552,955	-	-	5,552,955	5,417,441	135,514	97.6%	5,569,787	5,472,264

APPROPRIATION STATEMENT for the year ended 31 March 2010

	2009/10		2008/09	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)	5,552,955	5,417,441	5,569,787	5,472,264
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	23,170		43,607	
Direct Exchequer receipts	-		-	
Aid assistance	-		-	
Actual amounts per statement of financial performance (total revenue)	5,576,125		5,613,394	
ADD				
Aid assistance				
Direct Exchequer payments				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		5,417,441		5,472,264

APPROPRIATION STATEMENT for the year ended 31 March 2010

Programme 1 Per Economic Classification	Appropriation per economic classification							2008/09	
	2009/10							Final Appropriation	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	2,062,616	(105,570)	(105,000)	1,852,046	1,833,270	18,775	99.0%	1,683,401	1,683,400
Goods and services	1,966,904	(1,664)	(18,579)	1,946,661	1,875,890	70,772	96.4%	1,534,288	1,634,108
Interest and rent on land	-	40,763	-	40,763	38,815	1,948	95.2%	-	807
Financial transactions in assets and liabilities	-	158,082	-	158,082	157,187	895	99.4%	32,140	33,141
Transfers and subsidies									
Provinces and municipalities	24,371	(445)	-	23,926	23,595	331	98.6%	16,303	16,303
Departmental agencies and accounts	631,371	-	-	631,371	631,371	-	100.0%	698,925	698,925
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	384,253	-	105,000	489,253	483,790	5,463	98.9%	333,901	329,438
Public corporations and private enterprises	13,160	4,463	-	17,623	16,363	1,260	92.9%	16,575	16,576
Non-profit institutions	-	-	-	-	-	-	-	1,081	1,081
Households	-	14,845	2,300	17,145	16,764	381	97.8%	15,285	15,285
Gift and donations	-	-	-	-	-	-	-	-	-
Payments for capital assets									
Buildings and other fixed structures	339,350	(168,680)	16,279	186,949	165,294	21,655	88.4%	1,117,251	926,728
Machinery and equipment	47,076	57,699	-	104,775	90,741	14,034	86.6%	85,656	81,491
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	507	-	507	507	-	100.0%	-	-
Land and subsoil assets	83,854	-	-	83,854	83,854	-	100.0%	34,981	34,981
Total	5,552,955	-	-	5,552,955	5,417,441	135,514	97.6%	5,569,787	5,472,264

APPROPRIATION STATEMENT for the year ended 31 March 2010

Detail per programme 1 - Administration									
2009/10								2008/09	
Detail per sub-programme	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	1,725	(307)	-	1,418	1,418	-	100.0%	1,612	1,612
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.2 DEPUTY MINISTER									
Current payment	2,840	(795)	-	2,045	2,045	-	100.0%	2,656	2,656
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.3 MANAGEMENT									
Current payment	78,593	(7280)	-	71,313	71,309	4	100.0%	72,201	67,938
Transfers and subsidies	-	-	-	-	-	-	-	772	772
Payment for capital assets	-	-	-	-	-	-	-	104	104
1.4 CORPORATE SERVICES									
Current payment	627,244	23,031	-	650,275	649,407	868	99.9%	408,147	564,896
Transfers and subsidies	6,730	4,463	1,032	12,225	12,010	215	98.2%	13,357	13,358
Payment for capital assets	4,808	-	-	4,808	4,314	494	89.7%	49,218	13,914
1.5 DIPLOMATIC ACADEMY									
Current payment	62,600	(10,551)	-	52,049	52,049	-	100.0%	-	-
Transfers and subsidies	-	(81)	305	224	224	-	100.0%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.6 FOREIGN&DOM PROPERTIES MGT									
Current payment	-	114,721	17,242	131,963	126,214	5,749	95.6%	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	423,204	(123,201)	-	300,003	278,848	21,155	92.9%	1,183,000	973,186
Total	1,207,744	-	18,579	1,226,323	1,197,838	28,485	97.7%	1,731,067	1,638,436

APPROPRIATION STATEMENT for the year ended 31 March 2010

Programme 1 Per Economic Classification	2009/10							2008/09	
	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	266,741	(29,450)	-	237,291	237,253	37	100.0%	197,922	197,921
Goods and services	506,261	(16,591)	-	489,670	486,868	2,803	99.4%	335,997	435,819
Interest and rent on land	-	40,763	-	40,763	38,815	1,948	95.2%	-	807
Financial transactions in assets and liabilities	-	140,289	-	140,289	139,505	784	99.4%	-	1,050
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	6,730	4,463	-	11,193	10,229	964	91.4%	9,533	9,534
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	2,300	2,300	2,006	294	87.2%	4,596	4,596
Payment for capital assets									
Buildings and other fixed structures	339,350	(168,680)	16,279	186,949	165,294	21,655	88.4%	1,117,219	926,728
Machinery and equipment	4,808	28,699	-	33,507	33,507	-	100.0%	30,819	27,000
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	507	-	507	507	-	100.0%	-	-
Land and subsoil assets	83,854	-	-	83,854	83,854	-	100.0%	34,981	34,981
Total	1,207,744	-	18,579	1,226,323	1,197,838	28,485	97.7%	1,731,067	1,638,436

APPROPRIATION STATEMENT for the year ended 31 March 2010

Detail per programme 2 - FOREIGN RELATIONS									
2009/10								2008/09	
Detail per sub-programme	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
2.1 BILATERAL RELATIONS MANAGE									
Current payment	401,287	64,000	-	465,287	452,587	12,700	97.3%	396,752	396,484
Transfers and subsidies	-	1,700	-	1,700	1,606	94	94.5%	-	-
Payment for capital assets	-	90	-	90	87	3	96.7%	4,100	3,940
2.2 DIPLOMATIC REPRESENTATION									
Current payment	2,621,987	(78,400)	(123,579)	2,420,008	2,350,179	69,829	97.1%	2,184,734	2,184,734
Transfers and subsidies	6,430	12,700	-	19,130	18,843	287	98.5%	18,955	18,955
Payment for capital assets	42,268	(90)	-	42,178	28,285	13,893	67.1%	48,730	48,730
Total	3,071,972	-	(123,579)	2,948,393	2,851,587	96,806	96.7%	2,653,271	2,652,843

APPROPRIATION STATEMENT for the year ended 31 March 2010

Programme 2 Per Economic Classification	2009/10							2008/09	
	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	1,724,053	(77,120)	(105,000)	1,541,933	1,523,284	18,649	98.8%	1,424,219	1,424,219
Goods and services	1,299,221	44,927	(18,579)	1,325,569	1,261,800	63,769	95.2%	1,124,911	1,124,910
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	17,793	-	17,793	17,682	111	99.4%	32,140	32,091
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	-	1,224	1,224
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	6,430	-	-	6,430	6,134	296	95.4%	7,042	7,042
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	14,400	-	14,400	14,315	85	99.4%	10,689	10,689
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	32	-
Machinery and equipment	42,268	-	-	42,268	28,372	13,896	67.1%	53,014	52,668
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	3,071,972	-	(123,579)	2,948,393	2,851,587	96,806	96.7%	2,653,271	2,652,843

APPROPRIATION STATEMENT for the year ended 31 March 2010

Detail programme 3 – PUBLIC DIPLOMACY & PROTOCOL									
Detail per sub-programme	2009/10							2008/09	
	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
3.1 PUBLIC DIPLOMACY									
Current payment	49,574	(12,215)	-	37,359	34,557	2,802	92.5%	36,537	36,536
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	720	-	720	716	4	99.4%	222	222
3.2 PROTOCOL									
Current payment	183,670	(16,785)	-	166,885	165,398	1,487	99.1%	98,103	98,103
Transfers and subsidies	24,371	-	-	24,371	24,038	333	98.6%	16,160	16,160
Payment for capital assets	-	28,280	-	28,280	28,146	134	99.5%	1,601	1,601
Total	257,615	-	-	257,615	252,855	4,760	98.2%	152,623	152,622

APPROPRIATION STATEMENT for the year ended 31 March 2010

Programme 3 Per Economic Classification	2009/10							2008/09	
	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	71,822	1,000	-	72,822	72,733	89	99.9%	61,260	61,260
Goods and services	161,422	(30,000)	-	131,422	127,222	4,200	96.8%	73,380	73,379
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers & subsidies									
Provinces and municipalities	24,371	(445)	-	23,926	23,595	331	98.6%	15,079	15,079
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	1,081	1,081
Households	-	445	-	445	443	2	99.6%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	29,000	-	29,000	28,862	138	99.5%	1,823	1,823
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	257,615	-	-	257,615	252,855	4,760	98.2%	152,623	152,622

APPROPRIATION STATEMENT for the year ended 31 March 2010

Details per programme 4 – INTERNATIONAL TRANSFERS									
Detail per sub-programme	2009/10							2008/09	
	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
INTERNATIONAL ORGANISATION									
Current payment	-	-	-	-	-	-		-	-
Transfers and subsidies	1,015,624	-	105,000	1,120,624	1,115,161	5,463	99.5%	1,032,826	1,028,363
Payment for capital as sets	-	-	-	-	-	-		-	-
Total	1,015,624	-	105,000	1,120,624	1,115,161	5,463	99.5%	1,032,826	1,028,363

APPROPRIATION STATEMENT for the year ended 31 March 2010

Programme 4 Per Economic Classification	2009/10							2008/09	
	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	-	-	-	-	-	-		-	-
Goods and services	-	-	-	-	-	-		-	-
Interest and rent on land	-	-	-	-	-	-		-	-
Financial transactions in as-sets and liabilities	-	-	-	-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-		-	-
Departmental agencies and accounts	631,371	-	-	631,371	631,371	-	100.0%	698,925	698,925
Universities and technikons	-	-	-	-	-	-		-	-
Foreign governments and international organisations	384,253	-	105,000	489,253	483,790	5,463	98.9%	333,901	329,438
Public corporations and private enterprises	-	-	-	-	-	-		-	-
Non-profit institutions	-	-	-	-	-	-		-	-
Households	-	-	-	-	-	-		-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-		-	-
Machinery and equipment	-	-	-	-	-	-		-	-
Biological assets	-	-	-	-	-	-		-	-
Software and other intangible assets	-	-	-	-	-	-		-	-
Land and subsoil assets	-	-	-	-	-	-		-	-
Total	1,015,624	-	105,000	1,120,624	1,115,161	5,463	99.5%	1,032,826	1,028,363

NOTES TO APPROPRIATION STATEMENT for the year ended 31 March 2010

1. 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 Name				
Administration	1,226,323	1,197,838	28,485	2.3%
Under spending is due to the suspension of construction of the permanent headquarters for the Pan African Parliament and the slowness of the progress regarding the following capital projects: Abuja, Maseru, Athenes refer to page 92 of the Accounting Officer's Report				
Programme Name				
International Relations and Cooperation	2,948,393	2,851,587	96,806	3.3%

The R106,6 million for Shanghai World Expo was made available in December 2009. The bulk of the expenditure will be expended in the 2010/11 financial year. Roll over has been requested refer to page 92 of Accounting Officers report.

Programme Name	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Public Diplomacy	257,615	252,855	4,760	1.8%

Explanation of variance

Programme Name	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
International Transfers	1,120,624	1,115,161	5,463	0.5%

NOTES TO APPROPRIATION STATEMENT for the year ended 31 March 2010

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 payments:				
Compensation of employees	1,852,046	1,833,271	18,775	1.0%
Goods and services	1,946,661	1,875,889	70,772	3.6%
Interest and rent on land	40,763	38,815	1,948	4.8%
Financial transactions in assets and liabilities	158,082	157,187	895	0.6%
Unauthorised expenditure approved	-	-	-	-
Transfers and subsidies:				
Provinces and municipalities	23,926	23,595	331	1.4%
Departmental agencies and accounts	631,371	631,371	-	0.0%
Universities and technikons	-	-	-	-
Public corporations and private enterprises	17,623	16,363	1,260	7.1%
Foreign governments and international organisations	489,253	483,790	5,463	1.1%
Non-profit institutions	-	-	-	-
Households	17,145	16,764	381	2.2%
Payments for capital assets:				
Buildings and other fixed structures	186,949	165,294	21,655	11.6%
Machinery and equipment	104,775	90,741	14,034	13.4%
Heritage assets	-	-	-	-
Biological assets	-	-	-	-
Software and other intangible assets	507	507	-	0.0%
Land and subsoil assets	83,854	83,854	-	0.0%

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2010**

PERFORMANCE	Note	2009/10 R'000	2008/09 R'000
REVENUE			
Annual appropriation	1	5,552,955	5,569,787
Statutory appropriation	2	-	-
Departmental revenue	3	23,170	43,607
Direct Exchequer Receipts	4	-	-
Aid assistance	6	-	-
TOTAL REVENUE		5,576,125	5,613,394
EXPENDITURE			
Current expenditure			
Compensation of employees	7	1,833,270	1,683,400
Goods and services	8	1,875,890	1,610,202
Interest and rent on land	9	38,815	807
Financial transactions in assets and liabilities	10	157,187	57,047
Aid assistance	6	-	-
Unauthorised expenditure approved without funding	13	-	-
Total current expenditure		3,905,162	3,351,456
Transfers and subsidies			
Transfers and subsidies	11	1,171,883	1,077,608
Aid assistance	6	-	-
Unauthorised expenditure approved without funding	13	-	-
Expenditure for capital assets			
Tangible capital assets	12	339,889	1,043,200
Software and other intangible assets	12	507	-
Unauthorised expenditure approved without funding	13	-	-
Total expenditure for capital assets		340,396	1,043,200
Direct Exchequer Payments	5	-	-
TOTAL EXPENDITURE		5,417,441	5,472,264
SURPLUS/(DEFICIT) FOR THE YEAR		158,684	141,130
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		135,514	97,523
Annual appropriation		5,552,955	5,569,787
Conditional grants		-	-
Unconditional grants		-	-
Departmental revenue	22	23,170	43,607
Direct Exchequer receipts/payments	23	-	-
Aid assistance	6	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		158,684	141,130

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2010**

POSITION	Note	2009/10 R'000	2008/09 R'000
ASSETS			
Current assets			
Unauthorised expenditure	13	104,816	104,816
Fruitless and wasteful expenditure	14	-	-
Cash and cash equivalents	15	116,572	205,450
Other financial assets	16	-	-
Prepayments and advances	17	2,933	3,299
Receivables	18	985,932	1,024,450
Loans	20	-	-
Aid assistance receivable	6	-	-
Non-current assets		56,307	50,517
Investments	19	-	-
Loans	20	56,307	50,517
Other financial assets	16	-	-
TOTAL ASSETS		1,266,560	1,388,532
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	21	135,514	97,523
Departmental revenue to be surrendered to the Revenue Fund	22	9,566	25,001
Direct Exchequer Receipts to be surrendered to the Revenue Fund	23	-	-
Bank overdraft	24	-	-
Payables	25	1,065,173	1,215,491
Aid assistance repayable	6	-	-
Aid assistance unutilised	6	-	-
Non-current liabilities		56,307	-
Payables	26	56,307	-
TOTAL LIABILITIES		1,266,560	1,338,015
NET ASSETS		-	50,517
Represented by:			
Capitalisation reserve		-	50,517
Recoverable revenue		-	-
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		-	50,517

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2010**

NET ASSETS	Note	2009/10 R'000	2008/09 R'000
Capitalisation Reserves			
Opening balance		50,517	45,604
Transfers:			
Movement in Equity		-	-
Movement in Operational Funds		(50,517)	4,913
Other movements		-	-
Closing balance		-	50,517
Recoverable revenue			
Opening balance		-	-
Transfers:			
Irrecoverable amounts written off	34.1	-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		-	-
Closing balance		-	-
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other		-	-
Closing balance		-	-
Revaluation Reserve			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
TOTAL		-	50,517

**CASH FLOW STATEMENT of the
year ended 31 March 2010**

CASH FLOW	Note	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		5,573,585	5,611,152
Annual appropriated funds received	1.1	5,552,955	5,569,787
Statutory appropriated funds received	2	-	-
Departmental revenue received	3	20,630	41,365
Direct Exchequer Receipts	4	-	-
Aid assistance received	6	-	-
Net (increase)/decrease in working capital		(111,434)	223,337
Surrendered to Revenue Fund		(136,128)	(305,472)
Surrendered to RDP Fund/Donor		-	-
Current payments		(3,905,162)	(3,351,456)
Transfers and subsidies paid		(1,171,883)	(1,077,608)
Net cash flow available from operating activities	27	248,978	1,099,953
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	12	(340,396)	(1,043,200)
Proceeds from sale of capital assets	3.4	2,540	2,242
(Increase)/decrease in loans		(5,790)	(4,913)
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		(343,646)	(1,045,871)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		(50,517)	4,913
Increase/(decrease) in non-current payables		56,307	-
Net cash flows from financing activities		5,790	4,913
Net increase/(decrease) in cash and cash equivalents		(88,878)	58,995
Cash and cash equivalents at beginning of period		205,450	146,455
Cash and cash equivalents at end of period	28	116,572	205,450

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

1. Annual Appropriation

1.1 Annual Appropriation

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

Programmes	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2008/09 R'000
ADMINISTRATION	1,226,323	1,226,323	-	1,731,067
INTERNATIONAL RELATIONS	2,948,393	2,948,393	-	2,653,271
PUBLIC DIPLOMACY & PROTOCOL	257,615	257,615	-	152,623
INTERNATIONAL TRANSFERS	1,120,624	1,120,624	-	1,032,826
Total	5,552,955	5,552,955	-	5,569,787

1.2 Conditional grants

	Note	2009/10 R'000	2008/09 R'000
Total grants received	45	-	-
Provincial grants included in Total Grants received		-	-

1.3 Unconditional grants

	Note	2009/10 R'000	2008/09 R'000
Total grants received	46	-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

2. Statutory Appropriation

	2009/10 R'000	2008/09 R'000
President and Deputy President 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 2010**

3. Departmental revenue

	Note	2009/10 R'000	2008/09 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	993	35,101
Fines, penalties and forfeits	3.2	-	-
Interest, dividends and rent on land	3.3	894	5,565
Sales of capital assets	3.4	2,540	2,242
Financial transactions in assets and liabilities	3.5	18,743	699
Transfer received	3.6	-	-
Total revenue collected		23,170	43,607
Less: Own revenue included in appropriation	22	-	-
Departmental revenue collected		23,170	43,607

3.1 Sales of goods and services other than capital assets

	Note	2009/10 R'000	2008/09 R'000
Sales of goods and services produced by the department	3	562	521
Sales by market establishment		562	521
Administrative fees		-	-
Other sales		-	-
Sales of scrap, waste and other used current goods		431	34,580
Total		993	35,101

3.2 Fines, penalties and forfeits

	Note	2009/10 R'000	2008/09 R'000
Fines	3	-	-
Penalties		-	-
Forfeits		-	-
Total		-	-

3.3 Interest, dividends and rent on land

	Note	2009/10 R'000	2008/09 R'000
Interest	3	894	5,565
Dividends		-	-
Rent on land		-	-
Total		894	5,565

3.4 Sale of capital assets

	Note	2009/10 R'000	2008/09 R'000

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

	Note	2009/10 R'000	2008/09 R'000
Tangible capital assets		2,540	2,242
Buildings and other fixed structures	44	-	-
Machinery and equipment	42	2,540	2,242
Land and subsoil assets	44	-	-
Investment property	44	-	-
Biological assets	42	-	-
Software and other intangible assets		-	-
Capitalised development costs	43	-	-
Computer software	43	-	-
Mastheads and publishing titles	43	-	-
Patents, licences, copyright, brand names, trademarks	43	-	-
Recipes, formulae, prototypes, designs, models	43	-	-
Services and operating rights	43	-	-
Other intangibles	43	-	-
Total		2,540	2,242

3.5 Financial transactions in assets and liabilities

	Note	2009/10 R'000	2008/09 R'000
Loans and advances		-	-
Repayment of Public Contributions		-	-
Receivables		-	-
Proceeds from investment		-	-
Forex gain		-	408
Stale cheques written back		211	291
Other Receipts including Recoverable Revenue		18,532	-
Total		18,743	699

3.6 Transfers received

	Note	2009/10 R'000	2008/09 R'000
Other governmental units	3	-	-
Universities and technikons		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

4. Direct Exchequer Receipts

	Note	2009/10	2008/09
		R'000	R'000
Transfers received		-	-
Fines, penalties and forfeits		-	-
Interest and dividends		-	-
Restructuring of State assets		-	-
Debt portfolio receipts		-	-
Other		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

5. Direct Exchequer Payments

	Note	2009/10	2008/09
		R'000	R'000
Debt portfolio		-	-
Debt takeovers		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

6. AID ASSISTANCE

6.1 Aid assistance received in cash from RDP

	Note	2009/10	2008/09
		R'000	R'000
Local		-	-
Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		-	-
Capital		-	-
Transfers		-	-
Surrendered to the RDP		-	-
Closing Balance		-	-

Foreign

Opening Balance		-	-
Revenue		-	-
Expenditure		-	-
Current		-	-
Capital		-	-
Transfers		-	-
Surrendered to the RDP		-	-
Closing Balance		-	-

6.2 Aid assistance received in cash from other sources

	2009/10	2008/09
	R'000	R'000
Local	-	-
Opening Balance	-	-
Revenue	-	-
Expenditure	-	-
Current	-	-
Capital	-	-
Transfers	-	-
Surrendered to the donor	-	-
Closing Balance	-	-
Foreign	-	-
Opening Balance	-	-
Revenue	-	-
Expenditure	-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

Current	-	-
Capital	-	-
Transfers	-	-
Surrendered to the donor	-	-
Closing Balance	-	-

6.3 Aid assistance received in cash from CARA Fund

	2009/10	2008/09
	R'000	R'000
Opening Balance	-	-
Revenue	-	-
Expenditure	-	-
Current	-	-
Capital	-	-
Transfers	-	-
Transferred to retained funds	-	-
Closing Balance	-	-

6.4 Total assistance

	2009/10	2008/09
	R'000	R'000
Opening Balance	-	-
Revenue	-	-
Expenditure	-	-
Current	-	-
Capital	-	-
Transfers	-	-
Surrendered / Transferred to retained funds	-	-
Closing Balance	-	-

Analysis of balance

Aid assistance receivable	-	-
RDP	-	-
Other sources	-	-
CARA Fund	-	-
Aid assistance unutilised	-	-
RDP	-	-
Other sources	-	-
CARA Fund	-	-
Aid assistance repayable	-	-
RDP	-	-
Other sources	-	-
CARA funds transferred to retained funds	-	-
Closing balance	-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

7. COMPENSATION OF EMPLOYEES

7.1 Salaries and Wages

	Note	2009/10	2008/09
		R'000	R'000
Basic salary		909,455	854,944
Performance award		11,680	13,344
Service Based		2,637	1,438
Compensative/circumstantial		46,105	43,160
Periodic payments		1,449	392
Other non-pensionable allowances		599,009	612,526
Total		1,570,335	1,525,804

7.2 Social contributions

	Note	2009/10	2008/09
		R'000	R'000
Employer contributions			
Pension		207,281	105,922
Medical		55,584	51,609
UIF		-	-
Bargaining council		70	65
Official unions and associations		-	-
Insurance		-	-
Total		262,935	157,596

Total compensation of employees		1,833,270	1,683,400
Average number of employees		4,320	4,650

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

8. GOODS AND SERVICES

	Note	2009/10	2008/09
		R'000	R'000
Administrative fees		36,937	72,433
Advertising		17,801	8,406
Assets less than R5,000	8.1	12,309	8,564
Bursaries (employees)		765	701
Catering		20,199	27,711
Communication		67,704	59,541
Computer services	8.2	171,626	97,296
Consultants, contractors and agency/outsourced services	8.3	100,133	41,833
Entertainment		27,102	28,991
Audit cost – external	8.4	11,274	6,654
Government motor transport		-	-
Inventory	8.5	47,353	49,905
Housing		-	-
Operating leases		707,512	595,830
Owned and leasehold property expenditure	8.6	184,889	151,070
Transport provided as part of the departmental activities		-	-
Travel and subsistence	8.7	305,421	350,128
Venues and facilities		67,630	58,783
Training and staff development		6,270	19,940
Other operating expenditure	8.8	90,965	32,416
Total		1,875,890	1,610,202

No monies have been recorded for Learnership, however the amounts for learnership is included under personnel costs (R2 million).

In the past financial year the other operating expenditure did not include Freight Services Transport Goods which was R35929 the item was classified under good and services : Administration Fees

The current financial year amount under other operating expenditure includes Freight Services Trsprt good amounting to R64 671.

The admin fees has decreased due to the reclassification of the above item A total of R23 million, included in other line items was expended on training and staff development.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

8.1 Assets less than R5,000

	Note	2009/10	2008/09
		R'000	R'000
Tangible assets		12,309	8,564
Buildings and other fixed structures		-	-
Biological assets		-	-
Machinery and equipment		12,309	8,564
Specialised military assets		-	-
Intangible assets		-	-
Total	8	12,309	8,564

8.2 Computer services

	Note	2009/10	2008/09
		R'000	R'000
SITA computer services		22,537	28,479
External computer service providers		149,089	68,817
Total	8	171,626	97,296

The significant increase in computer services relates to the provision of bandwidth for missions.

8.3 Consultants, contractors and agency/outsourced services

	Note	2009/10	2008/09
		R'000	R'000
Business and advisory services		10,436	6,534
Infrastructure and planning		22,952	-
Laboratory services		-	-
Legal costs		6,823	6,247
Contractors		56,045	29,052
Agency and support/outsourced services		3,877	-
Total	8	100,133	41,833

8.4 Audit cost – External

	Note	2009/10	2008/09
		R'000	R'000
Regularity audits		11,274	6,654
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Other audits		-	-
Total	8	11,274	6,654

27% of the audit costs related to the audit of the previous financial year

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

8.5 Inventory

	Note	2009/10	2008/09
		R'000	R'000
Medsas inventory interface		-	-
Learning and teaching support material		-	-
Food and food supplies		1,129	1,227
Fuel, oil and gas		9,830	12,131
Other consumable materials		8,964	8,713
Maintenance material		3,133	568
Stationery and printing		23,439	27,004
Medical supplies		858	262
Military stores		-	-
Total	8	47,353	49,905

8.6 Owned and leasehold property expenditure

	Note	2009/10	2008/09
		R'000	R'000
Municipal services		60,059	50,917
Property management fees		117,412	100,153
Property maintenance and repairs		7,418	-
Other		-	-
Total	8	184,889	151,070

8.7 Travel and subsistence

	Note	2009/10	2008/09
		R'000	R'000
Local		71,735	71,175
Foreign		233,686	278,953
Total	8	305,421	350,128

8.8 Other operating expenditure

	Note	2009/10	2008/09
		R'000	R'000
Learnerships		-	-
Professional bodies, membership and subscription fees		848	1,178
Resettlement costs		6,148	5,200
Other		83,969	26,038
Total	8	90,965	32,416

No monies have been recorded for learnerships, however the amount of R2 million for learnerships is included under personnel costs. The current year amount under other operating expenditure includes Freight Services amounting to R65 million.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

9. INTEREST AND RENT ON LAND

	Note	2009/10	2008/09
		R'000	R'000
Interest paid		38,815	807
Rent on land		-	-
Total		38,815	807

This relates to interest paid on the financial lease for the provision of official vehicles as well as interest payments related to the Head Office building.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

**10. FINANCIAL TRANSACTIONS IN
ASSETS AND LIABILITIES**

	Note	2009/10	2008/09
		R'000	R'000
Material losses through criminal conduct		-	-
Theft	10.4	-	-
Other material losses	10.1	-	-
Other material losses written off	10.2	-	-
Debts written off	10.3	65,836	31,582
Forex losses	10.5	91,351	25,465
Total		157,187	57,047

10.1 Other material losses

	Note	2009/10	2008/09
		R'000	R'000
Nature of other material losses		-	-
(Group major categories, but list material items)		-	-
Incident			
Disciplinary Steps taken/ Criminal proceedings			
Total			

10.2 Other material losses written off

	Note	2009/10	2008/09
		R'000	R'000
Nature of losses		-	-
(Group major categories, but list material items)		-	-
Total			

10.3 Debts written off

	Note	2009/10	2008/09
		R'000	R'000
Nature of debts written off			
Transfer to debts written off		-	-
(Group major categories, but list material items)		-	-
Debts written off relating to irregular expenditure		-	-
Staff Debtors	66	-	-
Foreign staff debt	9,694	-	-
Intergovernmental balances	24,518	31,573	
Write-off(Smith R1,500, Delport R4,790,MatshobaR1,700)	-	9	
Advances To National Departments	2,558	-	
AFCON Mali	29,000	-	
Total		65,836	31,582

Please refer to the Accounting Officer's report pages 22 and 23.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

10.4 Detail of theft

	Note	2009/10	2008/09
		R'000	R'000
Nature of theft			
(Group major categories, but list material items)		-	-
Total			

Forex losses

	Note	2009/10	2008/09
		R'000	R'000
Nature of losses			
(Group major categories, but list material items)			
Forex Loss		91,350	25,465
Total		91,350	25,465

10.6 Recoverable revenue written off

	Note	2009/10	2008/09
		R'000	R'000
Nature of losses			
(Group major categories, but list material items)		-	-
Total		-	-

10.7 Receivables for department revenue written off

	Note	2009/10	2008/09
		R'000	R'000
Nature of losses			
(Group major categories, but list material items)		-	-
Total		-	-

Assets written off

	Note	2009/10	2008/09
		R'000	R'000
Nature of write off			
(Group major categories, but list material items)		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

11. TRANSFERS AND SUBSIDIES

		2009/10	2008/09
		R'000	R'000
	<i>Note</i>		
Provinces and municipalities	47, 48, Annex 1A, Annex 1B	23,596	16,303
Departmental agencies and accounts	Annex 1C	631,371	698,925
Universities and technikons	Annex 1D	-	-
Foreign governments and international organisations	Annex 1F	483,791	329,438
Public corporations and private enterprises	Annex 1E	16,362	16,575
Non-profit institutions	Annex 1G	-	-
Households	Annex 1H	16,763	16,367
Gifts, donations and sponsorships made	Annex 1K	-	-
Total		1,171,883	1,077,608

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

12. EXPENDITURE FOR CAPITAL ASSETS

	Note	2009/10 R'000	2008/09 R'000
Tangible assets		339,889	1,043,200
Buildings and other fixed structures	44	165,502	927,012
Heritage assets	42, 44	-	-
Machinery and equipment	42	90,533	81,297
Land and subsoil assets	44	83,854	34,891
Investment property	44	-	-
Biological assets	42	-	-
Software and other intangible assets		507	-
Capitalised development costs	43	-	-
Computer software	43	507	-
Mastheads and publishing titles	43	-	-
Patents, licences, copyright, brand names, trademarks	43	-	-
Recipes, formulae, prototypes, designs, models	43	-	-
Services and operating rights	43	-	-
Other intangibles	43	-	-
Total		340,396	1,043,200

The difference between the expenditure for capital assets and the asset register are due to the following:

- An amount R9m on immovable assets relates to the capital expenditure portion that was paid during the financial year under review for the Head Office Building of which the total cost had already been capitalised on the asset register in the prior year
- An amount of R26m relates to the payment made for BMW's which were still to be delivered.

The following amounts have been included as project costs in Expenditure for capital assets

Compensation of employees	-	-
Goods and services	365	117
Total	365	117

12.1 Analysis of funds utilised to acquire capital assets – 2009/10

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	339,889	-	339,889
Buildings and other fixed structures	165,502	-	165,502
Machinery and equipment	90,533	-	90,533
Land and subsoil assets	83,854	-	83,854
Investment property	-	-	-
Biological assets	-	-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

Software and other intangible assets	507	507
Capitalised development costs	-	-
Computer software	507	-
Mastheads and publishing titles	-	-
Patents, licences, copyright, brand names, trademarks	-	-
Recipes, formulae, prototypes, designs, models	-	-
Services and operating rights	-	-
Other intangibles	-	-
Total	340,396	-

12.2 Analysis of funds utilised to acquire capital assets – 2008/09

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	1,043,200	-	1,043,200
Buildings and other fixed structures	927,012	-	927,012
Machinery and equipment	81,297	-	81,297
Land and subsoil assets	34,891	-	34,891
Investment property	-	-	-
Biological assets	-	-	-
Software and other intangible assets	-	-	-
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	1,043,200	-	1,043,200

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

13. UNAUTHORISED EXPENDITURE

13.1 Reconciliation of unauthorised expenditure

	Note	2009/10 R'000	2008/09 R'000
Opening balance		104,816	104,816
Unauthorised expenditure – discovered in current year	21	-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts transferred to receivables for recovery		-	-
Unauthorised expenditure awaiting authorisation / written off		104,816	104,816
Analysis of awaiting authorisation per economic classification			
Capital		104,816	104,816
Current		-	-
Transfers and subsidies		-	-
Total		104,816	104,816

13.2 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/ criminal proceedings	2009/10 R'000
Total		-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

14. FRUITLESS AND WASTEFUL EXPENDITURE

14.1 Reconciliation of fruitless and wasteful expenditure

	Note	2009/10 R'000	2008/09 R'000
Opening balance		-	-
Less: Amounts condoned		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts transferred to receivables for recovery		-	-
Fruitless and wasteful expenditure awaiting condonement		-	-
Analysis of awaiting condonement per economic classification			
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

15. CASH AND CASH EQUIVALENTS

	Note	2009/10	2008/09
		R'000	R'000
Consolidated Paymaster General Account		34,434	63,856
Cash receipts		-	31
Disbursements		-	1
Cash on hand		318	184
Cash with commercial banks (Local)		1659	87,217
Cash with commercial banks (Foreign)		80,161	54,161
Total		116,572	205,450

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

16. OTHER FINANCIAL ASSETS

	Note	2009/10	2008/09
		R'000	R'000
Current		-	-
Local		-	-
(Group major categories, but list material items)			
Total		-	-
Foreign		-	-
(Group major categories, but list material items)			
Total		-	-
Total Current other financial assets		-	-
	Note	2009/10	2008/09
		R'000	R'000
Non-current		-	-
Local		-	-
(Group major categories, but list material items)			
Total		-	-
Foreign		-	-
(Group major categories, but list material items)			
Total		-	-
Total Non-current other financial assets		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

17. PREPAYMENTS AND ADVANCES

	Note	2009/10	2008/09
		R'000	R'000
Staff advances		-	-
Travel and subsistence		2,933	3,299
Prepayments		-	-
Advances paid to other entities		-	-
SOCPEN advances		-	-
Total		2,933	3,299

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

18. RECEIVABLES

	Note	2009/10			2008/09	
		R'000	R'000	R'000	R'000	R'000
		Less than 1 year	One to 3 years	Older than 3 years	Total	Total
Claims recoverable	18.1 <i>Annex 4</i>	420,500	419,257	74,459	914,216	925,022
Trade receivables	18.2	-	-	-	-	-
Recoverable expenditure	18.3	-	-	-	-	-
Staff debt	18.4	33,229	26	5,024	40,079	58,008
Other debtors	18.5	69	30,194	3,174	31,637	41,420
Total		453,798	449,477	82,657	985,932	1,024,450

18.1 Claims recoverable

	Note	2009/10	2008/09
		R'000	R'000
National departments		831,048	808,637
Provincial departments		7,267	15,791
Foreign governments		-	-
Public entities		75,244	98,885
Private enterprises		-	-
Universities and technikons		657	1,709
Households and non-profit institutions		-	-
Local governments		-	-
Total	18	914,216	925,022

18.2 Trade receivables

	Note	2009/10	2008/09
		R'000	R'000
(Group major categories, but list material items)			
Total	18		

18.3 Recoverable expenditure (disallowance accounts)

	Note	2009/10	2008/09
		R'000	R'000
(Group major categories, but list material items)			
Total	18		

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

18.4 Staff debt

	Note	2009/10	2008/09
		R'000	R'000
(Group major categories, but list material items)			
Departmental Debt Account		31,171	27,168
Staff Debts		8,348	30,806
Persal Account		560	34
Total	18	40,079	58,008

18.5 Other debtors

	Note	2009/10	2008/09
		R'000	R'000
(Group major categories, but list material items)			
Detainees		69	144
Damages and losses		4,040	4,049
Donor Fund- Burundi		-	22,989
Advance paid to state departments		-	2,558
African Renaissance Fund		27,528	11,680
Total	18	31,637	41,420

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

19. INVESTMENTS

	Note	2009/10	2008/09
		R'000	R'000
Non-Current			
Shares and other equity			
(List investments at cost)		-	-
Total		-	-
Securities other than shares			
(List investments at cost)	Annex 2A	-	-
Total		-	-
Total non-current			
Analysis of non current investments			
Opening balance		-	-
Additions in cash		-	-
Disposals for cash		-	-
Non-cash movements		-	-
Closing balance		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

20. Loans

	Note	2009/10	2008/09
		R'000	R'000
Public corporations		-	-
Universities and technikons		-	-
Foreign governments		-	-
Private enterprises		-	-
Staff loans		56,307	50,517
Total		56,307	50,517
Analysis of Balance			
Opening balance		50,517	45,604
New Issues		5,790	4,913
Repayments		-	-
Write-offs		-	-
Closing balance		56,307	50,517

The amount represents rental deposits in respect of accommodation abroad, however is expended when payment is made. The R56 million is represented by both the Rental Advances Account and Rental Deposits Account. The Statement of Net Assets therefore reflects a nil balance.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

21. Voted funds to be surrendered to the Revenue Fund

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		97,523	232,480
Transfer from statement of financial performance		135,514	97,523
Add: Unauthorised expenditure for current year	13	-	-
Voted funds not requested/not received	1.1	-	-
Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	21.1	-	-
Paid during the year		(97,523)	(232,480)
Closing balance		135,514	97,523

21.1 Voted funds / (Excess expenditure) transferred to the retained funds (Parliament / Legislatures ONLY)

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		-	-
Transfer from statement of financial performance	21	-	-
Transfer from Departmental Revenue to defray excess expenditure	22	-	-
Closing balance		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

**22. DEPARTMENTAL REVENUE TO BE
SURRENDERED TO THE REVENUE FUND**

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		25,001	54,386
Transfer from Statement of Financial Performance		23,170	43,607
Own revenue included in appropriation		-	-
Transfer from aid assistance	5	-	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	21.1	-	-
Paid during the year		(38,605)	(72,992)
Closing balance		9,566	25,001

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

**23. DIRECT EXCHEQUER RECEIPTS TO BE
SURRENDERED TO THE REVENUE FUND**

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		-	-
Transfer from Statement of Financial Performance		-	-
Paid during the year		-	-
Closing balance		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

24. BANK OVERDRAFT

	Note	2009/10	2008/09
		R'000	R'000
Consolidated Paymaster General Account		-	-
Fund requisition account		-	-
Overdraft with commercial banks (Local)		-	-
Overdraft with commercial banks (Foreign)		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

25. PAYABLES – CURRENT

	Note	2009/10	2008/09
		Total	Total
Amounts owing to other entities	Annex 5	888,173	1,019,098
Advances received	25.1	166,503	192,970
Clearing accounts	25.2	-	-
Other payables	25.3	10,497	3,423
Total		1,065,173	1,215,491

25.1 Advances received

	Note	2009/10	2008/09
		R'000	R'000
Description			
(Identify major categories, but list material amounts)			
Advances from institutions		3,799	5,923
Advances from national departments		157,760	178,996
Advances from provincial departments		4,943	7,886
Advances from universities		1	165
Total	25	166,503	192,970

25.2 Clearing accounts

	Note	2009/10	2008/09
		R'000	R'000
Description			
(Identify major categories, but list material amounts)			
		-	-
Total	25	-	-

25.3 Other payables

	Note	2009/10	2008/09
		R'000	R'000
Description			
(Identify major categories, but list material amounts)			
Persal accounts		1,443	378
Debt receivable income		1,991	2,625
Debt receivable interest		72	85
African renaissance fund		-	-
Foreign Detainee		-	-
Transport-parking fees		-	335
GRV: Discount variance		-	-
ABSA Bank		6,991	-
Total	25	10,497	3,423

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

26. PAYABLES – NON-CURRENT

		R'000	R'000	R'000	2009/10 R'000	2008/09 R'000
	Note	One to two years	Two to three years	More than three years	Total	Total
Amounts owing to other entities						
Advances received	26.1	-	-	-	-	-
Other payables	26.2	-	-	56,307	56,307	-
Total		-	-	56,307	56,307	-

26.1 Advances received

Description	Note	2009/10 R'000	2008/09 R'000
(Identify major categories, but list material amounts)		-	-
Total	26	-	-

26.2 Other payables

Description	Note	2009/10 R'000	2008/09 R'000
(Identify major categories, but list material amounts)			
Rental advance		56,307	-
Total	26	56,307	-

The amount represent rental deposits in respect of accommodation abroad, however is expended when payment is made. The R57 million is represented by both the Rental Advances account and Rental Deposits account. The Statement of Net Assets therefore reflects a nil balance.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

**27. NET CASH FLOW AVAILABLE
FROM OPERATING ACTIVITIES**

	Note	2009/10 R'000	2008/09 R'000
Net surplus/(deficit) as per Statement of Financial Performance		158,684	141,130
Add back non cash/cash movements not deemed operating activities		90,294	958,823
(Increase)/decrease in receivables – current		38,518	(719,870)
(Increase)/decrease in prepayments and advances		366	(19)
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		(150,318)	943,226
Proceeds from sale of capital assets		(2,540)	(2,242)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		340,396	1,043,200
Surrenders to Revenue Fund		(136,128)	(305,472)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		248,978	1,099,953

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

**28. RECONCILIATION OF CASH AND CASH
EQUIVALENTS FOR CASH FLOW PURPOSES**

	Note	2009/10 R'000	2008/09 R'000
Consolidated Paymaster General account		34,434	63,856
Fund requisition account		-	-
Cash receipts		-	31
Disbursements		-	1
Cash on hand		318	184
Cash with commercial banks (Local)		1,659	87,217
Cash with commercial banks (Foreign)		80,161	54,161
Total		116,572	205,450

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

29. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

29.1 Contingent liabilities

Liability to	Nature	Note	2009/10	2008/09
			R'000	R'000
Motor vehicle guarantees	Employees	Annex 3A	-	31
Housing loan guarantees	Employees	Annex 3A	1,850	1,952
Other guarantees		Annex 3A	24,896	58,012
Claims against the department		Annex 3B	7,490	10,304
Other departments (interdepartmental unconfirmed balances)		Annex 5	-	1,019,098
Environmental rehabilitation liability		Annex 3B	-	-
Other		Annex 3B	-	-
Total			34,236	1,089,397

29.2 Contingent assets

Nature of contingent asset	Note	2009/10	2008/09
		R'000	R'000
Total			

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

30. COMMITMENTS

	Note	2009/10	2008/09
		R'000	R'000
Current expenditure			
Approved and contracted		35,646	17,109
Approved but not yet contracted		-	-
		35,646	17,109
Capital expenditure			
Approved and contracted		-	-
Approved but not yet contracted		-	-
Total Commitments		35,646	17,109

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

31. ACCRUALS

Listed by economic classification	2009/10		2008/09	
	30 Days	30+ Days	R'000	R'000
Goods and services	11,371	5,771	17,142	15,121
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	-	-	-	-
Land and subsoil assets	-	-	-	-
Investment property	-	-	-	-
Biological assets	-	-	-	-
Software and other intangible assets	-	-	-	-
Other	-	-	-	-
Total	11,812	5,771	17,583	15,134

Listed by programme level	Note	2009/10	2008/09
		R'000	R'000
Administration		17,225	15,109
International Relations		332	25
Public Diplomacy		26	-
Total		17,583	15,134

	Note	2009/10	2008/09
		R'000	R'000
Confirmed balances with other departments	Annex 5	894,588	-
Confirmed balances with other government entities	Annex 5	-	-
Total		894,588	

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

32. EMPLOYEE BENEFITS

	Note	2009/10	2008/09
		R'000	R'000
Leave entitlement		34,664	28,196
Service bonus (Thirteenth cheque)		19,239	16,943
Performance awards		13,000	8,176
Capped leave commitments		62,528	61,188
Other		441	13
Total		129,431	114,516

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

33. LEASE COMMITMENTS

33.1 Operating leases expenditure

2009/10	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	383,863	383,863
Later than 1 year and not later than 5 years	-	-	489,283	489,283
Later than five years	-	-	72,915	72,915
Total lease commitments	-	-	946,061	946,061

2008/09	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	418,387	31,222	449,609
Later than 1 year and not later than 5 years	-	614,362	36,948	651,310
Later than five years	-	172,376	-	172,376
Total lease commitments	-	1,205,125	68,170	1,273,295

	Note	2009/10	2008/09
		R'000	R'000
Rental earned on lease sub-leased assets	3	-	-
Total		-	-

33.2 Finance leases expenditure**

2009/10	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-
Later than five years	-	-	-	-
Total lease commitments	-	-	-	-
LESS: finance costs	-	-	-	-
Total present value of lease liabilities	-	-	-	-

2008/09	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	19,148	19,148

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

Later than 1 year and not later than 5 years	-	-	24,869	24,869
Later than five years	-	-	-	-
Total lease commitments	-	-	44,017	44,017
LESS: finance costs	-	-	-	-
Total present value of lease liabilities	-	-	44,017	44,017

**This note excludes leases relating to public private partnership as they are separately disclosed to note no.39.

Provide a general discussion on any assets that are sub-leased (if any), indicating the nature of the asset and the lessee (occupant/user of the asset).

	Note	2009/10	2008/09
		R'000	R'000
Rental earned on lease sub-leased assets	3	-	-
Total		-	-

Provide a description of renewal or purchase options as well as escalation clauses (if any) per lease agreement.

Describe any restrictions imposed by on the department through any lease agreement (such as restrictions relating to enhancements, repairs & maintenance, sub-leasing and disposal)

33.3 Operating lease revenue**

2009/10	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-
Later than five years	-	-	-	-
Total operating lease revenue receivable	-	-	-	-

2008/09	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-
Later than five years	-	-	-	-
Total operating lease revenue receivable	-	-	-	-

Provide a description of renewal or purchase options as well as escalation clauses (if any)

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

34. RECEIVABLES FOR DEPARTMENTAL REVENUE

	Note	2009/10	2008/09
		R'000	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		-	-
Financial transactions in assets and liabilities		-	-
Transfers received (incl. conditional grants to be repaid by provincial departments)		-	-
Other		-	60,000
Total		-	60,000

34.1 Analysis of receivables for departmental revenue

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		-	-
Less: amounts received		-	-
Add: amounts recognised		-	-
Less: amounts written-off/reversed as irrecoverable	10.7	-	-
Closing balance		-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

35. IRREGULAR EXPENDITURE

35.1 Reconciliation of irregular expenditure

	Note	2009/10	2008/09
		R'000	R'000
Opening balance		-	-
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		-	-
Less: Amounts condoned		-	-
Less: Amounts recoverable (not condoned)		-	-
Less: Amounts not recoverable (not condoned)		-	-
Irregular expenditure awaiting condonation		-	-
Analysis of awaiting condonation per age classification		-	-
Current year		-	-
Prior years		-	-
Total		-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

35.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2009/10 R'000
Total		-

35.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2009/10 R'000
Total		-

35.4 Details of irregular expenditure recoverable (not condoned)

Incident		2009/10 R'000
Total		-

35.5 Details of irregular expenditure not recoverable (not condoned)

Incident		2009/10 R'000
Total		-

36.6 Details of irregular expenditures under investigation

Incident		2009/10 R'000
Total		-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

36. FRUITLESS AND WASTEFUL EXPENDITURE

36.1 Reconciliation of fruitless and wasteful expenditure

	Note	2009/10 R'000	2008/09 R'000
Opening balance		-	-
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		-	-
Less: Amounts condoned		-	-
Less: Amounts transferred to receivables for recovery		-	-
Fruitless and wasteful expenditure awaiting condonation		-	-

Analysis of awaiting condonation per economic classification

	2009/10 R'000	2008/09 R'000
Current	-	-
Capital	-	-
Transfers and subsidies	-	-
Total	-	-

36.2 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings	2009/10 R'000
Total		-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

37. RELATED PARTY TRANSACTIONS

Revenue received	Note	2009/10 R'000	2008/09 R'000
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		-	-

Payments made	Note	2009/10 R'000	2008/09 R'000
Goods and services		-	-
Interest and rent on land		-	-
Purchases of capital assets		-	-
Financial transactions in assets and liabilities		-	-
Transfers		-	-
Total		-	-

	Note	2009/10 R'000	2008/09 R'000
Year end balances arising from revenue/ payments		-	-
Receivables from related parties	47,408	11,570	
Payables to related parties	-	-	
Total		47,408	11,570

	Note	2009/10 R'000	2008/09 R'000
Loans to /from related parties		-	-
Non-interest bearing loans to/(from)		-	-
Interest bearing loans to/(from)		-	-
Total		-	-

	Note	2009/10 R'000	2008/09 R'000
More			
Guarantees issued/received		-	-
List other contingent liabilities between department and related party		-	-
Total		-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

AFRICAN RENAISSANCE AND INTERNATIONAL COOPERATION FUND

38. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2009/10 R'000	2008/09 R'000
Political office bearers (provide detail below)	3	4,566	4,267
Officials:			12,658
Level 15 to 16	17	17,721	52,107
Level 14 (incl. CFO if at a lower level)	65	51,963	-
Family members of key management personnel		-	-
Total		74,250	69,032

Key management personnel (Parliament/Legislatures)

	No. of Individuals	2009/10 R'000	2008/09 R'000
Speaker to Parliament / the Legislature		-	-
Secretary to Parliament / the Legislature		-	-
Deputy Secretary		-	-
Chief Financial Officer		-	-
Legal Advisor		-	-
Total		-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

39. PUBLIC PRIVATE PARTNERSHIP

Note	2009/10	2008/09
	R'000	R'000
Contract fee received	-	862,500
(Specify)	-	850,000
	-	12,500
	-	-
Contract fee paid	9,023	-
Fixed component	9,023	-
Indexed component	-	-
Analysis of indexed component	69,597	8,110
Compensation of employees	-	-
Goods and services (excluding lease payments)	31,513	8,110
Operating leases	-	-
Interest	38,084	-
Capital/ (Liabilities)	-	-
Tangible rights	-	-
Intangible rights	-	-
Property	-	-
Plant and equipment	-	-
Loans	-	-
Other	-	-
Prepayments and advances	-	-
Pre-production obligations	-	-
Other obligations	-	-

Any guarantees issued by the department are disclosed in Note 28.1

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

40. PROVISIONS

Note	2009/10	2008/09
	R'000	R'000
Potential irrecoverable debts	-	-
Households and non profit institutions	-	-
Private enterprises	-	-
Staff debtors	-	-
Other debtors	500	500
Claims recoverable	2,500	2,500
Total	3,000	3,000
Provisions	-	-
Impairment of investments	-	-
Provision for non-recoverable loans	-	-
Other – Specify one per line	-	-
Total	3,000	3,000

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

41. NON-ADJUSTING EVENTS AFTER REPORTING DATE

	2009/10
	R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.	
Total	

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

42. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	556,521	(119,895)	64,384	23,444	477,566
Transport assets	73,701	9,894	32,813	4,072	112,336
Specialised military assets	-	-	-	-	-
Computer equipment	114,829	690	572	2,281	113,810
Furniture and office equipment	246,635	(99,793)	25,892	14,350	158,384
Other machinery and equipment	121,356	(30,686)	5,107	2,741	93,036
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	556,521	(119,895)	64,384	23,444	477,566

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

42.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	64,384	-	-	-	64,384
Transport assets	32,813	-	-	-	32,813
Specialised military assets	-	-	-	-	-
Computer equipment	572	-	-	-	572
Furniture and office equipment	25,892	-	-	-	25,892
Other machinery and equipment	5,107	-	-	-	5,107
BIOLOGICAL ASSETS					
Biological assets	-	-	-	-	-
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	64,384	-	-	-	64,384

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

42.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
HERITAGE ASSETS				
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	23,444		23,444	2,540
Transport assets	4,072		4,072	1,493
Specialised military assets	-		-	-
Computer equipment	2,281		2,281	-
Furniture and office equipment	14,350		14,350	1,047
Other machinery and equipment	2,741		2,741	-
BIOLOGICAL ASSETS				
Biological assets	-	-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	23,444		23,444	- 2,540

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

42.3 Movement for 2008/09

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	477,069	81,108	1,656	556,521
Transport assets	63,767	9,934	-	73,701
Specialised military assets	-	-	-	-
Computer equipment	95,093	19,736	-	114,829
Furniture and office equipment	202,551	44,084	-	246,635
Other machinery and equipment	115,658	7,354	1,656	121,356
BIOLOGICAL ASSETS				
Biological assets	-	-	-	-
TOTAL MOVABLE TANGIBLE ASSETS	477,069	81,108	1,656	556,521

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

42.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	3	-	139,043	-	139,043
TOTAL	3	-	139,043	-	139,043

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets					
Number of minor assets at cost	3	-	147,638	-	147,638
TOTAL NUMBER OF MINOR ASSETS	3	-	147,638	-	147,638

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2009

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	-	-	8,564	-	8,564
TOTAL	-	-	8,564	-	8,564

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	8,564	-	8,564
TOTAL NUMBER OF MINOR ASSETS	-	-	8,564	-	8,564

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

43. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	-	-	-	-	-
COMPUTER SOFTWARE	55,422	(13,348)	507	-	42,581
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
OTHER INTANGIBLES	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	55,422	(13,348)	507	-	42,581

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

43.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	-	-	-	-	-
COMPUTER SOFTWARE	507	-	-	-	507
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
OTHER INTANGIBLES	-	-	-	-	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	507	-	-	-	507

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

43.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	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 DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	-	-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

43.3 Movement for 2008/09

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	-	-	-	-
COMPUTER SOFTWARE	55,422	-	-	55,422
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-
OTHER INTANGIBLES	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	55,422	-	-	55,422

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

44. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	5,286,654	824,706	143,644	-	6,255,004
Dwellings	3,030,823	(707,534)	-	-	2,323,289
Non-residential buildings	2,255,831	1,532,240	71,798	-	3,859,869
Other fixed structures	-	-	71,846	-	71,846
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	64,332	(2,228)	96,013	-	158,117
Land	64,332	(2,228)	96,013	-	158,117
Mineral and similar non-regenerative resources	-	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-	-
Investment property	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	5,350,986	822,478	239,657	-	6,413,121

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

44.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	143,644	-	-	-	143,644
Dwellings	-	-	-	-	-
Non-residential buildings	71,798	-	-	-	71,798
Other fixed structures	71,846	-	-	-	71,846
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	96,013	-	-	-	96,013
Land	96,013	-	-	-	96,013
Mineral and similar non-regenerative resources	-	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-	-
Investment property	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	239,657	-	-	-	239,657

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

44.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	-	-	-	-
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-
Investment property	-	-	-	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

44.3 Movement for 2008/09

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	4,359,642	927,012	-	5,286,654
Dwellings	2,103,811	927,012	-	3,030,823
Non-residential buildings	2,255,831	-	-	2,255,831
Other fixed structures	-	-	-	-
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	29,441	34,891	-	64,332
Land	29,441	34,891	-	64,332
Mineral and similar non-regenerative resources	-	-	-	-
INVESTMENT PROPERTY	-	-	-	-
Investment property	-	-	-	-
TOTAL IMMOVABLE TANGIBLE ASSETS	4,389,083	961,903	-	5,350,986

44.4 Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2010

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Investment property	Total
	R'000	R'000	R'000	R'000	R'000
R1 Immovable assets	-	-	-	-	-
TOTAL	-	-	-	-	-

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2009

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Investment property	Total
	R'000	R'000	R'000	R'000	R'000
R1 Immovable assets	-	-	-	-	-
TOTAL	-	-	-	-	-

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

45. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2008/09	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

Department are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

46. STATEMENT OF UNCONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					Spent			2008/09	
	Amount	Roll Overs	DORA adjustments	Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Total available	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

47. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2008/09
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2010

48. STATEMENT OF UNCONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Amount	Roll Overs	Other Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000

49. STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000		R'000	R'000	%

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2008/09
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000	R'000	%	R'000

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

**ANNEXURE 1B
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
MUN B/ACC:MUN RATES AND TAXES	23,596	-	-	23,596	23,596	100%	-	-		16,303
	23,596	-	-	23,596	23,596	100%	-	-		16,303

**ANNEXURE 1C
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2008/09
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
African Renaissance Fund	631,371	-	-	631,371	631,371	100%	698,925
	631,371	-	-	631,371	631,371	100%	698,925

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1D
STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS**

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION				TRANSFER			2008/09
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

**ANNEXURE 1E
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2008/09
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers									
Non life insurance premium	16,362	-	-	16,362	16,362	100%	-	-	16,575
Subsidies	-	-	-	-	-		-	-	-
SubTotal	16,362	-	-	16,362	16,362	100%	-	-	16,575
Private Enterprises									
Transfers	-	-	-	-	-		-	-	-
Subsidies	-	-	-	-	-		-	-	-
Subtotal	-	-	-	-	-		-	-	-
TOTAL	16,362	-	-	16,362	16,362	100%	-	-	16,575

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1F
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION							
Transfers							
Common Wealth	8,563	-	-	8,563	7,521	88%	21,447
United Nations Development Programme: Local Office Costs	4,563	-	-	4,563	3,946	86%	5,200
African Union Membership fees	218,987	-	-	218,987	218,981	100%	102,878
South Centre	1,158	-	-	1,158	1,155	100%	1,107
United Nations Children Fund	-	-	-	-	-	-	-
United Nations Development Programme	1,100	-	-	1,100	1,100	100%	1,052
Indian Ocean Rim Research Centre	-	-	-	-	-	-	133
Perrez-Guerrero Trust Fund	60	-	-	60	60	100%	59
Comprehensive Test Ban Treaty	2,913	-	-	2,913	2,913	100%	1,338
Southern African Development Community: Membership fees	43,245	-	-	43,245	43,241	100%	38,178
New Partners for Africa's Development	30,000	-	-	30,000	26,968	90%	31,620
United Nations Membership fees	124,175	-	-	124,175	124,175	100%	101,934
India, Brazil, SA Dialogue Forum	7,717	-	-	7,717	7,679	100%	9,909
Group of 77 Countries	114	-	-	114	114	100%	110
Bacterial and Toxic Weapons Convention	480	-	-	480	117	24%	458
United Nations Convention on the Law of Sea	-	-	-	-	-	-	375
Organisation for economic cooperation and development	398	-	-	398	398	100%	-
Intern Tribunal Law of Sea	522	-	-	522	410	79%	-
African Caribbean & Pacific	3,796	-	-	3,796	3,706	98%	3,942
United Nations Technical Co-operation	-	-	-	-	-	-	105
Asia-African Legal Consultative Organisation (AALCO)	228	-	-	228	228	100%	120
Bureau of International Exposition: Membership Fees	-	-	-	-	-	-	27
Permanent court of Arbitration	123	-	-	123	112	91%	115
Inter Seabed Authority	306	-	-	306	161	53%	222
Humanitarian Aid	40,806	-	-	40,806	40,806	100%	13,572
Fines & penalties (FIGO)	-	-	-	-	-	-	-
SUB FEES: INT REW CURRI ASSESI	-	-	-	-	-	-	-
Total	489,254	-	-	489,254	483,791	99%	333,901

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1G
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers	-	-	-	-	-	-	-
Subsidies							
Total	-	-	-	-	-	-	-

**ANNEXURE 1H
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Household Empl social Benefit	-	-	-	-	-	-	4,745
Household Empl social Benefit- Local recruited staff	-	-	-	-	-	-	11,621
H/H: EMPL S/BEN:LEAVE GRATUITY	3,381	-	-	3,381	3,381	100.0%	-
H/H: DONATIONS&GIFTS(CASH)	1,930	-	-	1,930	1,930	100.0%	-
H/H: FOREIGN AFFRS BEEV PAYMENTS	11,834	-	-	11,834	11,452	97%	-
Subsidies	17,145	-	-	17,145	16,763	-	16,366
Total	17,145	-	-	17,145	16,763	-	16,366

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 11
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10	2008/09
		R'000	R'000
Received in cash		-	-
Subtotal		-	-
Received in kind			
Several as disclosed in 2008/09		-	6,160
Dr M Vollochin	Hazendal wine	4	-
SA Paramount group	Hotel bill	105	-
Hundai Assan	2010 Event	53	-
Exxaro Resources Ltd	2010 Event	20	-
Emirates	2010 Event tickets for LOC (official)	60	-
Coca Cola	Events soft drinks	10	-
Adidas	2010-4 tracksuits and 20 T shirts	5	-
Hilton	Accommodation	10	-
Ethihad Airlines	Air Ticket for Mr Mosa Mokuena	15	-
Asya Nakliyat	Removal & transponport of furniture	10	-
Fix Kuafor	Hair styling for models	2	-
Panteks	Coat hangers	5	-
Sheraton Hotel	200 chairs rental	5	-
Swissotel	Crockery, cutlery, and glasses rent	3	-
MTN Cyprus	2010 FIFA world cup posters	10	-
Helenic Flame	2010 FIFA world cup ball	1	-
Anura	Anura wines	30	-
Anura	Anura wines	6	-
Conrad Hotel	Accommodation for artist	38	-
Malysia air	Ticket for artist	33	-
SA Thai Chamber of comm	Boerewors and beer	4	-
KWV SA Ltd	KWV wines used for Freedom dar celebs	14	-
I&J	Fish: 400g folded fillets	46	-
Dreher Mo Kit	10 Cases of beer	2	-
Standard Bank Argentina	Release of film 'invictus'	82	-
Judge david B. Artkins	Edible arrangements Bouquet	1	-
SAB Millers	10 Cases of beer	1	-
Melia Hotel Hanoi	Accommodation	5	-
Dong Luc	400 small soccer balls	1	-
KWV SA Ltd	108 bottles of wine	5	-
Electricity City Entertainment	Business networking luncheon	8	-
Emirates Airline	Business networking luncheon	8	-
Coca Cola	Business networking luncheon	3	-
Hyundai Mobile Indonesia	Business networking luncheon	4	-
Sa Castle Breweries	Soft drinks and alcoholic beverages	2	-
Efacec	Sponsorship regarding Heritage day	57	-
SA Tourism	T-shirts	3	-
SA Tourism	Catering for n60 guests	20	-
Coca Cola	Drinks for guests	2	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

Cervejas de Mocambique	Drinks for guests	3	-
Coca Cola	Drinks for 600 guests	4	-
Cervejas de Mocambique	Drinks for 900 guests	5	-
SA Tourism	Cocktail hosted by SAHC	9	-
SA Tourism	80 T-shirts	16	-
SAB Millers	16 cases of beer	2	-
Coca Cola	Coca Cola drinks	2	-
SES India (Sahara)	Part Payment for Ntando in SA	120	-
Kuoni	T-shirts for TO's & spouses, flights for Prince Mandla Mandela	167	-
First Rand Bank	Part Payments towards Taj Caterers	83	-
Tata	Part Payments towards Taj Caterers	83	-
Acsa	Part Payments towards Taj Catering, invitation cards for Mumbai,	83	-
MIH(Ibibo)	SAHC New Delhi	83	-
SA Tourism	International Airline Taxes & sounds	42	-
SAA	12 International airline tickets from OR	88	-
Kingfisher	16 Domestic tickets Mumbai-Delhi	50	-
SAB Miller	10 Cases of beer	3	-
Amarula	24*750ml bottles & bottles Nederburg	12	-
Kraemer Maritime	24*33 CL soft drinks	1	-
Peter Justesen	10*24*1.5L bottle water	1	-
Strom AS	12*75cl Nederburg Foundation	1	-
Strom AS	12* 75c1 Zonnebloem Chardonnay	1	-
Strom AS	6*70cl Amarula Cream	1	-
Solera wines	24*75cl Drosky Hof	1	-
SAA	Sound system	1	-
Standarb Bank Mauritius	Catering	23	-
Turnstone Holdings Ltd	Liquer	15	-
Peroni Italy	20 cases Peroni	10	-
Coca Cola	66 cases Coca Cola	4	-
Afriwines	36 bottles wine	1	-
Afriwines	36 bottles wine	1	-
Cimolai	2 posters	3	-
RSA Speaker of Parliament	RSA Parliamentary Plaque	2	-
RSA Speaker of Parliament	Pewter Parliament	1	-
RSA Speaker of Parliament	Dish Coin Silver	1	-
Springbok bazaar	Wine	6	-
Amb Peter Goosen	10 paintings	100	-
Kokubu Distributors	Bottles of white and red wines	5	-
Kompania Piwowarska	Beer	1	-
Kompania Piwowarska	Bottles of wine	9	-
Kompania Piwowarska	Beer	1	-
The fine food group	Bottles of wine	3	-
SA Castle Breweries	Soft drinks and alcoholic beverages	2	-
MTN Cameroon	22 T-shirts for 2010 promotions	4	-
Subtotal		1,747	6,160
		-	-
TOTAL		1,747	6,160

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1J
STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING		EXPENDI- TURE	CLOSING	
		BALANCE	REVENUE		BALANCE	BALANCE
		R'000	R'000		R'000	R'000
Received in cash						
		-	-	-	-	-
Subtotal						
Received in kind						
Subtotal		-	-	-	-	-
TOTAL		-	-	-	-	-

**ANNEXURE 1K
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS,
REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2009/10	2008/09
	R'000	R'000
Paid in cash	-	-
Subtotal	-	-
Made in kind		
Several as disclosed in 2008/09	-	330
ANGOLA	10	-
BRAZIL	1	-
CANADA	3	-
CHILE	1	-
COPENHAGEN	10	-
DRC	5	-
EGYPT	7	-
EQUATORIAL GUINEA	5	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

ETHIOPIA	4	-
FRANCE	2	-
GREECE	1	-
HEAD OFFICE (ALL VISITS)	14	-
INDIA	1	-
INDONESIA	2	-
ITALY	10	-
KOREA (Korea-Africa Forum)	2	-
LIBYA	9	-
MOZAMBIQUE	12	-
NAMIBIA	9	-
NIGERIA	11	-
NORWAY	1	-
PAKISTAN	2	-
PHILLIPINE	2	-
RWANDA	2	-
SPAIN	3	-
SRI LANKA	3	-
SUDAN	1	-
SWITZERLAND	10	-
TRINIDAD AND TOBAGO	4	-
UAE	4	-
UGANDA	5	-
UNITED KINGDOM	32	-
USA(UNGA & G20)	10	-
VENEZUELA	5	-
ZAMBIA	20	-
ZIMBABWE	10	-
Subtotal	233	330
Remissions, refunds, and payments made as an act of grace	-	-
Subtotal	-	-
TOTAL	233	330

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 1L
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT**

Grant Type	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
	2009	2009	2009	2009	2009	2009	2009	2009	2009	2010	2010	2010	
	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
Old age	-	-	-	-	-	-	-	-	-	-	-	-	-
War Veterans	-	-	-	-	-	-	-	-	-	-	-	-	-
Disability	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant in Aid	-	-	-	-	-	-	-	-	-	-	-	-	-
Foster Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Care Dependency	-	-	-	-	-	-	-	-	-	-	-	-	-
Child Support Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-

**ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES**

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 09/10	% Held 08/09	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaranteed Yes/No
				2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	
				R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
National/Provincial Public Entity												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 2B
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)**

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000		R'000		R'000		R'000	
		2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09
Controlled entities									
Subtotal		-	-	-	-	-	-	-	-
Non-controlled entities									
Associates									
Subtotal		-	-	-	-	-	-	-	-
Joint Ventures									
Subtotal		-	-	-	-	-	-	-	-
Other non controlled entities									
Subtotal		-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2009	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	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	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
Standard Bank		-	452	-	42	-	410	-	-
Ned bank Ltd		-	234	-	59	-	175	-	-
FirstRand Bank: FNB		-	286	-	14	-	272	-	-
ABSA Bank		-	111	-	-	-	111	-	-
BOE Bank (NBS Division)		-	365	-	10	-	355	-	-
FNB/Saambou Bank		-	311	-	10	-	301	-	-
Peoples/Permanent Bank		-	29	-	-	-	29	-	-
Old Mutual Fin Ltd		-	20	-	-	-	20	-	-
Hlano Fin Services		-	4	-	-	-	4	-	-
Old Mutual		-	140	-	12	-	128	-	-
Green Start Home Loans		-	-	45	-	-	-	-	-
	Subtotal	-	1,952	45	147	-	1,850	-	-
	Other								
South African Development Bank	Lesotho Highlands Development Authority for the northern access road project IHT02021	54,045	3,127	-	3,127	-	-	-	-
South African Development Bank	Lesotho Highlands Development Authority for the northern access road project IHT02022	154,279	30,875	-	16,140	-	14,735	1,308	-
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for Lesotho infrastructure (construction northern access road project) IHT	41,600	8,739	-	4,639	-	4,100	441	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

South African Development Bank	Loan granted to Lesotho Highlands Development Authority to Katze-town programme (project 1) IHC	21,393	6,283	-	3,605	-	2,678	646	-
South African Development Bank	Loan granted to Lesotho Highlands Development Authority for advanced infrastructure, Upgrading of boarder post facilities Maputo and Caledonspoort	7,530	1,868	-	988	-	880	108	-
South African Development Bank	Development Authority for advanced infrastructure, Upgrading of current roads IHT 02 214/2	29,059	1,760	-	1,760	-	-	-	-
	SUBTOTAL	307,906	52,652	-	30,259	-	22,393	2,503	-
	TOTAL	307,906	54,604	45	30,406	-	24,243	2,503	-

**ANNEXURE 3A (continued)
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – FOREIGN**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2009	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	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								
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
	Subtotal	-	-	-	-	-	-	-	-
	Other								
	Subtotal	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010**

Nature of Liability	Opening Balance 1 April 2009	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2010
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Catlin V Minister of Dirco	280	-	-	-	280
Lesotho Steel Product v Republic of South Africa	10,000	-	10,000	-	-
Ngaki vs Minister of Dirco	24	8	8	-	24
Pitso V Minister of Dirco	-	1,500	-	-	1,500
Najjarv Republic of SA (Ramallah)	-	1,993	636	-	1,357
Logility Business Solution(PTY) Ltd V City of Johannesburg Municipal counsel & Another	-	1,629	-	-	1,629
Gangat V Minister of Foreign Affairs	-	2,855	355	-	2,500
Madencilik Metal Ticaret Anomin Siket V Republic of South Africa	-	200	-	-	200
Subtotal	10,304	8,185	10,999	-	7,490
Environmental Liability					
	-	-	-	-	-
Subtotal	-	-	-	-	-
Other					
	-	-	-	-	-
Subtotal	-	-	-	-	-
TOTAL	10,304	8,185	10,999	-	7,490

ANNEXURE 3B (continued)

Nature of Liabilities recoverable	Opening Balance 1 April 2009	Details of Liability and Recoverability	Movement during year	Closing Balance 31 March 2010
	R'000	R'000	R'000	R'000
	-	-	-	-
Total	-	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 4
CLAIMES RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Eastern Cape	-	-	1,453	2,012	1,453	2,012
Northern Cape	-	-	96	424	96	424
Free State	-	-	687	2,787	687	2,787
Limpopo	-	-	1,045	3,774	1,045	3,774
Mpumalanga	-	-	150	69	150	69
North West	-	-	413	1,098	413	1,098
Kwazulu Natal	-	-	1,873	2,112	1,873	2,112
Gauteng	-	-	1,441	2,699	1,441	2,699
Western Cape	-	-	109	817	109	817
Arts, Culture	-	-	-	195	-	195
Science and Technology	-	1,168	2,913	1,721	2,911	2,889
Social Development	-	-	1,129	4,185	1,129	4,185
Agriculture	-	1,545	(3,121)	1,661	(5,780)	3,206
National Prosecuting Authority	-	-	152	43	152	43
Justice	-	1,866	408	882	408	2,748
Public service Administration	-	2,783	542	799	542	3,582
Housing	-	-	-	-	-	-
Public Service Commission	-	-	-	-	-	-
Environmental Affairs	-	-	2,650	516	2,650	516
Public works	-	149	2,684	1,703	2,684	1,852
Health	-	-	469	-	469	-
Office of the President	-	-	6,128	1,697	6,128	1,697
Transport	-	-	3,020	969	3,020	969
Minerals and Energy	-	39	694	111	694	150
Public Enterprise	-	265	120	-	120	265
Trade and Industry	-	10,955	17,298	-	17,298	10,955
Water Affairs and Forestry	-	-	651	75	651	75
Labour	-	-	463	-	463	-
Land Affairs	-	-	83	38	83	38
Finance	-	-	289	2,009	289	2,009
Finance Pension	-	-	2,617	2,841	2,617	2,841
Post & Telecommunication	-	1,522	462	1,101	462	2,623
Sports & Recreation	-	88	3	290	3	378
South African Comm Service	-	-	-	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 4
CLAIMES RECOVERABLE (continued)**

South African Revenue Service	-	-	995	1	995	1
Police	-	5,108	19,422	19,523	19,422	24,631
Education	-	-	498	-	498	-
National Defence Force	-	3,433	53,879	28,126	53,879	31,559
Provincial and Local Affairs	-	-	283	329	283	329
Correctional Services	-	-	-	17	-	17
Unrecoverable balances from Departments	-	-	-	2,000	-	2,000
National Intelligence	-	-	90	-	90	-
GCIS	-	-	349	125	349	125
Basic Education	-	-	175	-	175	-
Home Affairs	-	-	709,461	708,777	709,461	708,867
	-	28,921	838,315	795,616	838,315	824,557
Other Government Entities						
Donor funding - Burundi	-	22,929	-	-	-	22,929
ACCOUNT C			58,292		58,292	
COMPENSATION COMMISSIONER			818		818	
NEPAD			4,310		4,310	
ACCOUNT A			486		486	
PARLIAMENT			-		-	
COMMUNIST PARTY 0218			13		13	
SATOUR			5,743		5,743	
CSIR			12		12	
OTHER ACCOUNTS			1,924		1,924	
AGRICULTURE RESEARCH			-		-	
IEC-0207			74		74	
SAMDI-0216			2,432		2,432	
FIC-0246			932		932	
NHCSA-0259			3		3	
DTI-0209			205		205	
UNIVERSITY OF THE NORTH			14		14	
UNIVERSITY OF FREE STATE			-		-	
RAND AFRIKAANSE			(1)		(1)	
UNISA			644		644	
SUBTOTAL	-	22,929	75,901	-	75,901	22,929
TOTAL	-	51,850	914,216	795,616	914,216	847,466

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 5
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Home Affairs	894,588	-	-	1,019,098	894,588	1,019,098
Subtotal	894,588	-	-	1,019,098	894,588	1,019,098
Non-current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	894,588	-	-	1,019,098	894,588	1,019,098
OTHER GOVERNMENT ENTITY						
Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Non-current						
Subtotal	-	-	-	-	-	-
Total	-	-	-	-	-	-
ANNEXURE 6 INVENTORY						
			<i>Note</i>	Quantity		2009/10
Inventory						R'000
Opening balance				-		4,723
Add/(Less): Adjustments to prior year balance				-		-
Add: Additions/Purchases - Cash				-		47,353
Add: Additions - Non-cash				-		-
(Less): Disposals				-		-
(Less): Issues				-		-
Add/(Less): Adjustments				-		(46,508)
Closing balance				1,023		5,568

ABBREVIATION OF GOVERNMENT DEPARTMENTS

DAFF	Department of Agriculture, Forestry and Fisheries
DAC	Department of Arts and Culture
DOBE	Department of Basic Education
DOC	Department of Communications
DCGTA	Department of Cooperative Governance and Traditional Affairs
DCS	Department of Correctional Services
DE	Department of Energy
DEA	Department of Environmental Affairs
DEC	Department of Economic Development
DIRCO	Department of International Relations and Cooperation
DOH	Department of Health
DHT	Department of Higher Education and Training
DHA	Department of Home Affairs
DJCD	Department of Justice and Constitutional Development
DOL	Department of Labour
DM	Department of Mining
DPE	Department of Public Enterprises
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DLA	Department of Rural Development and Land Reform
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 Tourism
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 and Military Veterans
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

ACP	African, Caribbean and Pacific Group of States
AFIRAN	African Indian Ocean Region Meeting on Air Navigation
AMCEN	2008 African Ministerial Conference of the Environment
ARC	ARC: African Renaissance Committee
APRM	African Peer Review Mechanism
ARF	African Renaissance Fund
ASF	African Standby Force
ASGI-SA	Accelerated Shared Growth Initiative
AU	African Union (formerly OAU)
AUC	African Union Commission
AUPSC	African Union Peace and Security Council
BBBEE	Broad Based Black Economic Empowerment
BI	Business Intelligence
BNC	Binational Commission
BPM	Business Process Management
BRIC	Brazil, Russia, India and China
BUSA	Business Unity South Africa
BWIs	Bretton Woods Institutions
CAR	Central African Republic
CERF	Central Emergency Response Fund
CIO	Chief Information Officer
CMS	Consular Management System
CoB	Co-ordinating Bureau of the Non-Aligned Movement
COMESA	Common Market for Eastern and Southern Africa
COMINAC	Conference of Ministers of Information of the Non-Aligned Countries
CoP	Conference of Parties
CPD	Commission on Population and Development
CSD	Commission on Sustainable Development
CSTD	Commission on Science and Technology for Development
CTED	Counter Terrorism Executive Directorate
CTC	Counter Terrorism Committee
DDR	Disarmament, demobilisation and reintegration
DEAT	Department of Environmental Affairs and Tourism
DES	Deputy Executive Secretary
DFA	Department of Foreign Affairs
DIAP	Diplomatic Immunities and Privileges
DIPA	Diplomatic Immunities and Privileges Act
DPSA	Department for Public Service and Administration
DRC	Democratic Republic of the Congo
DST	Department of Science and Technology

DTI	Department of Trade and Industry
EAC	East Africa Community
ECOSOC	United Nations Economic and Social Council
ECOWAS	Economic Community of West African States
EDF	European Development Fund
EISA	Electoral Institute of Southern Africa
EPA	Economic Partnership Agreement
EU	European Union
FAO	Food and Agriculture Organisation
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FfD	Financing for Development
FOCAC	Forum for China-Africa Co-operation
FSD	Foreign Service Dispensation
FSI	Foreign Service Institute
FTA	Free Trade Agreement
G20	Group of Twenty
G77	Group of 77 (and China)
G8	Group of eight (Canada, France, Germany, Italy, Japan, Russia, UK, USA)
GA	General Assembly (United Nations) – see also UNGA
GNU	Government of National Unity
GCIS	Government Communication and Information System
HDP	Heiligendamm Dialogue Process
HoS/G	Heads of State or Government
HR	Human Resources
HRC	Human Rights Council
HRD	Human Resource Development
HSGIC	Heads of State and Government Implementation Committee
IAEA	International Atomic Energy Agency
IADG	Internationally Agreed Development Goals
IBSA	India, Brazil, South Africa Dialogue Forum
ICT	Information and Communications Technology
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICGEB	International Centre for Genetic Engineering and Biotechnology
ICRC	International Committee of the Red Cross
IDGs	International Development Goals
IDP	Internally Displaced Persons
IGAD	Intergovernmental Authority for Development
IHL	International Humanitarian Law
IL	International Law
IOR	Indian Ocean Rim Association
IOR-ARC	Indian Ocean Rim Association for Regional Cooperation

IORBF	Indian Ocean Rim Business Forum
IORAG	Indian Ocean Rim Academic Group
IPT	Internet Protocol Telephony
IRPS	International Relations-Peace and Security Cluster
IWG	International Working Group
JBC	Joint Bilateral Commission
JCC	Joint Commission for Economic, Technical, Scientific and Cultural Co-operation
JPOI	Johannesburg Plan of Implementation (WSSD)
JIPSA	Joint Initiative Priorities for Skills Acquisition
KPCS	Kimberley Process Certification Scheme
LDCs	Least Developed Countries
LOC	Local Organising Committee
LRP	Locally Recruited Personnel
MDGs	Millennium Development Goals
MEA	Multilateral Environmental Agreements
MERCOSUR/L	Common Market of the South (contraction from Spanish)
MINURSO	United Nations Mission for the Referendum in Southern Sahara
MISS	Minimum Information Security Standards
MOU	Memorandum of Understanding
NAASP	New Africa Asia Strategic Partnership
NAC	New Agenda Coalition
NAM	Non-Aligned Movement
NEDLAC	National Economic Development and Labour Council
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
NISSA	NEPAD Implementation Strategy for South Africa
NPT	Nuclear Non-Proliferation Treaty
NSG	Nuclear Suppliers Group
NQF	National Qualifications Framework
OCSLA	Office of the Chief State Law Advisor (International Law)
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OEWG	Open-ended Working Group
PAP	Pan African Parliament
PAWO	Pan African Women's Organisation
PBC	Peace Building Commission
PCRD	Post Conflict Reconstruction and Development
PFC	Portable Facilities Cabinet
PFMA	Public Finance Management Act
PGD	Partnership for Growth and Development
PMDS	Performance Management and Development System
PRAU	Policy, Research and Analysis Unit

